

# **Informal Multilateral Exchanges of Views on Matters Related to the Seventh Review of the Financial Mechanism and on Matters Related to the Review of the Functions of the Standing Committee on Finance**

## **Information Note from the COP 25 Presidency and the Incoming COP 26 Presidency**

### **Context**

In the joint Presidencies Plan for Informal Intersessional work on Climate Finance Matters, the COP26 and COP25 Presidencies set out our approach for taking forward work on mandated climate finance issues under the responsibility of the Governing Bodies. This followed the common desire expressed by Parties to engage in further informal intersessional work on Finance ahead of COP26, recognising the full finance agenda we will have in Glasgow and the need to make progress ahead of time. In the work plan, we set out that we would facilitate initial multilateral exchanges of views between Parties on the Seventh Review of the Financial Mechanism and the Review of the Functions of the Standing Committee on Finance. The aim of these exchanges is to facilitate engagement and support informal technical progress on these negotiating items in advance of COP26.

### **Objective**

These informal facilitated multilateral exchanges amongst finance negotiators are primarily intended to provide an informal space for Parties, with the support of the Presidencies, to exchange views on:

- the Seventh Review of the Financial Mechanism, in particular the potential guidelines for the Review based on the guidelines for the Sixth Review as set out in the Annex to Decision 12/CP.22; and
- the Terms of Reference of the Review of the Functions of the Standing Committee on Finance.

Proposed discussion questions for each of the informal multilateral exchanges are set out below. Further background on each item has been provided in the informal Presidencies background notes shared alongside this document.

### **Proposed time**

As part of our commitment to encouraging inclusive participation, for each informal multilateral exchange of views we have organised two sessions each in different time zones. Parties are welcome to attend either session or both, according to their preferences and availability.

For both of the multilateral exchanges of views, Part 1 will be held on Thursday 5 August and Part 2 will be held on Friday 6 August.

- Seventh Review of the Financial Mechanism
  - Part 1, Thursday 5 August, 19:00 - 20:30 UTC/ 20:00 - 21:30 BST/ 21:00 - 22:30 CEST
  - Part 2, Friday 6 August, 11:00 - 12:30 UTC/ 12:00 - 13:30 BST/ 13:00 - 14:30 CEST
- Review of the Functions of the Standing Committee on Finance
  - Part 1, Thursday 5 August, 20:30 - 22:00 UTC/ 21:30 - 23:00 BST/ 22:30 - 00:00 CEST
  - Part 2, Friday 6 August, 12:30 - 14:00 UTC/ 13:30 - 15:00 BST/ 14:30 - 16:00 CEST

### **Contact details**

Please contact the COP26 UK Presidency Finance Negotiations team (meera.murali@cabinetoffice.gov.uk) to register for the sessions or with queries regarding the substance of the sessions. For questions regarding the logistics of the sessions (e.g. call details), please contact the UNFCCC Secretariat's Climate Finance team (climatefinance@unfccc.int).

### **Proposed Discussion Questions**

We request all Parties and groupings attending the informal multilateral exchanges of views to consider responses to the questions below in advance of the sessions. Parties and groupings are also welcome to note their substantive priorities for the reviews.

#### **Seventh Review of the Financial Mechanism**

With a view to adopting the guidelines for the Seventh Review of the Financial Mechanism (FM) at COP26:

- What are your general expectations for the Seventh Review of the Financial Mechanism, including with regards to the overall approach and the possible outcomes of the Seventh Review?
- In relation to possible guidelines for the Seventh Review, and taking the updated guidelines used for the Sixth Review of the FM as a starting point (as set out in the Annex to Decision 12/CP.22) do Parties think these guidelines need to be updated with respect to their:
  - objectives;
  - the sources of information;
  - criteria?
- What, if any, role is there for the CMA as part of this process, given that the review is mandated only by the COP but the Financial Mechanism now also serves both the COP and the CMA?
- The Presidencies have indicated that following this informal multilateral exchange of views they will request Parties to provide informal inputs in writing to further elaborate their views on the Seventh Review of the Financial Mechanism. In addition to this, is there a need for any further informal work ahead of COP26 specifically to support the development of the guidelines?

#### **Review of the Functions of the Standing Committee on Finance**

With a view to Parties adopting the Terms of Reference for the second Review of the Functions of the Standing Committee on Finance (SCF) at COP26:

- What are your general expectations for the second Review of the Functions of the Standing Committee on Finance, including with regards to the overall approach and the possible outcomes of the second review?
- In relation to possible Terms of Reference for the second review, how well do the previous Terms of Reference (ToR), as set out in Decision 9/CP.22, serve the purpose of establishing the basis for a holistic review of the SCF's functions? Are any updates required to the ToR with respect to its:
  - objectives;
  - scope;
  - the sources of information;
  - criteria?
- How should the separate mandate for the Review under the CMA interact with the Review under the COP?
- The Presidencies have indicated that following this informal multilateral exchange of views they will request Parties to provide informal inputs in writing to further elaborate their views on the Review of the Functions of the Standing Committee on Finance. In addition to this, is there a need for any further informal work ahead of COP26 specifically to support the development of the ToR?