



Standing Committee on Finance
Twenty-ninth meeting of the Standing Committee on Finance
Cairns, Australia, 29 September–01 October 2022

07 December 2022

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

Attendance

In-person

Mr. Kevin Adams
Mr. Abdelrahman M. Al-Gwaiz
Ms. Diann Black-Layne
Ms. Gabriela Blatter
Mr. Zaheer Fakir (Co-Chair)
Mr. Ivan Zambrana Flores
Mr. Mattias Frumerie
Ms. Fiona Gilbert
Mr. Toru Sugio
Ms. Gertraud Wollansky (Co-Chair)

Virtual

Mr. Javier Antonio Gutiérrez Ramírez
Mr. Konstantin Kulikov
Mr. Ali Waqas Malik
Ms. Apollonia Miola
Ms. Outi Honkatukia (replacement for Ms. Bianca Moldovean)
Mr. Zerihun Getu Mekuria
Mr. Richard Muyungi
Ms. Vicky Noens
Mr. Liucui Zhu

Absent with apologies

Mr. Mohamed Nasr

1. Opening of the meeting

1. The twenty-ninth meeting of the Standing Committee on Finance (SCF), was opened at 9 a.m. AEST, on Thursday, 29 September 2022 in Cairns, Australia. The SCF expressed its gratitude to the Government of Australia for hosting the meeting in Cairns.
2. The SCF co-chairs announced that this was the last meeting in 2022 prior to COP 27 and expressed appreciation to all co-facilitators for advancing the work since its first meeting in 2022 at Cape Town, South Africa. The co-chairs encouraged all members to engage constructively to conclude the work of the Committee so that the outcomes can be submitted to the Conference of the Parties (COP) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA).

2. Organizational matters**(a) Adoption of the agenda**

3. The SCF adopted the agenda contained in document SCF/2022/29/1 as proposed.¹

(b) Organization of the work of the meeting

4. The SCF took note of the tentative meeting schedule contained in document SCF/2022/29/2. The meeting was held in a hybrid format with in-person and virtual participation of members and observers. Due to the tight schedule, observers were informed that their interventions will be limited to the minimum, to allow more time for members to agree on key documents to be submitted to the COP and the CMA. Furthermore, SCF co-chairs announced that at any time a meeting, or part thereof, could be closed to observers and the broadcast could be interrupted.

5. The SCF meeting was held in a combination of plenary and breakout group format. The SCF held breakout group discussions on work relating to Article 2, paragraph 1(c), of the Paris Agreement, definitions of climate finance, the fifth Biennial Assessment and Overview of Climate Finance Flows (fifth BA) and the report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year. All work of the SCF was finalized and agreed in the plenary format on the last day of the meeting.

3. Technical reports of the Standing Committee on Finance for the twenty-seventh session of the Conference of Parties (COP 27) and the fourth session of the Conference of Parties serving as the meeting of the Parties to the Paris Agreement (CMA 4)**(a) Fifth Biennial Assessment and Overview of Climate Finance Flows**Proceedings

6. The SCF took note of the document SCF/2022/29/3. The co-facilitators, Vicky Noens and Diann Black-Layne, presented the pre-final draft of the technical report that progressed based on the discussions and comments received at SCF 28.

7. The SCF also noted the work done intersessionally, including integration of comments received during SCF 28 and written feedback, integration of preliminary data for climate finance flows for 2019–2020 from Parties; organisation of a webinar on 4 August 2022 with more than 150 participants on capturing the latest updates on climate finance flows in relation to data, effectiveness and definitions.

8. Furthermore, the SCF took note of the annex on draft summary and recommendations which was discussed at the breakout groups and finalized at the plenary session.

Outcomes

9. The SCF finalized the technical report of the fifth BA and its summary and recommendations.

Next steps

10. The technical report will be published on the SCF website² and the summary and recommendations will be included in an addendum to the SCF report to COP.

