



Agenda and Annotations

Twenty-first meeting of the Standing Committee on Finance

**3 to 5 October 2019
(Bonn, Germany)**

1. Opening of the meeting.
 2. Organizational matters.
 3. Draft guidance to the operating entities of the Financial Mechanism.
 4. Forum of the Standing Committee on Finance:
 - (a) Report of the 2019 Standing Committee on Finance Forum;
 - (b) Theme for the next Forum of the Standing Committee on Finance.
 5. 2020 Biennial Assessment and Overview of Climate Finance Flows, including, information relevant to Article 2, paragraph 1 (c) of the Paris Agreement.
 6. First report on the determination of the needs of developing countries related to the implementation of the Convention and the Paris Agreement (2020).
 7. Linkages with the Subsidiary Body for Implementation and the thematic bodies of the Convention.
 8. Report of the Standing Committee on Finance to the Conference of the Parties.
 9. Enhancing stakeholder engagement.
 10. Other matters:
 - (a) Dates and venues of future meetings;
 - (b) Report of the twenty-first meeting of the Standing Committee on Finance.
 11. Closure of the meeting.
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Annotations to the agenda

1. Opening of the meeting

1. The twenty-first meeting of the Standing Committee on Finance (SCF) will be opened by the Co-Chairs in the morning of Thursday, 3 October 2019.

2. Organizational matters

(a) Adoption of the agenda

2. *Action: The SCF may wish to adopt the agenda for its twenty-first meeting.*

3. *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/2019/21/1	<i>Provisional agenda for the twenty-first meeting of the Standing Committee on Finance</i>
SCF/2019/21/2	<i>Provisional agenda and annotations for the twenty-first meeting of the Standing Committee on Finance</i>

(b) Organization of the work of the meeting

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

5. *Background:* The twenty-first meeting of the SCF will be held from 3 – 5 October 2019 in Bonn, Germany. A tentative schedule of the meeting is annexed to this document. The meeting will be open to attendance by Party observers and accredited observer organizations, except where otherwise decided by the SCF. The meeting will be broadcasted online and means of virtual participation will be offered to observers, as part of the SCF's enhanced stakeholder engagement. The SCF may decide at any time that a meeting or part thereof should be closed to observers and the webcast should be paused.

3. Draft guidance to the Operating Entities of the Financial Mechanism

6. *Action: The SCF will be invited to agree on the draft guidance to the operating entities of the Financial Mechanism, to be forwarded to COP 25 for its consideration.*

7. *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 to 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.¹

8. At CMA 1.3, Parties requested the SCF to prepare draft guidance for the entities entrusted with the operation of the Financial Mechanism, as well as on the Least Developed Countries Fund and the Special Climate Change Fund, for consideration at the CMA 2. It recommended that the COP transmit the CMA's guidance to the operating entities of the Financial Mechanism.²

9. Following the approach taken in the past, the members of the SCF, the Adaptation Committee the Technology Executive Committee and Parties will be invited to provide inputs upon receipt of the annual of the operating entities of the Financial Mechanism. The inputs received will be compiled by the co-facilitators for the SCF's consideration.

SCF/2019/21/3	<i>Background paper on the draft guidance to the operating entities of the Financial Mechanism</i>
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¹ Decision 2/CP.17, paragraph 121(c).

² Decision 3/CMA.1, paragraphs 8 and 10.

4. Forum of the Standing Committee on Finance

(a) Report of the 2019 Standing Committee on Finance Forum

10. **Action:** *The SCF will be invited to finalize the summary report of the 2019 SCF Forum, to be included in the SCF report to COP 25.*

11. **Background:** At its 19th meeting, the SCF agreed that the theme of the 2019 Forum will be “Climate Finance and Sustainable Cities”, and that its sub-themes will include:

- (a) Financing cities’ low emission development;
- (b) Financing climate-resilient cities;
- (c) Capacity-building of local authorities to finance sustainable cities and;
- (d) The role of climate finance in facilitating a transition towards inclusive, participatory and gender-responsive and youth-oriented cities.

