联合国

FCCC/CP/2017/9

气候变化框架公约

Distr.: General
19 October 2017
Chinese
Original: English

缔约方会议

第二十三届会议

2017 年 11 月 6 日至 17 日，波恩

临时议程项目 10(b)

与资金有关的事项

与资金问题常设委员会有关的事项

资金问题常设委员会的报告*

概要

本报告载有资金问题常设委员会的工作成果，包括在 2017 年举行各次会议的情况。报告还载有：关于对资金机制的第五次审查的专家意见；为资金机制经营实体提供的指导意见草案的两份决定草案；关于为全球环境基金提供指导的频率的建议；2018 年气候融资流量两年期评估和概览纲要草案以及关于资金问题常设委员会在两年期评估和概览之后延长衡量、报告和核实支助的工作计划的信息；2017 年资金问题常设委员会论坛概要报告；关于资金问题常设委员会下一次论坛的信息；资金问题常设委员会关于其职能审查的自我评估报告及提高效率和效力的建议；资金问题常设委员会 2018 年工作计划；以及资金问题常设委员会成员名单。

* 本文件逾期提交，是为了列入资金问题常设委员会 2017 年 9 月 18 日至 21 日举行的第 16 次会议的结果。

GE.17-18474 (C)　301017　311017

1718474

请回收

目录

一. 导言

A. 任务

1. 资金问题常设委员会系根据第 2/CP.17 号决定第 120 段规定的任务编写提交《公约》缔约方会议(缔约方会议)的年度报告。缔约方会议第十八届会议核准了[1] 资金问题常设委员会 2013-2015 年工作方案，[2] 缔约方会议第二十二届会议核准了[3] 资金问题常设委员会 2017 年工作计划。[4]

B. 本报告的范围

2. 本文件介绍了资金问题常设委员会 2017 年的工作成果和委员会提出的、供缔约方会议第二十三届会议审议的建议，以及资金问题常设委员会第 15 和 16 次会议报告及其 2017 年论坛的报告。

C. 建议缔约方会议第二十三届会议采取的行动

3. 缔约方会议在审议有关议程项目时不妨考虑以下内容：

(a) 从关于资金机制第六次审查的技术文件摘要中产生的资金问题常设委员会的建议(见附件二，第 66 段)；

(b) 为绿色气候基金和全球环境基金(环境基金)提供的指导意见草案的决定草案(见附件三和附件四)；

(c) 从资金问题常设委员会 2017 年论坛报告中产生的关于资金问题常设委员会 2018 年后续活动的建议，其重点是为气候适应型基础设施调集资金(见附件五，第 82 和 83 段)；

(d) 资金问题常设委员会关于缔约方会议继续为环境基金提供年度指导意见的建议(见以下第 20 段)；

(e) 关于资金问题常设委员会基于自我评估报告提高效率和效力的建议(见附件七，第 10 段)。

4. 此外，缔约方会议不妨注意以下事项：

(a) 资金问题常设委员会的成员情况(见附件一)；

(b) 关于资金机制第六次审查的技术文件摘要(见附件二)，其中包括资金问题常设委员会关于对资金机制的第六次审查的专家意见；

[1] 第 5/CP.18 号决定，第 3 段。

[2] 载于 FCCC/CP/2012/4 号文件附件二。

[3] 第 8/CP.22 号决定，第 2 段。

[4] 载于 FCCC/CP/2016/8 号文件附件八。

(c) 资金问题常设委员会在汇编和分析以往向经营实体提供的指导意见方面取得的进展，以及向经营实体提供的一套核心指导意见草案(见以下第 21-23 段)；

(d) 资金问题常设委员会 2017 年论坛报告(见附件五)；

(e) 关于 2018 年气候融资流量两年期评估和概览的讨论结果，包括技术报告纲要和 2018 年气候融资流量两年期评估和概览概要和建议，以及指示性时间表(见附件六)；

(f) 资金问题常设委员会关于在气候融资流量两年期评估和概览之后延长衡量、报告和核实支助的两年期工作计划的协议[5] (见以下第 39 段)；

(g) 资金问题常设委员会关于其职能审查的自我评估报告，其中还载有资金问题常设委员会进行自我评估时收集的资料概述，以及单独的资金问题常设委员会成员就如何进一步促进和/或推动资金问题常设委员会的会议及其具体工作领域提供的建议汇编(见附件七)；