(b) Work on definitions of climate financeProceedings

11. The SCF took note of the document SCF/2022/29/3. The co-facilitators Diann Black-Layne and Apollonia Miola presented the first-order draft based on the inputs received at SCF 28.

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

² <https://unfccc.int/topics/climate-finance/resources/biennial-assessment-of-climate-finance>.

12. The SCF also noted the input received from the webinar organized in the context of preparing the fifth BA, where a range of stakeholders discussed definitions of climate finance.

13. Discussions led by the co-facilitators during breakout groups and plenary sessions contributed to finalizing the input on the definitions of climate finance.

Outcomes

14. The SCF finalized the input on definitions of climate finance.

Next steps

15. The input will be included as an addendum to the SCF report to COP.

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

Proceedings

16. The SCF took note of the document SCF/2022/29/4. The co-facilitators, Kevin Adams and Ali Waqas Malik, presented the pre-final drafts of the synthesis of submissions on views regarding ways to achieve Article 2, paragraph 1(c), of the Paris Agreement, as well as the further work on mapping available information relevant to Article 2, paragraph 1(c), of the Paris Agreement, including its reference to Article 9 thereof. The SCF also considered the format for providing the inputs to COP 27 and CMA 4.

17. The co-facilitators led discussions in breakout groups and plenary to finalize the inputs.

Outcomes

18. The SCF finalized the synthesis of submissions and the further work on mapping relevant to Article 2, paragraph 1(c) of the Paris Agreement, including its reference to Article 9 thereof, and agreed to present the inputs as separate addenda to the SCF report to COP 27 and CMA 4.

Next steps

19. The inputs will be included as separate addenda to the report of the SCF to COP 27 and CMA 4.

(d) Report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year

Proceedings

20. The SCF took note of the document SCF/2022/29/6. The co-facilitators, Gabriela Blatter and Richard Muyungi, presented the pre-final-draft of the technical report and a draft executive summary, including recommendations.

21. The co-facilitators led discussions in breakout groups and plenary to finalize the inputs.

Outcomes

22. The SCF finalized the technical report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation, but did not agree on the executive summary, including recommendations.

Next steps

23. The SCF agreed to publish the technical report on the SCF website³ and forward the report to the COP for its consideration.

³ <https://unfccc.int/process-and-meetings/bodies/constituted-bodies/standing-committee-on-finance-scf/progress-report>.

4. Draft Guidance to the operating entities of the Financial Mechanism

Proceedings

24. The SCF took note of the document SCF/2022/29/7 and the presentation made by the co-facilitators, Toru Sugio and Ivan Zambrana, on the technical work undertaken during the inter-sessional period.

25. All discussions on the draft guidance were held in a plenary format.

Outcomes

26. The co-facilitators presented to the SCF a compilation of submissions, which categorizes the elements of draft guidance submitted by thematic areas and annotates the elements with rationale and reference materials, as contained in the submissions. The co-facilitators used this compilation and the database of previous guidance to make technical assessments on the proposed draft guidance.⁴

27. The technical work undertaken by the co-facilitators was generally welcomed by the SCF and the Committee agreed on the importance of finalizing the work on the draft guidance to fulfil the mandate to assist Parties in deliberating guidance to the operating entities. The SCF requested the co-facilitators to prepare a streamlined draft guidance for consideration by the Committee, based on the compilation and analysis and additional submissions received during the meeting.

28. Based on the streamlined draft guidance, the SCF technically refined the text, where there was agreement to do so, and used brackets to identify areas of divergence as shown in the submissions or expressed by the members during the meeting.

Next steps

29. SCF finalized its work on the draft guidance and agreed to include it in the SCF annual report as an addendum.

5. Forum on Finance for Nature-based Solutions

(a) Outcomes of the Forum on Finance for Nature-based Solutions.

Proceedings

30. The SCF welcomed the successful organization of the second part of the Forum on finance for nature-based solution from 26–28 September 2022 in Cairns, Australia. The SCF expressed gratitude to the Government of Australia for hosting the Forum and thanked the co-facilitators Fiona Gilbert and Mohamed Nasr for the preparatory work.

