



Standing Committee on Finance

18 September 2023

**Thirty-second meeting of the Standing Committee on Finance
26–28 September 2023
Geneva, Switzerland**

**Background paper on the synthesis of views on ways to achieve
Article 2, paragraph 1(c), of the Paris Agreement, including
options for approaches and guidelines for implementation**

Expected actions by the Standing Committee on Finance

The Standing Committee on Finance (SCF) will be invited to finalize:

- a) The synthesis of views on ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation, to be included as an addendum to the annual report of the SCF.

I. Possible actions for consideration by the Standing Committee on Finance

1. The synthesis on ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation. The SCF may wish to consider the draft synthesis of views on ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation, developed under the guidance of the co-facilitators, taking into account comments, written inputs by SCF members and any additional input, with a view to finalize it at the 32rd meeting of the Committee and include it as an addendum to the annual report of the SCF.
2. In finalizing the synthesis of views on ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation, the SCF may wish to take into consideration ongoing work relevant to Article 2, paragraph 1(c) under the first global stocktake¹, the Sharm el-Sheikh Dialogue², and the ad hoc work programme on the new collective quantified goal (NCQG)³.

II. Background

3. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its fourth session requested the SCF to continue its work regarding ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation, in accordance with decision 10/CMA.3, paragraph 2, for consideration by CMA 5 and invited Parties and stakeholders in the financial sector to make further submissions thereon via the submission portal by 30 April 2023.⁴

¹ <https://unfccc.int/topics/global-stocktake>.

² <https://unfccc.int/topics/climate-finance/workstreams/sharm-el-sheikh-dialogue>.

³ <https://unfccc.int/NCQG>.

⁴ Decision 14/CMA.4, para 4.

4. In decision 10/CMA.3, paragraph 2, the CMA invited Parties, the operating entities of the Financial Mechanism, international financial institutions and other stakeholders in the financial sector to submit via the submission portal their views regarding ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation, by 30 April 2022 and requested the SCF to submit a synthesis for consideration by CMA 4.

5. In 2022, the SCF delivered the synthesis of views regarding ways to implement Article 2, paragraph 1(c), of the Paris Agreement to COP 27 and CMA 4 as addendum to the report of the SCF. The addendum includes information from 14 submissions received from Parties and non-Party stakeholders on its scope, its relationship with Article 9 of the Paris Agreement, and on operationalizing Article 2, paragraph 1(c) as part of the intergovernmental process.⁵

6. Article 2, paragraph 1, of the Paris Agreement states that the Agreement, in enhancing the implementation of the Convention, including its objective, aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty, including by, as specified in paragraph 1(c), making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

III. Progress on the work on ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation

7. SCF 30 agreed on the general outline⁶ of the work on ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation, a workplan and a timeline to prepare the work. Kevin Adams and Chandni Raina were appointed as co-facilitators for the workstream. At SCF 30, members discussed the nature of the ongoing work and came to a broad agreement that it should include an update on the synthesis of submissions received in 2022 to reflect different views of Parties and non-Party stakeholders. Members also discussed whether to include technical work, such as a gap analysis, or information on challenges, gaps and opportunities. Relevant issues mentioned in this regard include importance of combatting greenwashing, the overall objectives of Article 2, paragraph 1(c), of the Paris Agreement and the context of Article 2 and sustainable development, and inefficient subsidies.

8. Members also identified the importance of ensuring coherence of the work with discussions held under the Sharm el-Sheikh dialogues on Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement, as well as the NCQG and the global stocktake. In particular, the submissions received under the global stocktake that may relate to the work were mentioned as potential inputs.

9. 25 new submissions have been received in 2023 in response to the invitation by COP 27. 10 new submissions have been issued by Parties, of which 5 Parties built on previous submissions issued in 2022. 15 new submissions have been received by non-Party stakeholders. A list of all submissions is contained in annex I.

10. SCF 31 considered the zero-order draft of the synthesis of views on ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation. Members noted the need to provide a consistent approach to indicating the views expressed in submissions by Parties, Party groups and non-Party stakeholders as well as to make reference to the Sharm el-Sheikh dialogue in 2023 and to include further information on views expressed in submissions on topics related to, *inter alia*, transparency and greenwashing, enabling environments and barriers to redirect capital, interpretations of common but differentiated responsibilities and respective capabilities.

⁵ See <https://unfccc.int/documents/620459>.

⁶ Available at https://unfccc.int/sites/default/files/resource/SCF30_2.1c_outline.pdf?download.

Annex I

Submissions received on ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, including options for approaches and guidelines for implementation

Table 1
Submission in response to the invitation in decision 10/CMA.3.

<i>Submission</i>	<i>Date</i>
Australia	12 August 2022
Canada	13 May 2022
Care About Climate on behalf of the YOUNGO constituency	27 April 2022
Chile on behalf of AILAC	29 April 2022
David Rouch (individual)	28 July 2022
France on behalf of the EU and its member States	2 May 2022
GIZ	30 April 2022
India	26 July 2022
Kenya	2 May 2022
Norway	3 June 2022
Senegal on behalf of the LDCs	3 June 2022
Switzerland on behalf of EIG	16 June 2022
Vanuatu	30 April 2022
Zambia on behalf of the African Group	1 June 2022

Table 2
Submissions in response to the invitation in decision 14/CMA.4.

<i>Submission</i>	<i>Date</i>
Arab Group	26 May 2023
Argentina.Brasil.Uruguay (ABU)	10 August 2023
Aviva	19 April 2023
CDP Europe	31 May 2023
Canada	10 July 2023
Climate Action Network (CAN)	29 June 2023
Climate Policy Initiative (CPI)	31 May 2023
Environmental Defence Canada	28 June 2023
Like-minded Developing Countries Group	26 May 2023
India	03 June 2023
International Fund for Agriculture Development	29 May 2023
New Zealand	15 May 2023
NGFS secretariat	31 May 2023
Norway	15 May 2023
Oil Change International, International Institute for Sustainable Development and Friends of the Earth US	31 May 2023
Organisation for Economic Co-operation and Development	31 May 2023
Overseas Development Institute (ODI) on behalf of Joseph Feyertag and Charlene Watson (ODI) and David Ryfisch (Germanwatch), supported by the independent Global Stocktake and its Finance Working Group and its Finance Working Group	11 May 2023
Principles for Responsible Investment	31 May 2023
Rabia Transitions and ODI, supported by the finance working group of the iGST	31 May 2023
Sweden on behalf of the EU and its member states	11 May 2023
United Nations Conference on Trade and Development	26 May 2023
United Kingdom	01 June 2023
Vanuatu	12 May 2023
Third World Network (TWN)	02 August 2023
Care About Climate (CAC) on behalf of Children and Youth Constituency of the UNEFCCC (YOUNGO)	29 June 2023