12. The 2019 SCF Forum will take place from 12 to 13 of September 2019 in Beirut, Lebanon. The background documents, presentation materials, video recordings and other relevant information will be available on the dedicated webpage for the SCF Forum.³

13. The SCF may wish to consider the outcomes of the 2019 Forum as contained in SCF/2019/21/4 and deliberate on possible key findings and/or recommendations to be included in its annual report to COP 25.

SCF/2019/21/4 *Background paper on the 2019 Forum of the Standing Committee on Finance*

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

14. **Action:** *The SCF will be invited to initiate discussion on the possible theme for the Forum of the Standing Committee on Finance.*

15. In preparing for the next Forum of the Standing Committee on Finance, the SCF may wish to deliberate on a possible theme that the Committee will report to COP 25 for endorsement.

SCF/2019/21/5 *Background paper on the next Forum of the Standing Committee on Finance*

5. 2020 Biennial Assessment and Overview of Climate Finance Flows, including information relevant to Article 2, paragraph 1(c) of the Paris Agreement

16. **Action:** *The SCF will be invited to advance its work, including through intersessional work, for the preparation of the 2020 Biennial Assessment and Overview of Climate Finance Flows (2020 BA), including:*

- (a) *Agree on the outline of the 2020 BA;*
- (b) *Initiate preparation of the 2020 BA technical report;*
- (c) *Consider outreach to assist the SCF’s preparation of the 2020 BA, including collaboration with external stakeholders.*

17. **Background:** COP 17 decided that the SCF shall 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, through activities such as the 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.

³ <https://unfccc.int/topics/climate-finance/events-meetings/scf-forum/climate-finance-and-sustainable-cities>.

18. Additionally, COP 24 encouraged the SCF to take into account the best available science in future biennial assessment and overview of climate finance flows.⁴

19. COP 24 further requested the SCF to use in the BA the established terminology in the provisions of the Convention and the Paris Agreement in relation to climate finance, where applicable.⁵ COP 24 also requested the SCF to map, every four years, as part of its BA, the available information relevant to Article 2, paragraph 1(c), of the Paris Agreement, including its reference to Article 9 thereof.^{6,7}

20. At its twentieth meeting, the SCF initiated work on this matter by agreeing to follow the approach taken in the 2018 BA and to launch technical work and early engagement with data providers, producers and aggregators.

21. Additionally, the SCF deliberated on how to address the mandates arising from the COP 24 outcomes and agreed to continue working on this matter intersessionally. The SCF also agreed to develop an advanced draft outline of the BA and a workplan, including outreach activities for the 2020 BA.

SCF/2019/21/6 Background paper on the 2020 Biennial Assessment and Overview of Climate Finance Flows of the Standing Committee on Finance

6. First report on the determination of the needs of developing countries related to the implementation of the Convention and the Paris Agreement

22. Action: *The SCF will be invited to advance its work, including through intersessional work, for the preparation of the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement (Needs Report), including:*

- (a) *Reach an agreement on the outline of the first Needs Report;*
- (b) *Reach an agreement on the output(s) and format of the Needs Report;*
- (c) *Provide views on the workplan on the Needs Report and agree on possible outreach activities and indicative timelines;*
- (d) *Consider the background paper on sources of information and the methodologies and approaches.*

23. Background: COP 24 requested the SCF to prepare, every four years, a report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement, for consideration by the Conference of Parties, starting at its twenty-sixth session (November 2020), and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, starting at its third session (November 2020).⁸

24. At its twentieth meeting, the SCF initiated work on the first Needs Report, by sharing preliminary views on the objective, approach, activities and indicative timelines. The SCF agreed to undertake several intersessional activities, including, among others, to conduct outreach activities with Parties and potential information and data providers, to map and analyse available information on the needs of developing country Parties, and to develop a draft outline, the workplan and a technical paper on sources of information and the methodologies and approaches for consideration at SCF 21.⁹

⁴ Decision 4/CP.24, paragraph 4.

⁵ Decision 4/CP.24, paragraph 5.

⁶ Decision 4/CP.24, paragraph 10.

