



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

27 October 2023

Report of the thirty-second meeting of the Standing Committee on Finance

Attendance

In-person

Mr. Kevin Adams
Ms. Diann Black-Layne
Ms. Gabriela Blatter
Mr. Zaheer Fakir (Co-Chair)
Mr. Ivan Zambrana-Flores
Ms. Katarzyna Kowalska
Mr. Zerihun Getu Mekuria
Ms. Apollonia Miola
Mr. Richard Muyungi
Mr. Mohamed Nasr
Ms. Chandni Raina
Ms. Brittany Young
Mr. Liucui Zhu
Ms. Gertraud Wollansky (Co-Chair)

Virtual

Mr. Mattias Frumerie
Ms. Hyekyoung Jung
Mr. Ian Naumkin
Ms. Vicky Noens
Ms. Saiko Saito

Absent

Mr. Javier Antonio Gutiérrez Ramírez

1. Opening of the meeting

1. The thirty-second meeting of the Standing Committee on Finance (SCF) was opened at 9:00 a.m. (UTC+2), on Tuesday, 26 September 2023 at the Varembe Conference Centre. SCF expressed its gratitude to the Government of Switzerland for hosting the meeting.
2. The SCF Co-Chairs welcomed everyone and underscored the importance of this last meeting for the year by the end of which the SCF will have to deliver on all mandates it received from the 27th session of the Conference of the Parties (COP 27) and the 4th session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 4), noting the importance of the deliverables for the work of Parties at COP 28 and CMA 5.
3. Mr. Daniele Violetti, Senior Director for Programmes Coordination at the UNFCCC secretariat, also welcomed the participants. He echoed the Co-Chairs' remarks on the crucial importance of the SCF products for the work of the COP and the CMA and assured the participants of the secretariat's commitment to supporting SCF in all its endeavours.

2. Organizational matters

(a) Adoption of the agenda

4. The SCF adopted the agenda contained in document SCF/2023/32/1, as proposed.¹

(b) Organization of the work of the meeting

5. The meeting was organized in a hybrid format with in-person and virtual participation of members and observers.

6. The SCF took note of the annotations to the agenda and the tentative meeting schedule contained in document SCF/2023/32/2.

7. The meeting was conducted in a combination of plenary and breakout sessions. Breakout sessions were held in relation to the work on definitions of climate finance, Article 2, paragraph 1(c), of the Paris Agreement, doubling of adaptation finance, draft guidance for the operating entities of the Financial Mechanism and the SCF's self-assessment report in the context of the second review of the SCF functions.

8. All work of the SCF was finalized and agreed in a plenary format on the last day of the meeting.

3. Mandates from the twenty-seventh session of the Conference of the Parties and the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

(a) Work on definitions of climate finance

Proceedings

9. The SCF took note of document SCF/2023/32/3. The co-facilitators, Ms. Diann Black-Layne and Ms. Apollonia Miola, presented the draft executive summary and the pre-final draft of the report on clustering types of climate finance definitions in use.

10. Members discussed further detailing the visual aids to assist users with navigating the report and options for updating the Committee's operational definition of climate finance.

11. Members and observers provided further feedback on the draft executive summary during plenary and breakout sessions.

Outcomes

12. The SCF agreed to reflect in the report a summary of its discussions on a potential update to the Committee's operational definition of climate finance and highlight the ongoing work on definitions of climate finance in the context of the sixth biennial assessment and overview of climate finance flows in 2024.

13. The SCF finalized the executive summary and the technical report on clustering types of climate finance definitions in use.

Next steps

14. The executive summary will be included as an addendum to the annual report of the SCF to the COP and the CMA for consideration at COP 28.

15. The executive summary and the technical report will be published on the SCF web pages.²

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

² <https://unfccc.int/SCF>.

(b) Work relating to Article 2, paragraph 1(c), of the Paris AgreementProceedings

16. The SCF took note of document SCF/2023/32/4. The co-facilitators, Mr. Kevin Adams and Ms. Chandni Raina, presented the pre-final 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.

17. The SCF considered the pre-final draft of the synthesis of views, including an executive summary as part of the synthesis. Members expressed a preference for a consistent approach to capturing the views submitted by Parties and non-Party stakeholders, and discussed whether insights related to Article 2, paragraph 1(c) emerging in the context of the first global stocktake should be captured in the synthesis. Furthermore, members noted the need to capture the nuances of the variety of views expressed in submissions regarding the understanding of what consistency means in the context of Article 2, paragraph 1(c) of the Paris Agreement and stressed the need to emphasize the potential risks of greenwashing in approaches and efforts related to Article 2, paragraph 1(c), as expressed in submissions.

18. As part of the outreach plan, the co-facilitators reported on the intention to communicate the findings captured in the synthesis through a webinar for all interested stakeholders, including interested ministries of finance, at the beginning of November 2023.

