



## **Agenda and Annotations**

### **Eighteenth Meeting of the Standing Committee on Finance**

**10 to 12 September 2018, (Bangkok, Thailand)**

1. Opening of the meeting.
2. Election of officer.
3. Organizational matters.
4. Forum of the Standing Committee on Finance:
  - (a) Report of the 2018 Standing Committee on Finance Forum on The Climate Finance Architecture: Enhancing collaboration, seizing opportunities;
  - (b) Theme for the 2019 Forum of the Standing Committee on Finance.
5. 2018 Biennial Assessment and Overview of Climate Finance Flows.
6. Draft guidance to the operating entities of the Financial Mechanism.
7. Guidance from the Conference of the Parties resulting from the Review of the Functions of the Standing Committee on Finance and the Report of the Standing Committee on Finance.
8. 2018 workplan of the Standing Committee on Finance.
9. Linkages with the Subsidiary Body for Implementation and the constituted bodies of the Convention.
10. Other matters.
11. Report of the Eighteenth Meeting of the Standing Committee on Finance.
12. Closure of the meeting.

## Annotations to the agenda

### 1. Opening of the meeting

1. The eighteenth meeting of the Standing Committee on Finance (SCF) will be opened by the Co-Chairs on the morning of Monday, 10 September 2018.

### 2. Election of Officer

2. *Action: Members of the SCF will be invited to elect a Co-Chair of the SCF for the remainder of 2018.*

3. Background: As Ms. Bernarditas Mueller has resigned from the SCF effective 3 August 2018, the Committee is invited to elect a Co-Chair from a non-Annex I Party for the remainder of the term.

### 3. Organizational matters

#### (a) Adoption of the agenda

4. *Action: The SCF may wish to adopt the agenda for its eighteenth meeting.*

5. *Background:* The provisional agenda was prepared by the Co-Chairs, with the assistance of the secretariat, and was circulated to the SCF prior to the meeting.

SCF/2018/18/1	<i>Provisional agenda for the Eighteenth Meeting of the Standing Committee on Finance</i>
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SCF/2018/18/2	<i>Provisional agenda and annotations for the Eighteenth Meeting of the Standing Committee on Finance</i>
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#### (b) Organization of the work of the meeting

6. *Action: The SCF will be invited to agree on the organization of the work of the meeting.*

7. *Background:* The eighteenth meeting of the SCF will be held from 10 to 12 September 2018, following the conclusion of the additional negotiating session in Bangkok, Thailand. A detailed tentative schedule of the meeting is annexed to this document. The meeting will be open to attendance by observers from Parties and accredited observer organizations, except where otherwise decided by the SCF. Additionally, the meeting of the SCF can be viewed through the webcast. The SCF may decide at any time that a meeting or part thereof should be closed to observers and the webcast should be interrupted.

### 4. Forum of the Standing Committee on Finance

#### (a) Report of the 2018 Standing Committee on Finance Forum on The Climate Finance Architecture: Enhancing collaboration, seizing opportunities.

8. *Action: The SCF will be invited to finalize the summary report of the 2018 Forum, to be included in the SCF report to COP 24.*

9. *Background:* The 2018 SCF Forum on “The Climate Finance Architecture: Enhancing collaboration, seizing opportunities”, took place from 5 to 6 of July 2018 in Songdo, Republic of Korea. The background documents, presentation materials, video recordings and other relevant information are available on the dedicated webpage for the SCF Forum.<sup>1</sup>

10. In the context of the review of the functions of the SCF and the outcomes of its forum, COP 23 requested the SCF to, inter alia, provide clear recommendations to the COP, as appropriate, regarding follow-up actions on the forum, and to enhance the dissemination, use and ownership of the

<sup>1</sup> <<https://unfccc.int/topics/climate-finance/events-meetings/scf-forum/2018-forum-of-the-standing-committee-on-finance>>.

accumulated knowledge and expertise gathered at the forum.<sup>2</sup> Furthermore, it requested the SCF to further strengthen its stakeholder engagement.<sup>3</sup>

11. The SCF may wish to consider the outcomes of the 2018 Forum as contained in SCF/2018/18/3.

*SCF/2018/18/3 Background paper on the 2018 forum of the Standing Committee on Finance*

**(b) Theme for the 2019 Forum of the Standing Committee on Finance**

12. **Action: The SCF will be invited to agree on the theme for the 2019 Forum of the Standing Committee on Finance.**

13. In preparing for the 2019 Forum of the Standing Committee on Finance, the SCF may wish to deliberate on a possible theme that the Committee will report to the COP for endorsement.

