



Standing Committee on Finance

7 September 2020

Provisional agenda and annotations

Twenty-second meeting of the Standing Committee on Finance

**28 to 30 September 2020
(Virtual meeting)**

1. Opening of the meeting.
 2. Election of officers.
 3. Organizational matters.
 4. 2020 workplan of the Standing Committee on Finance, including mandates from COP 25 and CMA 2.
 5. Fourth 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 country Parties related to implementing the Convention and the Paris Agreement.
 7. Forum on Finance for Nature-based Solutions.
 8. Draft guidance to the operating entities of the Financial Mechanism.
 9. Linkages with the Subsidiary Body for Implementation and the constituted bodies under the Convention.
 10. Report of the twenty-second meeting of the Standing Committee on Finance.
 11. Dates and venues of future meetings.
 12. Other matters.
 13. Closure of the meeting.
-

Annotations to the agenda

1. Opening of the meeting

1. The twenty-second meeting of the Standing Committee on Finance (SCF) will be opened by the Co-Chairs on Monday, 28 September 2020.

2. Election of officers

2. *Action: Members of the SCF will be invited to elect the Co-Chairs of the SCF for 2020.*

3. *Background:* The revised composition and working modalities of the SCF¹ adopted by the Conference of the Parties (COP) at its eighteenth session provided that the SCF shall elect annually at its first meeting two Co-Chairs from among its members for a term of one year each, with one being a member from a Party not included and the other being a member from a Party included in Annex I to the Convention.

3. Organizational matters

(a) Adoption of the agenda

4. *Action: The SCF will be invited to adopt the agenda for its twenty-second meeting.*

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

SCF/2020/22/1/Rev.1	<i>Provisional agenda for the twenty-second meeting of the Standing Committee on Finance</i>
SCF/2020/22/2	<i>Provisional agenda and annotations for the twenty-second meeting of the Standing Committee on Finance</i>

(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:* SCF 22 will be held virtually from 28 to 30 September 2020. A provisional schedule of the meeting is contained in the annex to this document.

8. The virtual meeting will be open to attendance by observers from Parties and accredited observer organizations, except where otherwise decided by the SCF. The meeting will be broadcast live. The SCF may decide at any time that a meeting or part thereof should be closed to observers and the broadcast should be interrupted.

4. 2020 workplan of the Standing Committee on Finance, including mandates from COP 25 and CMA 2

9. *Action: The SCF will be invited to consider the guidance received from COP 25 and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its second session, with a view to agreeing on its updated workplan and organization of work for 2020.*

10. *Background:* The COP and the CMA, in accordance with decisions 11/CP.25, paragraph 2, and 5/CMA.2, paragraph 2, respectively, endorsed the workplan of the SCF for 2020. Furthermore, the COP and the CMA provided additional guidance on the following areas of work, which has been incorporated into the updated SCF workplan, as contained in document SCF/2020/22/3:

- (a) Fourth Biennial Assessment and Overview of Climate Finance Flows:

¹ FCCC/CP/2012/4, annex IV.

(i) The SCF is encouraged to present, to the extent possible, disaggregated information in relation to, inter alia, mapping data availability and gaps by sector, assessing climate finance flows and presenting information on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement;²

(ii) The SCF to consider Parties' views on the operational definitions of climate finance in order to enhance its technical work on this matter in the context of preparing the 2020 Biennial Assessment and Overview of Climate Finance Flows;³

(b) First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement:

(i) The SCF is encouraged to present, to the extent possible, disaggregated information in relation to, inter alia, mapping data availability and gaps by sector, assessing climate finance flows and presenting information on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement;⁴

(ii) The SCF, in implementing its strategic outreach plan, is encouraged to build on existing efforts to reach out to developing country Parties and relevant developing country stakeholders when generating data and information for the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement;⁵

(c) Draft guidance to the operating entities of the Financial Mechanism: The SCF to consider inputs that may be provided by the Executive Committee of the Warsaw International Mechanism for Loss and Damage for its consideration in preparing the elements of draft guidance for the operating entities;⁶

(d) Gender: The SCF is encouraged to continue to enhance its efforts towards ensuring gender-responsiveness in implementing its workplan.⁷

SCF/2020/22/3 *Background paper on the 2020 workplan of the Standing Committee on Finance*

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

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

(a) *To provide guidance on the first-order draft of the technical report of the Fourth Biennial Assessment and Overview of Climate Finance Flows;*

(b) *To provide additional guidance on the intersessional work in advance of SCF 23, including a revised timeline and outreach plan.*

12. *Background:* In accordance with decision 2/CP.17, the SCF should prepare a biennial assessment and overview of climate finance flows, to include information on the geographical and thematic balance of such 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, and 9/CP.21, paragraph 13; paragraph 37(f) in the annex to decision 8/CP.22; and decision 4/CP.24, paragraphs 4, 5 and 10; as well as the latest guidance from the COP and the CMA referred to in paragraph 10(a) above.

