



Agenda and annotations

Twenty-third meeting of the Standing Committee on Finance

16 to 17 December 2020

(Virtual meeting)

1. Opening of the meeting.
 2. Organizational matters.
 3. Fourth Biennial Assessment and Overview of Climate Finance Flows, including, information relevant to Article 2, paragraph 1(c) of the Paris Agreement (2020).
 4. First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement.
 5. Forum on Finance for Nature-based Solutions.
 6. Draft guidance to the Operating Entities of the Financial Mechanism.
 7. Report of the Standing Committee on Finance to the Conference of Parties and the Conference of Parties serving as the meeting of the Parties to the Paris Agreement.
 8. Other matters.
 - (a) Report of the twenty-third meeting of the Standing Committee on Finance;
 - (b) Dates and venues of future meetings.
 9. Closure of the meeting.
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Annotations to the agenda

1. Opening of the meeting

1. The twenty-third meeting of the Standing Committee on Finance (SCF) will be opened by the Co-Chairs on Wednesday, 16 December 2020.

2. Organizational matters

(a) Adoption of the agenda

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

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

SCF/2020/23/1/ Rev.1	<i>Provisional agenda for the twenty-third meeting of the Standing Committee on Finance</i>
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SCF/2020/23/2	<i>Provisional agenda and annotations for the twenty-third meeting of the Standing Committee on Finance</i>
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(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:** SCF 23 will be held virtually from 16 to 17 December 2020. A provisional schedule of the meeting is contained in the annex to this document.

6. 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.

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

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

(a) *To provide guidance on the second-order draft of the technical report of the Fourth BA;*

(b) *To provide additional guidance on the intersessional work in advance of SCF 24.*

8. **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; decision 4/CP.24, paragraphs 4, 5 and 10; and decision 11/CP.25, paragraphs 9 and 10 and decision 5/CMA.2, paragraphs 9 and 10.

9. During the intersessional period, progress was made in the technical work on drafting the Fourth BA, with feedback and inputs received through three informal outreach webinars. In addition, a total of twenty-nine submissions from Parties and non-Party stakeholders were received ahead of the deadline of the call for evidence at 30 October 2020.

SCF/2020/23/3	<i>Background paper on the Fourth Biennial Assessment and Overview of Climate Finance Flows (2020)</i>
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SCF/2020/23/3, annex	<i>Second-order draft of the technical report (work in progress)</i>
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4. First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement

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

(a) *To provide guidance on the second-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) *Provide additional guidance for intersessional work in advance of the twenty-fourth meeting of the SCF.*

11. *Background:* In decision 4/CP.24, the Conference of the Parties (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 and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), starting at COP 26 and CMA 3 respectively (November 2021).¹ Additional guidance was received from the COP and the CMA, as contained in decisions 11/CP.25 and 5/CMA.2, respectively.

12. During the intersessional period, 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. A series of three SCF informal outreach regional webinars were held, and inputs were received through 34 submissions from Parties and non-Party stakeholders through the extended call for evidence until 30 October 2020.

SCF/2020/23/4 *Background paper on the first report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement*

SCF/2020/23/4, *annex* *Second-order draft of the technical report of the Standing Committee on Finance on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement (work in progress)*

5. Forum on Finance for Nature-based Solutions (NBS)

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

(a) *To take note of the outcome of the virtual consultations with stakeholders;*

(b) *To take note of the intersessional work plan.*

14. *Background:* At SCF 21, the Committee agreed that the theme of its next Forum will be “Finance for Nature-based Solutions,” including on the sub-themes.² The COP and the CMA welcomed the decision of the SCF on this topic.³ At SCF 22, the Committee considered a draft programme of the Forum and agreed to refine the programme based on the views provided by members.

15. During the intersessional period, virtual consultations were held on 5 November 2020 with Parties and observers who made submissions to the call for inputs.

SCF/2020/23/5 *Background paper on the Forum on Finance for Nature-based Solutions*

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

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

(a) *To exchange views on the approach in preparing the draft guidance to the operating entities of the Financial Mechanism;*

¹ Decision 4/CP.24, paragraph 13.

² SCF/2019/21/11, paragraph 24.

³ Decisions 11/CP.25, paragraph 7, and 5/CMA.2, paragraph 7.

(b) *To agree on the timeline of activities to prepare the draft guidance.*

17. *Background:* The operating entities of the Financial Mechanism are mandated to submit their reports to the COP annually.⁴ The Global Environment Facility (GEF) published its annual report at the end of October 2020 and the annual report for the Green Climate Fund (GCF) is still pending.

18. At SCF 22, the Committee agreed that it will not prepare a draft guidance to the operating entities as the COP is only taking place in 2021. However, submissions by Parties and constituted bodies may be provided in 2020 and/or 2021, which will be compiled prior to the first meeting of the SCF in 2021.

19. The SCF also agreed at SCF 22 that it will further discuss how it will prepare the draft guidance at its first meeting in 2021.

SCF/2020/23/6 Background paper on the draft guidance to the operating entities of the Financial Mechanism

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

20. *Action:* *The SCF may wish to consider the draft of its report to COP 26 and CMA 3.*

21. *Background:* At COP 25, Parties requested the SCF to report to COP 26 and CMA 3 on the progress made in the implementation of its workplan.

SCF/2020/23/7 Report of Standing Committee on Finance to COP 26/CMA 3

8. Other matters

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

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

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

SCF/2020/23/8 Report of the twenty-third meeting of the Standing Committee on Finance

(b) Dates and venues of future meetings

24. The SCF may wish to provide guidance on the organization of SCF 24.

9. Closure of the meeting

25. SCF 23 is scheduled to be closed on Thursday, 17 December 2020, at 15:00 (CET)

⁴ 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.

Annex

Provisional Schedule for the twenty-third meeting of the Standing Committee on Finance

Wednesday, 16 December 2020

12:00 – 15:00 CET

12:00 – 12:15	Opening of the Meeting Organizational Matters
12:15 – 14:00	Technical discussion with stakeholders
14:00 – 14:30	Fourth Biennial Assessment and Overview of Climate Finance Flows, including, information relevant to Article 2, paragraph 1(c) of the Paris Agreement (2020)
14:30 – 15:00	First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement

Thursday, 17 December 2020

12:00 – 15:00 CET

12:00 – 13:00	Draft guidance to the operating entities of the Financial Mechanism
13:00 – 13:30	Forum on Finance for Nature-based Solutions
13:30 – 14:00	Report of the SCF to COP and CMA
14:00 – 14:30	Other matters
14:30 – 14:50	Consideration of the outcomes of the meeting: <ul style="list-style-type: none"> • Fourth Biennial Assessment and Overview of Climate Finance Flows, including, information relevant to Article 2, paragraph 1(c) of the Paris Agreement (2020); • First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement; • Forum on Finance for Nature-based Solutions; • Draft guidance to the operating entities of the Financial Mechanism.
14:50 – 15:00	Closure