(h) 关于资金问题常设委员会下一次论坛的信息(见以下第 31 段)；

(i) 更新后的资金问题常设委员会 2018 年工作计划(见附件八)。

二. 资金问题常设委员会 2017 年各次会议的议事情况

A. 成员

5. Bernarditas Muller 女士(菲律宾)和 Georg Børsting 先生(挪威)当选为资金问题常设委员会 2017 年联合主席。成员变动包括：Kazuhiro Iryu 先生(日本)接替 Yorio Ito 先生(日本)；Stefan Schwager 先生(瑞士)接替 Stephan Kellenberger 先生(瑞士)。2017 年 9 月 22 日的资金问题常设委员会成员名单载于附件一。

B. 会议

6. 缔约方观察员以及非政府组织、政府间组织、智库、多边开发银行和《公约》资金机制经营实体约 70 名代表出席了资金问题常设委员会 2017 年的两次会议。观察员积极参加了资金问题常设委员会的讨论。

7. 资金问题常设委员会通过全体会议和分组讨论举行会议。资金问题常设委员会所有会议均进行网播，可应要求在资金问题常设委员会网站上提供会议录像。[6] 委员会请观察员组织的代表就所讨论的各种问题发表意见，并积极参与分组讨论。

8. 会议文件可查阅资金问题常设委员会网站。共制作了 16 份背景说明和技术文件，以支持资金问题常设委员会的审议工作。

[5] 载于 FCCC/CP/2015/8 号文件附件七。

[6] http://unfccc.int/6881.php。

9. 资金问题常设委员会第 15 次会议于 2017 年 3 月 7 日至 9 日在德国波恩举行。资金问题常设委员会在该会议之前于 2017 年 3 月 6 日举行了一次非正式务虚会，在务虚会上进行了有关职能审查等问题的非正式讨论。资金问题常设委员会第 15 次会议商定了：

(a) 将与森林相关的筹资问题纳入其 2017 年工作计划，酌情考虑所有与森林有关的决定；

(b) 任命协调人，负责与气候变化影响相关损失和损害华沙国际机制执行委员会联系，并根据第 8/CP.22 号决定第 7 段，带头开展资金问题常设委员会 2016 年论坛的后续工作；

(c) 对资金问题常设委员会将收到的要求做出回应，提供有关信息，说明在将性别视角纳入其工作方面取得的进展；

(d) 启动有关将性别视角纳入其工作的可能方面的讨论，如纳入 2018 年气候融资流量两年期评估和概览和对资金机制的第六次审查；

(e) 在附属机构第四十六届会议期间举行一次会外活动；

(f) 编写对资金机制第六次审查的专家意见的经修订概念说明，请《公约》其他组成机构应缔约方会议之邀，提供意见和投入；[7]

(g) 2017 年论坛的主题；

(h) 向附属履行机构(履行机构)第四十六届会议提交一份资料，在其成员中，包括在 2014 年当选的成员中进行一次调查，并请秘书处就编写有关资金问题常设委员会职能审查的自我评估报告汇编一份量化的事实资料；

(i) 为附属科学技术咨询机构(科技咨询机构)和《巴黎协定》特设工作组(特设工作组)正在就支助透明度开展的工作提供技术投入；

(j) 与《公约》下其他组成机构保持联系的总体方针，包括提名 2017 年联络人/候选人；

(k) 向适应委员会提交一份资料，说明适应委员会源自第 1/CP.21 号决定第 42 段的任务；[8]

(l) 启动 2018 年气候融资流量两年期评估和概览工作；

(m) 关于为资金机制经营实体编写指导意见草案、进一步促进汇编和分析以往向资金机制经营实体提供的指导意见，包括为经营实体编写一套核心指导意见草案的方针；

(n) 就向环境基金提供指导意见的频率问题，向缔约方会议提供建议。[9]

10. 资金问题常设委员会第 16 次会议于 2017 年 9 月 18 日至 21 日在波恩举行。资金问题常设委员会商定了：

[7] 第 12/CP.22 号决定，第 3 段。

[8] 载于资金问题常设委员会文件 SCF/2017/15/11 附件五。

[9] 关于第 15 次会议成果的更多信息载于资金问题常设委员会文件 SCF/2017/15/11。

(a) 资金机制第六次审查的技术文件摘要(见附件二)；

(b) 两项决定草案，其中载有对经营实体的指导意见草案(见附件三和四)，以及在缔约方会议第二十三届会议期间与绿色气候基金董事会互动的方针；

(c) 资金问题常设委员会 2017 年论坛产生的建议(见附件五)；

(d) 技术报告纲要和 2018 年气候融资流量两年期评估和概览概要和建议(见附件六)；

(e) 在气候融资流量两年期评估和概览之后延长衡量、报告和核实支助的两年期工作计划；

(f) 资金问题常设委员会的自我评估报告(见附件七)；

(g) 如何推动举办下一次论坛。[10]

