



Standing Committee on Finance

15 March 2021

**Twenty-third meeting of the Standing Committee on Finance
Virtual, 16–17 December 2020**

Report of the twenty-third meeting of the Standing Committee on Finance

Attendance

Ms. Diann Black-Layne
Ms. Gabriela Blatter
Mr. Randy Caruso
Mr. Sergey Chestnoy
Ms. Delphine Eyraud
Mr. Zaheer Fakir
Mr. Ivan Zambrana Flores
Mr. Mattias Frumerie
Ms. Fiona Gilbert
Mr. Ali Waqas Malik
Mr. Zerihun Getu Mekuria
Mr. Mohamed Nasr
Ms. Vicky Noens
Mr. Paul Oquist-Kelley
Ms. Eva Schreuder
Mr. Ayman Shasly (Co-Chair)
Mr. Toru Sugio
Mr. Ismo Ulvila (Co-Chair)
Mr. Liucui Zhu

Absent with apologies

Mr. Seyni Nafo

1. Opening of the meeting

1. The twenty-third meeting of the Standing Committee on Finance (SCF), convened virtually, was opened at 12:00 p.m. Bonn time, Wednesday, 16 December 2020.

2. Organizational matters

(a) Adoption of the agenda

2. The SCF adopted the agenda contained in document SCF/2020/23/2 as proposed.¹

(b) Organization of the work of the meeting

3. The SCF took note of the tentative schedule and were informed that all agenda items will be discussed in plenary sessions, given the virtual format of the meeting.

4. **Technical Stakeholders' Dialogue:** The work under agenda items in the twenty-third meeting of the SCF were preceded by a technical stakeholders' dialogue on the Fourth (2020) Biennial Assessment and Overview of Climate Finance Flows (Fourth BA) and first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement.

¹ All documents are available at: <https://unfccc.int/scf/scf-meetings-and-documents#eq-23>.

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

Technical discussion with stakeholders

5. The SCF provided opportunity to the meeting observers to provide inputs to the work being undertaken by the committee on the Fourth BA based on a draft background document shared for viewing. Comments and inputs were received particularly on information related to Article 2, paragraph 1(c) of the Paris Agreement, tracking domestic public expenditure, and gender and climate finance.

Proceeding

6. The SCF took note of the document SCF/2020/23/3. The agenda item was introduced by the co-facilitator, Vicky Noens and she presented the second-order draft of the technical report of the Fourth BA to the SCF for its consideration. The SCF was also informed of the stakeholder outreach webinars held in October and November 2020 to gather inputs on the technical report.

Outcomes

7. The SCF considered the second-order draft of the technical report and invited written comments for feedback.

8. The SCF further agreed to continue technical work intersessionally with a view to prepare the third-order draft of the technical report and draft elements for the summary and recommendations, as per the agreed timelines.²

Next steps

9. SCF members to provide written comments and suggestions by 15 January 2021.

10. The secretariat and the technical team, under the guidance of co-facilitators, will continue technical work and incorporate comments and suggestions made by SCF members with a view to prepare the third-order draft of the technical report.

11. The co-facilitators, with the support of the secretariat, will organize SCF working group calls for the preparation of the third-order draft.

12. The co-facilitators, with the support of the secretariat, will prepare possible elements of summary and recommendations for initial consideration at SCF 24.

4. First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement

Technical discussion with stakeholders

13. The SCF provided opportunity to the meeting observers to provide inputs to the work being undertaken by the committee on the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement based on a draft background document shared for viewing. Comments and inputs were received particularly on the report scope and outline, information related to loss and damage, national debt levels, private climate finance flows, gender and vulnerable communities.

Proceeding

14. The SCF took note of the documents SCF/2020/23/4. The agenda item was introduced by the co-facilitators, Mattias Frumerie and Zaheer Fakir and they presented to the SCF the second-order draft of the technical report on the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement for its consideration. The SCF was also informed of the regional stakeholder outreach webinars held in September and October 2020 to gather inputs on the technical report.

² The timeline is included in the SCF 22 meeting report (see annex II):
https://unfccc.int/sites/default/files/resource/Report%20of%20the%20meeting_SCF_22_Final.pdf.