*SCF/2018/18/4 Background paper on the 2019 forum of the Standing Committee on Finance*

**5. 2018 Biennial Assessment and Overview of Climate Finance Flows**

14. **Action: The SCF will be invited:**

(a) **To consider the second order draft of the technical report of the 2018 Biennial Assessment and Overview of Climate Finance Flows and agree on next steps for finalizing the report before COP 24;**

(b) **To deliberate on the possible elements of the summary and recommendations.**

15. *Background:* COP 17 decided that the SCF should assist the COP in exercising its functions with respect to the Financial Mechanism of the Convention in terms of measurement, reporting and verification (MRV) of support provided to developing countries, inter alia, through preparing Biennial Assessments (BAs). The BAs are to include information on the geographical and thematic balance of flows drawing from available sources of information, including, inter alia, from biennial reports and biennial update reports. Further guidance is contained in decisions 1/CP.18, paragraph 71, 5/CP.18, paragraph 11, 3/CP.19, paragraph 11, 9/CP.21, paragraph 13, and paragraph 37 (f) in the annex to decision 8/CP.22.

16. COP 23 noted the outcome of discussions on the 2018 BA, including the outline of the technical report and the summary and recommendations on the 2018 BA, as well as an indicative timeline.<sup>4</sup>

17. The SCF held a technical expert meeting on the 2018 BA on 10 April 2018, in conjunction with its seventeenth meeting. At its seventeenth meeting, the SCF agreed:

(a) To extend until mid-May 2018 the deadline of the call for evidence;

(b) To circulate the first order draft by the end of May/beginning of June and to circulate the second order draft to the SCF before SCF 18.

*SCF/2018/18/5 Background paper on the 2018 Biennial Assessment and Overview of Climate Finance Flows of the Standing Committee on Finance*

*Second-order draft of the technical report*

<sup>2</sup> Decision 8/CP.23, paragraph 12.

<sup>3</sup> Decision 8/CP.23, paragraph 14.

<sup>4</sup> FCCC/CP/2017/9, annex VI and decision 7/CP.23, paragraph 6.

## 6. Draft guidance to the operating entities of the Financial Mechanism

18. **Action:** *The SCF will be invited to consider the annual reports of the operating entities of the Financial Mechanism and initiate its work on the draft guidance to the operating entities of the Financial Mechanism, with a view to finalizing the work at SCF 19.*

19. **Background:** At COP 17, Parties decided that the SCF shall assist the COP in exercising its functions with respect to the Financial Mechanism of the Convention including through providing draft guidance for the operating entities of the Financial Mechanism of the Convention to the COP, with a view to improving the consistency and practicality of such guidance, taking into account the annual reports of the operating entities as well as submissions from Parties.

20. In the context of the review of the functions of the SCF, COP 23 encouraged Parties and other constituted bodies under the Convention to continue to provide submissions for the preparation of draft decisions on guidance to the operating entities of the Financial Mechanism, based on the reports of the operating entities, in a timely manner to the SCF.<sup>5</sup>

21. The annual reports of the operating entities of the Financial Mechanism will be available prior to the SCF 18 meeting. However, submissions from Parties on the draft guidance, the inputs from the constituted bodies and the addenda reports of the operating entities are expected to be available between the 18th and the 19th meetings of the SCF.

SCF/2018/18/6 *Background paper on the draft guidance to the Operating Entities of the Financial Mechanism*

## 7. Guidance from the Conference of the Parties resulting from the Review of the Functions of the Standing Committee on Finance and the Report of the Standing Committee on Finance

22. **Action:** *The SCF will be invited to continue considerations of the overall outcome of the review of the functions of the SCF, particularly on the specific findings and guidance provided by the COP as outlined below.*

23. **Background:** At its 17th meeting, the SCF initiated its deliberations on the guidance from the COP resulting from the review of the functions of the SCF, and decided to continue its deliberations at its 18<sup>th</sup> meeting on the following mandates:

(a) The COP requests the SCF to further strengthen its stakeholder engagement (decision 8//CP.23, paragraph 14);

(b) The COP recognizes that there is a need for the SCF to improve some of its in-session and intersessional working modalities with the aim of further enhancing its efficiency and effectiveness, ensuring the inclusiveness and transparency of its proceedings (decision 8/CP.23, paragraph 17).

24. Additional information regarding these mandates are reflected in the respective sections of the background paper for this agenda item.

SCF/2018/18/7 *Background paper on the guidance from the COP resulting from the review of the functions of the SCF and the report of the SCF*

## 8. 2018 workplan of the Standing Committee on Finance

25. **Action:** *The SCF will be invited to continue consideration of the mandates and further guidance received from the COP with a view to agreeing on its activities for 2018.*

26. **Background:** The COP, in decision 7/CP.23, paragraph 3, endorsed the updated workplan of the Standing Committee on Finance for 2018. In addition, COP 22 provided further guidance, described below, which has been incorporated into the SCF 2018 workplan. COP 23 also provided additional guidance to be incorporated into the SCF 2018 workplan.