19. Members and observers provided further feedback on the synthesis of views during plenary and breakout sessions.

Outcomes

20. The SCF finalized 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.

21. The SCF agreed to organize a webinar for interested stakeholders, including interested ministries of finance, at the beginning of November 2023 to present the findings from the synthesis of views.

Next steps

22. The synthesis of views will be included as an addendum to the annual report of the SCF to the COP and the CMA for consideration at CMA 5 and will be published on the SCF web pages.³

23. The secretariat will organize the webinar where the SCF will present the findings from the synthesis of views to interested stakeholders.

(c) Work on doubling of adaptation financeProceedings

24. The SCF took note of document SCF/2023/32/5. The co-facilitators, Mr. Mattias Frumerie and Mr. Richard Muyungi, presented the draft executive summary and the pre-final draft of the report on the doubling of adaptation finance, including the 17 submissions received in response to a call for evidence. The technical team working on the report presented updates since the zero-order draft, including how comments received from SCF members have been taken into account.

25. Members provided their views on the different sources of data, visualisation of data and the challenges and opportunities related to adaptation finance. Members discussed the potential recommendations on the doubling of adaptation finance and broader issues related to data gaps and scaling up of adaptation finance.

26. Members and observers provided further feedback on the draft executive summary during plenary and breakout sessions.

³ See footnote 2.

Outcomes

27. The SCF finalized the executive summary and the technical report on doubling of adaptation finance.

Next steps

28. The executive summary will be included as an addendum to the annual report of the SCF to the COP and the CMA for consideration at CMA 5.

29. The executive summary and the technical report will be published on the SCF web pages.⁴

4. Forum of the Standing Committee on Finance

(a) Report of the 2023 Forum on Financing Just Transitions

Proceedings

30. The SCF took note of document SCF/2023/32/6 regarding the Forum on Financing Just Transitions held from 17 to 18 July 2023 in Bangkok, Thailand. The co-facilitators, Ms. Katarzyna Kowalska and Mr. Mohammed Nasr, presented the draft summary report of the Forum.

31. The co-facilitators invited members to provide written inputs during the meeting and amended the summary report based on the inputs received.

Outcomes

32. The SCF finalized the summary report of the 2023 Forum on Financing Just Transitions.

Next steps

33. The summary report will be included as an addendum to the annual report of the SCF to the COP and the CMA for consideration at COP 28 and CMA 5 and will be published on the SCF web pages.⁵

(b) Theme for the next Forum of the Standing Committee on Finance

Proceedings

34. The SCF took note of document SCF/2023/32/7, including proposed topics for the next Forum that were received from members intersessionally. Based on discussions during the meeting, the co-facilitators presented a short list of five potential topics for the next Forum.

35. Members considered and further refined the proposed topics and discussed the option of agreeing the topics for the Forum in 2024 and 2025 this year, noting that the SCF could review the topic for 2025 next year, if necessary.

Outcomes

36. The SCF agreed the topics for its Forum in 2024 and 2025 as follows:

(a) SCF Forum in 2024 on accelerating climate action and resilience through gender-responsive finance;

(b) SCF Forum in 2025 on accelerating climate action and resilience through financing for sustainable food systems and agriculture.

Next steps

37. The topics will be included in the 2023 annual report of the SCF to the COP and the CMA.

⁴ See footnote 2.

⁵ <https://unfccc.int/event/2023-forum-of-the-standing-committee-on-finance-financing-just-transitions>.

38. The SCF will initiate preparatory work for the 2024 Forum, including gathering information on potential partner organizations and host countries, as well as elaborating sub-topics and drafting a programme for the event.

5. Draft guidance for the operating entities of the Financial Mechanism

Proceedings

39. The SCF took note of document SCF/2023/32/8, which contained a compilation of seven submissions on the draft guidance received from Parties and constituted bodies by 26 September 2023.⁶

40. During SCF 32, the co-facilitators, Ms. Gertraud Wollansky and Mr. Ivan Zambrana-Flores, updated the compilation with five additional submissions received at the meeting⁷ and clustered the submissions' elements into thematic areas. The co-facilitators further synthesized, where possible, common substantive elements from the submissions. The co-facilitators also included in the compilation views received from the secretariats of the operating entities on why some draft guidance elements would not be feasible to implement.

41. The co-facilitators proposed to the SCF to submit the compilation and synthesis as draft guidance prepared by the SCF. However, members expressed reservations about this approach because the compilation was based on submissions received from only a limited number of Parties and groups of Parties. Members also expressed concerns about not having sufficient time to conduct the work properly, given that many submissions were provided late, either close to or during the meeting. In this context, members underlined the importance of timely submissions on the draft guidance.

Outcomes

42. The SCF agreed to submit to the COP and the CMA the co-facilitators' compilation and synthesis of submissions on the draft guidance for the operating entities of the Financial Mechanism.

43. The SCF noted that the synthesis does not represent agreed views among the SCF members, and that during the COP, Parties may refer to the submissions as they were originally submitted and/or make additional proposals.