Outcomes

15. The SCF considered the second-order draft of the technical report and invited written comments for feedback.

16. The SCF agreed to undertake further work on the technical report, including data collection and analysis, with a view to preparing the third-order draft of the technical report and draft elements of the executive summary in line with the agreed timeline.³

Next steps

17. SCF members agreed to provide written comments and suggestions by 15 January 2021.

18. The secretariat and the technical team, under the guidance of co-facilitators, will continue technical work and incorporate comments and suggestions made by SCF members, with a view to prepare the third-order draft of the technical report.

19. The co-facilitators, with the support of the secretariat, will organize SCF working group calls for the preparation of the third-order draft.

20. The co-facilitators, with the support of the secretariat, will prepare possible elements of an executive summary for initial consideration at SCF 24.

5. Forum on Finance for Nature-based Solutions

Proceeding

21. The SCF took note of document SCF/2020/23/5. The agenda item was introduced by the co-facilitators, Fiona Gilbert and Mohamed Nasr, and they presented the outcomes of the virtual stakeholder consultations and a timeline of activities in preparation of the Forum in 2021.

Outcome

22. The SCF considered the timeline of activities and provided views on the possible timing and potential hosts for the Forum.

Next steps

23. The co-facilitators will update the programme for consideration at SCF 24.

24. Under the guidance of co-facilitators, a synthesis paper will be produced by the secretariat on key findings from the call for submissions.⁴

25. The co-facilitators, with the support of the secretariat, will continue to assess possible dates, venues and potential hosts for the Forum with a view to presenting options for consideration at SCF 24.

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

Proceeding

26. The SCF took note of document SCF/2020/23/6. The agenda item was introduced by the co-facilitators Diann Black-Layne and Toru Sugio and they presented a proposal for the approach and timeline for preparing the draft guidance for consideration at COP 26 and CMA 3.

Outcomes

27. The SCF took note of the status of submission of the 2020 annual reports of the GEF and the GCF.

28. The SCF reiterated its agreements made on this matter made at SCF 22.⁵

³ The timeline is included in the SCF 22 meeting report (see annex III, table 1):

https://unfccc.int/sites/default/files/resource/Report%20of%20the%20meeting_SCF_22_Final.pdf.

⁴ Available at <https://unfccc.int/topics/climate-finance/events-meetings/scf-forum/the-next-scf-forum-finance-for-nature-based-solutions>.

⁵ See SCF 22 meeting report, paras 28-29, available at

https://unfccc.int/sites/default/files/resource/Report%20of%20the%20meeting_SCF_22_Final.pdf.

29. The SCF agreed to inform Parties and constituted bodies on the process of submission of views and recommendations on elements to be taken into account in developing the draft guidance for the operating entities of the Financial Mechanism and continue discussions on the format of and process for developing the draft guidance at SCF 24.

Next steps

30. The secretariat will circulate the 2020 annual reports of the GCF and the GEF, once both reports are available.

31. The co-facilitators, with the support of the secretariat, will prepare a workplan with options for advancing the preparations of the draft guidance for consideration at SCF 24.

7. Report of the Standing Committee on Finance to the COP and CMA

Proceeding

32. The SCF took note of document SCF/2020/23/7. SCF Co-Chairs informed the committee of the process of developing the 2020 annual report of the SCF to COP 26 and CMA 3.

Next steps

33. The secretariat will circulate the completed report to the SCF for comments.

34. Following the commenting period, the report will be edited and finalized under the guidance of the Co-Chairs.

8. Other matters

(a) Report of the twenty-third meeting of the Standing Committee on Finance

35. The SCF agreed to consider and adopt the report of the twenty-third meeting of the SCF intersessionally on a no-objection basis.

(b) Dates and venues of future meetings

36. The SCF discussed considerations for convening SCF 24 and requested the Co-Chairs to recommend a proposal for its twenty-fourth meeting.

9. Closure of the meeting

37. Daniele Violetti, the Director of the Means of Implementation Division of the secretariat, expressed his appreciation to the SCF for its hard work in 2020 despite the prevailing challenges.

38. The Co-Chairs closed the twenty-third meeting of the SCF at 3:00 p.m. Bonn time, Thursday, 17 December 2020.