⁷ Preliminary information relevant to Article 2.1(c) of the Paris Agreement: Datasets on flows, stocks and integration, may be found in section 2.6 of the 2018 BA. Available at: <https://unfccc.int/sites/default/files/resource/2018%20BA%20Technical%20Report%20Final.pdf#page=17>.

⁸ Decision 4/CP.24, paragraph 13.

⁹ SCF/2019/20/9.

25. On 10–11 July 2019, the secretariat convened an Experts Meeting on Assessing and Determining the Needs of Developing Countries in Manila, Philippines. The outcomes of the experts meeting may inform the work of the SCF in preparing the Needs Report.¹⁰

SCF/2019/21/7 Background paper on the first report on the determination of the needs of developing countries related to the implementation of the Convention and the Paris Agreement.

7. Linkages with the Subsidiary Body for Implementation and the thematic bodies of the Convention

26. **Action:** *The SCF will be invited to consider the background paper under this item and any implications on linkages with the SBI and the thematic bodies of the Convention.*

27. **Background:** At COP 17, Parties decided that the SCF is to maintain linkages with the SBI and the thematic bodies of the Convention.¹¹ At COP 19, Parties called on the SCF to further enhance its linkages with the SBI and the thematic bodies of the Convention.¹²

28. COP 23 welcomed the appointment of focal points of the SCF to liaise with the other thematic bodies under the Convention and requested the SCF to continue to provide information on appointment of focal points to liaise with other thematic bodies.¹³

29. At its twentieth meeting, the SCF deliberated on linkages between the areas of work of the SCF and the Adaptation Committee, particularly on the mandates emanating from CMA 1.¹⁴ The SCF agreed that the SCF Co-Chairs and SCF focal points on adaptation, with the support of the secretariat, undertake activities with the Adaptation Committee, including the exchange of workplans between the two Committees, exchange of timelines for future relevant work, a response to correspondence received from the Adaptation Committee Co-Chairs, and continued engagement by the respective focal points for each of the Committees.

SCF/2019/21/8 Background paper on the Linkages with the Subsidiary Body for Implementation and the thematic bodies of the Convention

8. Report of the Standing Committee on Finance to the Conference of Parties

30. **Action:** *The SCF will be invited to:*

(a) *Consider and agree on the draft of its report to COP 25, including its workplan for 2020 and related recommendations as appropriate;*

(b) *Agree on the procedure for the inter-sessional finalization of the report.*

31. **Background:** At COP 24, Parties requested the SCF to report to COP 25 on the progress made in the implementation of its workplan.

SCF/2019/21/9 Background paper on the report of the Standing Committee on Finance to the Conference of the Parties

¹⁰ Further information on the experts meeting is available at: <https://unfccc.int/topics/climate-finance/workstreams/determination-of-the-needs-of-developing-country-parties-related-to-implementing-the-convention-and/experts-meeting-on-assessing-and-determining-the-needs-of-developing-countries-biographies-of/experts-meeting-on>.

¹¹ Decision 2/CP.17, paragraph 121(b).

¹² Decision 7/CP.19, paragraph 10.

¹³ Decision 7/CP.23, paragraph 11.

¹⁴ Decision 11/CMA 1.

9. Enhancing stakeholder engagement

32. **Action:** *The SCF will be invited to:*

(a) *Consider the draft overall strategic outreach plan, including among others, the topic of stakeholder engagement;*

(b) *Identify possible strategic outreach activities at COP 25 and in 2020.*

33. *Background:* The COP requested the SCF to further strengthen its engagement with stakeholders (Decision 8/CP.23, paragraph 14).

34. At its 19th meeting, the SCF Co-Chairs introduced this topic, including the pilot initiatives for SCF 19. SCF members agreed to include this item for discussion at its first meeting in 2019, in order to facilitate a general discussion on stakeholder engagement, including the use of webcast at future SCF meetings.

35. At SCF 20, the SCF agreed to defer consideration of this agenda item until its next meeting (SCF 21) and to include this item on the provisional agenda for SCF 21.