三. 资金问题常设委员会 2017 年的工作

A. 对资金机制的第六次审查

11. 根据第 12/CP.22 号决定第 2 段，资金问题常设委员会编写了对资金机制进行第六次审查的专家意见，专家意见遵循第六次审查的更新指南[11]，参考了对资金机制进行第五次审查使用的相同方法和标准。[12]

12. 在第 15 次会议期间，资金问题常设委员会商定了一份概念说明[13]，其中载有关于编写专家意见的大纲草案和方法。资金问题常设委员会设立了一个工作组，以推动闭会期间关于这一主题事项的工作，工作组由 Jozef Buys 先生和 Diann Black-Layne 女士担任共同协调人。

13. 资金问题常设委员会指出，专家意见将考虑缔约方、观察员和其他相关国际组织、利害关系方和参与资金机制经营实体活动的非政府组织提交的相关资料。经过缔约方会议第二十二届会议的邀请[14]，收到了三份资料[15]。此外，应资金问题常设委员会的邀请，适应委员会提供了一份材料，说明适应委员会工作中可能与资金问题常设委员会编写第六次审查专家意见相关的领域，以及可能为编写专家意见提供信息的任何其他材料。技术执行委员会(技执委)也应邀向资金问题常设委员会提交了资料，说明为促进投资和转让有利于环境的技术创造扶持型

[10] 关于第 16 次会议成果的更多信息载于资金问题常设委员会文件 SCF/2017/16/11。

[11] 第 12/CP.22 号决定，附件。

[12] 第 9/CP.20 号决定，第 2 段。

[13] 载于资金问题常设委员会文件 SCF/2017/15/11 附件一，附录一。

[14] 第 12/CP.22 号决定，第 3 段。

[15] http://unfccc.int/3658。

环境的情况，这种技术可减缓温室气体排放，促进对气候变化的适应力，还从技术转让角度说明了提供的资源实现的结果和影响等问题。[16]

14. 在第 16 次会议期间，资金问题常设委员会商定了关于对资金机制进行第六次审查的技术文件概要，其中包括向缔约方会议提出的建议，作为对资金机制进行第六次审查的专家意见。资金机制经营实体的代表在整个讨论期间与资金问题常设委员会积极互动，为提高技术报告和报告中的事实准确性提供了明确信息。资金问题常设委员会商定以委员会成员和资金机制经营实体代表在会议期间提供的投入为基础，在资金问题常设委员会第 17 次会议之后的闭会期间完成技术文件。

B. 对资金机制经营实体的指导意见

15. 缔约方会议第二十届会议核可了[17] 资金问题常设委员会关于向资金机制经营实体提供指导意见的建议[18]，请资金问题常设委员会就向资金机制提供指导意见的频率问题提供咨询意见，并就此问题向缔约方会议第二十一届会议进行报告。[19] 资金问题常设委员会在缔约方会议第二十二届会议上建议继续每年向绿色气候基金提供指导意见，并同意于 2017 年提出有关向环境基金提供指导意见的频率的建议。[20]

16. 资金问题常设委员会在第 15 和 16 次会议上讨论了这一事项，关于这一问题的工作在闭会期间得到推进，包括得到相关工作组共同协调人 Buys 先生和 Black-Layne 女士推进。经营实体的代表积极参与了资金问题常设委员会这两次会议的讨论，并应要求提供了资料。

17. 在第 16 次会议期间，资金问题常设委员会商定接受绿色气候基金董事会的邀请，出席在缔约方会议第二十三届会议期间举办的绿色气候基金董事会和《公约》组成机构之间的第二次年度会议。资金问题常设委员会商定，资金问题常设委员会将视需要派联合主席和其他成员参加该会议。在准备为会议提供投入时，资金问题常设委员会将从以往的工作中汲取相关信息。