<sup>5</sup> Decision 8/CP.23, paragraph 9.

27. Financing for forests-related considerations: The COP reiterated that the SCF will integrate financing for forests-related considerations into its 2018 workplan, where appropriate, and continue work on this matter in the context of the overall issue of improving coherence and coordination in the delivery of climate change financing, taking into account all relevant decisions on forests.<sup>6</sup>
28. Pre-2020 implementation and ambition: COP 23 decided to convene a stocktake on pre-2020 implementation and ambition at COP 24, which will apply the format of the 2016 facilitative dialogue and consider, inter alia, the inputs of the COP, CMP, the SBI, the SBSTA, the constituted bodies under the Convention and the Kyoto Protocol, and the operating entities of the Financial Mechanism. The COP also decided to convene a stocktake on pre-2020 implementation and ambition at COP 25, which will apply the format of the aforementioned stocktake and consider, inter alia, the inputs of the COP, Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), the SBI, the SBSTA, the constituted bodies under the Convention and the Kyoto Protocol, and the operating entities of the Financial Mechanism.<sup>7</sup>
29. As per decision 1/CP.23, annex II, regarding the Talanoa Dialogue, inter alia, Parties, stakeholders and expert institutions are encouraged to prepare analytical and policy relevant inputs to inform the dialogue and submit these and other proposed inputs, including those from intergovernmental organisations and UNFCCC bodies, by 2 April 2018 for discussions in conjunction with the May session, and by 29 October 2018 for discussions in conjunction with COP 24. Further to this decision, the SCF was invited by the President of COP 23/CMP 13/CMA 1.2 and the President of COP 24/CMP 14/CMP 1.3 to submit by 1 October 2018, a concise written input on the SCF's work of relevance to pre-2020 implementation and ambition. This input will be made available on the UNFCCC website and serve as an input to the stocktake.
30. COP 23 also invited the constituted bodies to enhance their engagement in the technical examination processes.<sup>8</sup>
31. Gender and climate change: COP 22, in its decision on Gender and climate change, requested all constituted bodies under the UNFCCC process to include in their regular reports information on progress made towards integrating a gender perspective in their processes according to the entry points identified in a technical paper to be prepared by the secretariat, identifying entry points for integrating gender considerations in workstreams under the UNFCCC process.<sup>9</sup>
32. As part of the gender action plan, the SCF is invited to host a dialogue in 2019 on the implementation of its commitment to integrate gender considerations into its work, emphasizing the relevance of gender-responsive access to finance in the implementation of climate action.<sup>10</sup>
33. Loss and damage: COP 22 requested that the Executive Committee of the Warsaw International Mechanism (Excom) to assist the secretariat in determining the scope of the technical paper elaborating the sources of financial support, as provided through the Financial Mechanism, for addressing loss and damage as described in relevant decisions, as well as modalities for accessing such support.<sup>11</sup> In carrying out this mandate, the Excom decided to invite the SCF to support the Excom in defining the scope of the technical paper. It also invited the SCF to the eighth meeting of the Excom to take place from 18 to 21 September in Bonn, Germany.
34. At its 17th meeting, the SCF initiated its considerations on these mandates and decided to continue its deliberations during its 18th meeting.
35. At the same meeting, the SCF concluded that it would address the mandate from the COP to encourage the SCF to prioritize specific areas of work (decision 8/CP.23, paragraph 8) as part of the deliberations under this item (based on its discussions under the agenda item on guidance from the COP resulting from the review of the functions of the SCF and the report of the SCF).

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<sup>6</sup> Decision 7/CP.23, paragraph 12.

<sup>7</sup> Decision 1/CP.23, paragraphs 17 and 18.

<sup>8</sup> Decision 13/CP.23, paragraph 6.

<sup>9</sup> Decision 21/CP.22, paragraphs 13 and 14.

<sup>10</sup> Decision 3/CP.23, annex, table 4 D.1.

<sup>11</sup> Decision 4/CP.22, paragraph 2 (f).

SCF/2018/18/8 *Background paper on the 2018 workplan of the Standing Committee on Finance*

*Additional mandates to the SCF emanating from COP 23*

**9. Background: Linkages with the Subsidiary Body for Implementation and the constituted bodies of the Convention**

36. **Action:** *The SCF will be invited to consider any implications on linkages with the SBI and the constituted bodies of the Convention based on the discussions under the 2018 workplan, and agree on the nomination of new focal points for the thematic area of adaptation.*

37. **Background:** At COP 17, Parties decided that the SCF is to maintain linkages with the SBI and the thematic bodies of the Convention. Furthermore, Parties, at COP 19, called on the SCF to further enhance its linkages with the SBI and the thematic bodies of the Convention.