Next steps

44. The co-facilitators' compilation and synthesis of submissions on the draft guidance will be included as an addendum to the annual report of the SCF to the COP and the CMA for consideration at COP 28 and CMA 5 and will be published on the SCF web pages.⁸

6. Self-assessment report of the Standing Committee on Finance to the second review of the functions of the Standing Committee on Finance

Proceedings

45. The SCF took note of document SCF/2023/32/9. The co-facilitators, Ms. Gabriela Blatter and Mr. Mohammed Nasr, presented the outcomes of the intersessional survey among SCF members, Parties and observers on the efficiency and effectiveness of the SCF and the draft SCF self-assessment report prepared in the context of the second review of the functions of the SCF.

46. During plenary and breakout sessions, members discussed the possible elements for improving the efficiency and effectiveness of the SCF and identified the elements to be included in the final version of the SCF self-assessment report.

⁶ Submissions from Chile, European Union, Switzerland, the United States, Adaptation Committee, Least Developed Countries Expert Group and Technology Executive Committee.

⁷ Submissions from the Arab Group, Like-minded developing countries, the United Kingdom, Wim ExCom and a member of the Standing Committee on Finance.

⁸ See footnote 2.

Outcomes

47. The SCF finalized its self-assessment report.

Next steps

48. The self-assessment report will be included as an addendum to the annual report of the SCF to the COP and the CMA for consideration at COP 28 and CMA 5 in the context of the second review of the SCF functions.

7. Linkages with constituted bodies of the Convention and the Paris Agreement

Proceedings

49. The SCF took note of document SCF/2023/32/10, which contained an update by the SCF focal points on the collaboration of the SCF with other constituted bodies and thematic areas, including the Adaptation Committee (AC), Paris Committee on Capacity-building (PCCB) and the Climate Technology Centre and Network (CTCN).

Outcomes

50. The SCF took note of the update from Ms. Gabriela Blatter on the AC annual dialogue with constituted bodies on ways for further strengthening coherence and collaboration in addressing adaptation that was held during the Subsidiary Bodies session in June 2023. The SCF also took note of its next engagement with the AC during the 24th meeting of the AC (AC 24) to be held from 10 to 13 October 2023 in Bonn. The second part of the AC annual dialogue with constituted bodies will take place in conjunction with AC 24.

51. The SCF took note of the update from Mr. Mattias Frumerie and Ms. Apollonia Miola on the work related to capacity building under the Convention and the Paris Agreement. The PCCB established an informal coordination group which is developing electronic booklets on capacity-building, including a booklet on accessing, mobilizing and scaling up climate finance. This booklet will be shared with the SCF members in October 2023 for comments and will be published prior to COP 28.

52. The SCF took note of the update from Ms. Katarzyna Kowalska and Ms. Diann Black-Layne on their engagement with the CTCN. The SCF noted that the 22nd CTCN Advisory Board Meeting is taking place from 22 to 27 September 2023. Since this meeting was concurrent with SCF 32, the focal points sent a message on behalf of the SCF to be read out during the CTCN Advisory Board meeting.

8. Report of the thirty-second meeting of the Standing Committee on Finance

53. The SCF agreed to finalize and adopt the report of its thirty-second meeting intersessionally on a non-objection basis.

9. Report of the Standing Committee on Finance to the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

Proceedings

54. The SCF took note of document SCF/2023/32/11, which contained placeholders for the outcomes of SCF 32.

Outcomes

55. The SCF agreed to update its annual report to the COP and the CMA with the outcomes of SCF 32 and adopt it intersessionally on a non-objection basis.

10. Dates and venues of future meetings

Proceedings

56. The SCF took note of document SCF/2023/32/12, containing the proposed dates and venues for the SCF meetings in 2024 based on the tentative schedule of climate finance-related events.

57. The SCF took note of the offer from the United Republic of Tanzania to host SCF 35, as well as an interest in hosting the 2024 Forum of the SCF.

Outcomes

58. The SCF agreed on the following dates for its meetings in 2024:

- (a) SCF 33 to be held from 26 to 28 February in Bonn;
- (b) SCF 34 to be held from 29 to 31 May in Bonn;
- (c) SCF 35 to be held from 4 to 6 September in the United Republic of Tanzania.

11. Other matters

59. Mr. Violetti expressed gratitude for the work of the SCF and the contributions from observers, and congratulated members on the successful completion of the SCF mandates. He also acknowledged the hard work of the Climate Finance team and assured the SCF of the secretariat's commitment to staff the team appropriately going forward.

12. Closure of the meeting

60. The Co-Chairs thanked members and observers for their constructive engagement and participation. The Co-Chairs once again thanked the government of Switzerland for hosting the SCF meeting.

61. Mr. Fakir shared that Ms. Wollansky will be retiring from working with the SCF at the end of this year and, on behalf of the SCF, expressed appreciation for her dedication and valuable contributions to the work of the Committee.

62. The Co-Chairs closed the thirty-second meeting of the SCF at 6:15 p.m. (UTC+2), on Thursday, 28 September 2023.