Outcomes

31. Fiona Gilbert presented to the SCF an initial draft high-level summary of the Forum, which was prepared after the conclusion of the Forum and circulated to the Committee during the meeting. Given the short turnaround in producing the summary for consideration by the Committee, Fiona Gilbert invited the SCF to entrust the co-facilitators to finalize the summary after the meeting that would factually capture the discussions held during the Forum.

32. The SCF agreed to entrust the co-facilitators to finalize the high-level summary of the Forum after the meeting.

Next steps

33. Once the co-facilitators finalize the high-level summary of the Forum, it will be included in the SCF annual report as an addendum.

⁴ Submissions received by the SCF and the compilation and analysis prepared by the co-facilitators can be accessed on the SCF 29 web page, at <https://unfccc.int/scf/scf-meetings-and-documents#29th-SCF-Meeting.29-September-%E2%80%93-1-October-2022.-Ca>.

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

34. The SCF took note of the document SCF/2022/29/8 and a list contained therein on the possible themes for the next forum to be held in 2023.

Outcomes

35. The SCF agreed to hold its next forum to be held in 2023 on the theme of “Financing just transitions.”

36. The SCF initiated its discussion on the possible sub-themes of the Forum, which included, inter alia:

- (a) Just transitions and addressing potential risks;
- (b) Transition towards a sustainable economic growth;
- (c) Financing the transition in sectors, including agriculture and food systems, sustainable transport, circular carbon economy and technology and innovation;
- (d) Role of and ways to support the private sector in the transition;
- (e) Facilitating an inclusive transition.

37. The SCF agreed to continue the discussions on the sub-themes at SCF 30.

Next steps

38. During the intersessional period, the co-facilitators will initiate the organization of the 2023 Forum, including gathering information on potential partner events and organizations.

6. Linkages with constituted bodies of the Convention and the Paris AgreementProceedings

39. The SCF co-chairs invited the SCF focal points to other constituted bodies and thematic areas to provide an update on any activities they undertook since the conclusion of the 28th meeting of the SCF.

Outcomes

40. Gabriela Blatter shared with the SCF an update regarding the joint working group of the Adaptation Committee–Least Developed Countries Expert Group–SCF on methodologies for reviewing the adequacy and effectiveness of adaptation and support.

41. Mattias Frumerie shared with the SCF an update on the activities to be undertaken by the Paris Committee on Capacity-building (PCCB) at the Capacity-building Hub at COP 27. He shared his reflections on how the SCF could further collaborate with the PCCB to facilitate a more holistic discussion by Parties and observers on the important issues of finance and capacity-building.

42. Vicky Noens informed the SCF that she will discontinue in 2023 her focal point role to the CTCN and encouraged other members to fill in her role.

7. Report of the twenty-ninth meeting of the Standing Committee on Finance

43. The SCF agreed to consider and adopt the report of the twenty-ninth meeting of the SCF intersessionally on a non-objection basis.

8. Report of the Standing Committee on Finance to the COP 27 and CMA 4

44. The SCF agreed to share the draft of the report of the Standing Committee on Finance to the COP 27 and CMA 4 the week after the closing of SCF 29 and to adopt it on a non-objection basis.

9. Dates and venues of future meetings

45. The SCF agreed to hold three meetings in 2023. The SCF also agreed that the co-chairs will recommend to the Committee intersessionally and by January 2023 the proposed dates, venue and format for the meetings.

10. Closure of the meeting

46. In closing the meeting, Co-chairs thanked the SCF members for their constructive engagement.

47. Toru Sugio and Ali Waqas Malik announced their departure from the Committee from 2023. The SCF thanked the two members for their commitment and dedication during their tenure in the Committee and wished them the best for future endeavours.

48. The Co-Chairs closed the twenty-ninth meeting of the SCF at 6 p.m. AEST, on Saturday, 1 October 2022.