13. During the intersessional period, progress was made in the technical work on drafting the Fourth Biennial Assessment and Overview of Climate Finance Flows, with feedback and inputs received during two informal calls with the SCF working group. The call for evidence was extended to 30 October 2020.

² Decisions 11/CP.25, paragraph 9, and 5/CMA.2, paragraph 9.

³ Decisions 11/CP.25, paragraph 10, and 5/CMA.2, paragraph 10.

⁴ See footnote 4 above.

⁵ Decisions 11/CP.25, paragraph 12, and 5/CMA.2, paragraph 12.

⁶ Decisions 11/CP.25, paragraph 13, and 5/CMA.2, paragraph 13.

⁷ Decisions 11/CP.25, paragraph 14, and 5/CMA.2, paragraph 14.

SCF/2020/22/4 *Background paper on the Fourth Biennial Assessment and Overview of Climate Finance Flows of the Standing Committee on Finance*

SCF/2020/22/4, *First-order draft of the technical report (work in progress) annex*

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

14. Action: The SCF will be invited:

- (a) *To review and provide guidance on the advanced first-order draft of the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement;*
- (b) *To provide additional guidance on the intersessional work in advance of SCF 23, including a revised timeline and outreach plan.*

15. *Background:* In decision 4/CP.24, the COP 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 COP, starting at COP 26 (November 2020), and the CMA, starting at CMA 3 (November 2020).⁸ Additional guidance was received from the COP and the CMA, as contained in decisions 11/CP.25 and 5/CMA.2, respectively, referred to in paragraph 10(b) above.

16. During the intersessional period, some progress was made in the technical work on drafting the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement. The call for evidence was extended to 30 October 2020 and webinars are planned for consultations at the regional level.

SCF/2020/22/5 *Background paper on the Report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement*

SCF/2020/22/5, *Advanced first-order draft of the technical report annex*

7. Forum on Finance for Nature-based Solutions

17. Action: The SCF will be invited:

- (a) *To provide guidance on the draft programme of the Forum;*
- (b) *To provide guidance on the intersessional work, including any outreach activities.*

18. *Background:* At SCF 21, the Committee agreed that the theme of its next Forum will be “Finance for Nature-based Solutions”, including the sub-themes.⁹ The COP and the CMA welcomed the decision of the SCF on this topic.¹⁰

19. At SCF 21, the Committee requested co-facilitators to initiate organization of the Forum intersessionally, continue deliberations on the sub-themes, and explore possible dates and venues, taking into consideration potential partner events.¹¹

20. During the intersessional period, a draft programme of the Forum was prepared, as contained in the annex to document SCF/2020/22/6. A call for inputs from Parties and observers on information and case studies to inform the preparation of the Forum was issued. As at 7 September, 41 inputs had been received from Parties and a range of stakeholders, including non-governmental organizations, international organizations, United Nations agencies, multilateral and bilateral

⁸ Decision 4/CP.24, paragraph 13.

⁹ SCF/2019/21/11, paragraph 24.

¹⁰ Decisions 11/CP.25, paragraph 7, and 5/CMA.2, paragraph 7.

¹¹ SCF/2019/21/11, paragraph 25.

finance institutions, think tanks and academic stakeholders. The inputs can be found on the SCF Forum webpage.¹²

SCF/2020/22/6 *Background paper on the next Forum of the Standing Committee on Finance*

SCF/2020/22/6, *Draft Programme of the Forum on Finance for Nature-based Solutions annex*

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

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

(a) *To provide guidance on the timeline of activities to be undertaken by the SCF to prepare draft guidance to the operating entities of the Financial Mechanism;*

(b) *To exchange views on the format of the draft guidance to the operating entities.*

22. *Background:* The operating entities of the Financial Mechanism are mandated to submit their reports to the COP annually.¹³ The annual reports in 2020 are expected to be available during the last quarter of the year and the annual reports in 2021 will be available during the third quarter of 2021.

23. In preparing the draft guidance in 2019, the SCF undertook technical work on the submissions received by categorizing the submitted elements of draft guidance by thematic area and annotating the elements with rationale and reference materials. SCF 21 agreed to assess its modalities of work on the draft guidance at its first meeting in 2020.