38. In the context of the review of the functions of the SCF, COP 23 requested to further refine its approach to maintaining linkages with the subsidiary and constituted bodies according to resources available and in the context of its existing working modalities.<sup>12</sup>

39. Furthermore, COP 23 welcomed the appointment of focal points of the SCF to liaise with the other constituted bodies under the Convention requested the SCF to continue to provide information on appointment of focal points to liaise with other constituted bodies.<sup>13</sup>

40. At its 17th meeting, the SCF appointed representatives to the various thematic areas of work including matters related to technology, capacity-building, loss and damage, financing for forests and gender.

**10. Other matters**

41. The SCF may wish to consider any other matters it deems necessary.

**11. Report of the eighteenth meeting of the Standing Committee on Finance**

42. The SCF may wish to consider and adopt the report of the 18th meeting of the SCF inter-sessionally on a non-objection basis.

**12. Closure of the Meeting**

43. The 18<sup>th</sup> meeting of the SCF is scheduled to close on Wednesday, 12 September 2018, at 17:00.

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<sup>12</sup> Decision 8/CP.23, paragraph 11.

<sup>13</sup> Decision 7/CP.23, paragraph 11.

**Annex****Tentative Schedule SCF 18 [TO BE REVISED]*****Monday 10 September 2018***


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08:30 – 09:00	Registration
09:00	Election of Officer
09:30	Opening of the Meeting Organizational Matters
09:30 – 10:00	Guidance from the Conference of the Parties resulting from the Review of the Functions of the Standing Committee on Finance and the Report of the Standing Committee on Finance
10:00 – 10:45	2018 workplan of the Standing Committee on Finance
<b>10:45 – 11:00</b>	<b><i>Coffee break</i></b>
11:00 – 11:45	2018 Biennial Assessment and Overview of climate finance flows
11:45 – 12:15	Measurement, reporting and verification of support beyond the Biennial Assessment and Overview of climate finance flows
12:15 – 12:45	2018 Forum
<b>12:45 – 13:45</b>	<b><i>Lunch break</i></b>
13:45 – 16:00	Technical expert meeting on the 2018 Biennial Assessment and Overview of climate finance flows
<b>16:00 – 16:15</b>	<b><i>Coffee break</i></b>
16:00 – 18:00	Technical expert meeting on the 2018 Biennial Assessment and Overview of climate finance flows

***Tuesday 11 September 2018***


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09:00 – 10:00	Plenary report on the technical expert meeting on the 2018 Biennial Assessment and Overview of climate finance flows	
10:00 – 10:30	Draft guidance to the operating entities of the Financial Mechanism	
10:30 – 11:00	Theme for the 2019 Forum of the Standing Committee on Finance	
<b>11:00 – 11:15</b>	<b><i>Coffee break</i></b>	
11:15 – 12:45	Breakout group on the draft guidance to the operating entities of the Financial Mechanism	Breakout group on the 2018 Forum
<b>12:45 – 13:45</b>	<b><i>Lunch break</i></b>	
13:45 – 15:15	Breakout group on the 2018 Biennial Assessment and Overview of climate finance flows	Breakout group on the Guidance from the Conference of the Parties resulting from the Review of the Functions of the Standing Committee on Finance and the Report of the Standing Committee on Finance
15:15 – 15:45	Breakout group on the draft guidance to the operating entities of the Financial Mechanism	Breakout group on the 2018 Forum
<b>15:45 – 16:00</b>	<b><i>Coffee break</i></b>	

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16:00 – 18:00	Breakout group on the draft guidance to the operating entities of the Financial Mechanism	Breakout group on the 2018 Forum
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*Wednesday 12 September 2018*

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09:00 – 10:00	Breakout group on the Guidance from the Conference of the Parties resulting from the Review of the Functions of the Standing Committee on Finance and the Report of the Standing Committee on Finance	Breakout group on the 2018 Forum
10:00 – 11:00	Break out group on the theme for the 2019 Forum of the Standing Committee on Finance	Breakout group on the draft guidance to the operating entities of the Financial Mechanism
11:00 – 11:30	Plenary report of the breakout group on the draft guidance to the operating entities of the Financial Mechanism	
<b>11:30 – 11:45</b>	<b><i>Coffee break</i></b>	
11:45 – 12:45	Plenary report of the breakout group on the 2018 Forum	
<b>12:45 – 13:45</b>	<b><i>Lunch break</i></b>	
13:45 – 14:15	Measurement, reporting and verification of support beyond the Biennial Assessment and Overview of climate finance flows	
14:15 – 15:15	Plenary report of the breakout group on the 2018 Biennial Assessment and Overview of climate finance flows	
15:15 – 16:15	Plenary report of the breakout group on the Guidance from the Conference of the Parties resulting from the Review of the Functions of the Standing Committee on Finance and the Report of the Standing Committee on Finance	
16:15 – 17:00	Other matters	
	<b><i>Closure</i></b>	

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