36. As part of its deliberations on its workplan, the SCF agreed to develop a strategic outreach plan to be circulated intersessionally to the SCF. In its deliberations on the topic of stakeholder engagement, the SCF may wish to consider and discuss the draft strategic outreach plan and identify strategic outreach activities for COP 25 and in 2020.

<i>SCF/2019/21/10 Background paper on enhancing stakeholder engagement</i>
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10. Other matters

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

(a) Dates and venues of the future meetings

38. The SCF may wish to consider and agree on the number and schedule for its meetings in the year 2020.

(b) Report of the twenty-first meeting of the Standing Committee on Finance

39. The SCF may wish to consider and adopt the report of the twenty-first meeting of the SCF intersessionally on a no-objection basis.

11. Closure of the Meeting

40. The twenty-first meeting of the SCF is scheduled to be closed on Saturday, 05 October 2019 at 15:00.

Annex**Tentative Schedule SCF 21***Thursday, 03 October 2019*

08:30 – 09:00	Registration	
09:00 – 09:15	Opening of the Meeting Organizational Matters	
09:15 – 09:45	Forum of the Standing Committee on Finance	
09:45 – 10:15	Draft guidance to the operating entities of the Financial Mechanism	
10:15 – 10:30	<i>Coffee break</i>	
10:30 – 11:00	2020 Biennial Assessment and Overview of Climate Finance Flows, including, information relevant to Article 2, paragraph 1(c) of the Paris Agreement	
11:00 – 11:30	First report on the determination of the needs of developing countries related to the implementation of the Convention and the Paris Agreement	
11:30 – 12:00	Linkages with the Subsidiary Body for Implementation and the thematic bodies of the Convention	
12:00 – 12:30	Report of the Standing Committee on Finance to the Conference of the Parties	
12:30 – 13:30	<i>Lunch break</i>	
13:30 – 15:00	Break out group on the first report on the determination of the needs of developing countries related to the implementation of the Convention and the Paris Agreement	Break out group on the draft guidance to the operating entities of the Financial Mechanism
15:00 – 15:15	<i>Coffee break</i>	
15:15 – 17:00	Break out group on preparatory work on the 2020 Biennial Assessment and Overview of Climate Finance Flows, including, information relevant to Article 2, paragraph 1(c) of the Paris Agreement	Break out group on the Forum of the Standing Committee on Finance

Friday, 04 October 2019

09:00 – 10:30	Technical stakeholder dialogue	
10:30 – 11:30	Break out group on the first report on the determination of the needs of developing countries related to the implementation of the Convention and the Paris Agreement	Break out group on the draft guidance to the operating entities of the Financial Mechanism
11:30 – 11:45	<i>Coffee break</i>	
11:45 – 13:00	2020 Biennial Assessment and Overview of Climate Finance Flows, including, information relevant to Article 2, paragraph 1(c) of the Paris Agreement	Break out group on the Forum of the Standing Committee on Finance
13:00 – 14:00	<i>Lunch break</i>	

14:00 – 15:30	Break out group on the first report on the determination of the needs of developing countries related to the implementation of the Convention and the Paris Agreement	Break out group on the draft guidance to the operating entities of the Financial Mechanism
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15:30 – 15:45 *Coffee break*

15:45 – 16:15 Dates and venues of future meetings

16:15 – 17:00 Enhancing stakeholder engagement

Saturday, 05 October 2019

09:00 – 09:45	Plenary report of the breakout group on the 2020 Biennial Assessment and Overview of Climate Finance Flows, including, information relevant to Article 2, paragraph 1(c) of the Paris Agreement
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09:45 – 10:30	Plenary report of the break out group on the Forum of the Standing Committee on Finance
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10:30 – 11:45	Plenary report of the breakout group on the draft guidance to the operating entities of the Financial Mechanism
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11:45 – 12:00 *Coffee break*

12:00 – 12:45	Plenary report of the first report on the determination of the needs of developing countries related to the implementation of the Convention and the Paris Agreement
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12:45 – 13:45 *Lunch break*

13:45 – 14:15	Dates and venues of future meetings
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14:15 – 14:45	Report of the twenty-first meeting of the Standing Committee on Finance
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14:45 – 15:00	Other matters
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Closure