SCF/2020/22/7 *Background paper on the draft guidance to the operating entities of the Financial Mechanism*

9. Linkages with the Subsidiary Body for Implementation and the constituted bodies under the Convention

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

(a) *To take note of activities undertaken by the SCF to enhance linkages and cooperation with the subsidiary bodies and other constituted bodies;*

(b) *To appoint and reconfirm focal points in relation to various thematic areas of work.*

25. *Background:* At COP 17, Parties decided that the SCF is to maintain linkages with the Subsidiary Body for Implementation and the thematic bodies of the Convention.¹⁴ At COP 19, Parties called on the SCF to further enhance its linkages with the Subsidiary Body for Implementation and the thematic bodies of the Convention.¹⁵ 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 the appointment of focal points to liaise with other thematic bodies.¹⁶ In the context of the review of the functions of the SCF, COP 23 also requested the SCF to further refine its approach to maintaining linkages with the subsidiary and thematic bodies according to resources available and in the context of its existing working modalities.¹⁷

SCF/2020/22/8 *Background paper on linkages with the Subsidiary Body for Implementation and constituted bodies under the Convention*

¹² <https://unfccc.int/topics/climate-finance/events-meetings/scf-forum/the-next-scforum-financing-nature-based-solutions>.

¹³ See the GCF Governing Instrument, paragraph 6(c), contained in the annex of decision 3/CP.17, as well as the arrangements between the COP and the GCF, paragraph 11, contained in the annex of decision 5/CP.19. Also, see the memorandum of understanding between the COP and the Council of the GEF, paragraph 6, contained in the annex of decision 12/CP.2.

¹⁴ Decision 2/CP.17, paragraph 121(b).

¹⁵ Decision 7/CP.19, paragraph 10.

¹⁶ Decision 7/CP.23, paragraph 11.

¹⁷ Decision 8/CP.23, paragraph 11.

10. Report of the twenty-second meeting of the Standing Committee on Finance

26. The SCF may wish to consider and adopt the report of the twenty-second meeting of the Standing Committee on Finance intersessionally on a no-objection basis.

SCF/2020/22/9 Report of the twenty-second meeting of the Standing Committee on Finance

11. Dates and venues of future meetings

27. SCF members may wish to provide guidance on the organization of SCF 23.

12. Other matters

28. **Action:** *The SCF will be invited to consider:*

(a) *The background note prepared by the legal division of the secretariat on including conflict of interest provisions in the rules of procedure of the constituted bodies under the Convention and the oath of service;*

(b) *Any other matters it deems necessary.*

29. *Background:* The United Nations Office of Internal Oversight Services conducted an assessment of the adequacy and effectiveness of governance, risk management and control pertaining to the constituted bodies under the Convention and found that the secretariat needed to harmonize the provisions in the rules of procedure of the constituted bodies to ensure consistency in the application of the Code of Ethics.¹⁸

30. For constituted bodies that do not have separate rules of procedures, including the SCF, the oath of service to be signed by members not already bound by their government oaths would allow these bodies to fully meet the conflict of interest provision requirement.

SCF/2020/22/10 Background paper on conflicts of interest and oath of service for constituted bodies under the Convention

13. Closure of the meeting

31. SCF 22 is scheduled to be closed on Wednesday, 30 September 2020.

¹⁸ Report 2019/122 of the Office of Internal Oversight Services.

Annex**Provisional Schedule for the twenty-second meeting of the Standing Committee on Finance***Monday, 28 September 2020**13:00 – 16:00 CEST*

13:00 – 13:20	Opening of the meeting Organizational matters Tour de Table
13:20 – 13:35	Election
13:35 – 13:45	Welcome address by Patricia Espinosa
13:45 – 14:00	2020 workplan of the Standing Committee on Finance, including mandates from COP 25 & CMA 2
14:00 – 15:30	Forum of the Standing Committee on Finance
15:30 – 16:00	Linkages with the Subsidiary Body for Implementation and the constituted bodies under the Convention

*Tuesday, 29 September 2020**13:00 – 16:00 CEST*

13:00 – 14:30	First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement
14:30 – 16:00	Fourth Biennial Assessment and Overview of Climate Finance Flows, including information relevant to Article 2, paragraph 1(c), of the Paris Agreement

*Wednesday, 30 September 2020**13:00 – 16:00 CEST*

13:00 – 13:20	Other matters (closed session)
13:20 – 14:20	Draft guidance to the operating entities of the Financial Mechanism
14:20 – 14:40	Dates and venues of future meetings
14:40 – 15:40	Consideration of the outcomes of the meeting <ul style="list-style-type: none"> • 2020 workplan of the Standing Committee on Finance, including mandates from COP 25 and CMA 2 • Forum of the Standing Committee on Finance • Fourth Biennial Assessment and Overview of Climate Finance Flows, including information relevant to Article 2, paragraph 1(c), of the Paris Agreement • First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement • Draft guidance to the operating entities of the Financial Mechanism
15:40 – 15:50	Report of the twenty-second meeting of the Standing Committee on Finance
15:50 – 16:00	Closure