1. 为经营实体提供指导意见

18. 资金问题常设委员会继续依据已有方针编写对经营实体的指导意见草案，包括邀请适应委员会和技执委向资金问题常设委员会提供投入。但也对该进程作了一些改进，如采用一套标准评估适应委员会和技执委提供的投入，从而提高资金问题常设委员会编写的指导意见草案的总体质量。[21] 相关工作组的一名共同协调人和秘书处代表资金问题常设委员会，在适应委员会第 11 次会议期间向适

[16] http://www4.unfccc.int/submissions/SitePages/sessions.aspx?showOnlyCurrentCalls=1&populateData=1&expectedsubmissionfrom=Parties&focalBodies=COP。

[17] 第 6/CP.20 号决定，第 19 段。

[18] FCCC/CP/2014/5, 第 10 段。

[19] 第 6/CP.20 号决定，第 20 段。

[20] FCCC/CP/2016/8, 第 36 段。

[21] 见资金问题常设委员会 SCF/2017/15/11 号文件，第 51 段。

应委员会作了简要通报，在技执委第 14 次会议期间就资金机制有关事项向技执委作了简要通报。

19. 资金问题常设委员会以经营实体年度报告和缔约方、资金问题常设委员会、适应委员会和技执委成员提交的相关投入为基础，编写了以上第 3(b)段所述对环境基金和绿色气候基金的指导意见决定草案。资金问题常设委员会商定请缔约方会议作为谈判的基础审议决定草案。每项决定草案载有一项附录，其中载有资金问题常设委员会在第 16 次会议期间审议的其他资料。

2. 向经营实体提供指导意见的频率

20. 资金问题常设委员会在第 15 次会议上讨论了向环境基金提供指导意见的频率问题，并商定向缔约方会议建议继续每年向环境基金提供指导意见。这将确保今后几年及时向环境基金提供指导意见，向其告知与《公约》和《巴黎协定》相关的任何新的进展。资金问题常设委员会在第 16 次会议上回顾了该协定。

3. 汇编和分析以往为经营实体提供的指导意见

21. 资金问题常设委员会继续汇编和分析以往为经营实体提供的指导意见，同时借鉴过去的有关工作。资金问题常设委员会第 15 次会议商定了：

(a) 请秘书处进一步改进汇编和分析；

(b) 推出一个为资金机制经营实体提供的指导意见草案的专门网页；

(c) 呼吁资金问题常设委员会和观察员就汇编和分析提供反馈意见，讨论可进一步改进的领域以及其中所载信息的完整性；

(d) 请资金机制经营实体继续与秘书处合作促进汇编和分析。

4. 向经营实体提供的一套核心指导意见草案

22. 在 2016 年工作的基础上，资金问题常设委员会在第 15 次会议上商定了通过汇编和分析整合以往积极指导意见的方法，并商定在下次会议上审议经整合的积极指导意见清单修订草案，以期编写其建议。

23. 资金问题常设委员会在第 16 次会议期间审议了这个问题，强调了以下几点：

(a) 核心指导意见草案的目标是巩固以往为资金机制经营实体提供的指导意见，这些指导意见仍在发展，与经营实体的业务相关，可作为长期指导意见；

(b) 在编写对资金机制经营实体的年度指导意见草案时，资金问题常设委员会将以核心指导意见作为参考评估其年度指导意见草案，以确定是否需要提供补充指导意见；

(c) 核心指导意见一经资金问题常设委员会完成并获得缔约方会议核准，将由资金问题常设委员会定期更新，以便为经营实体现在和今后有关充资的讨论提供信息。

C. 资金问题常设委员会论坛

1. 资金问题常设委员会 2016 年论坛的后续活动

24. 缔约方会议第二十二届会议注意到，资金问题常设委员会关于金融工具的 2016 年论坛概要报告讨论了与气候变化不利影响相关的损失和损害风险，包括资金问题常设委员会的建议和后续活动，[22] 缔约方会议第二十二届会议请资金问题常设委员会在 2017 年工作计划中继续就这些建议采取后续行动。[23] 作为回应，资金问题常设委员会任命 Kellenberger 先生和 Paul Oquist Kelley 先生(尼加拉瓜)担任协调人，与执行委员会进行联络，并带头就资金问题常设委员会 2016 年论坛开展后续行动。

2. 资金问题常设委员会 2017 年论坛

25. 缔约方会议第二十二届会议请资金问题常设委员会在 2017 年第一次会议上继续审议 2017 年论坛的主题。[24] 根据这一邀请，资金问题常设委员会商定将“为适应气候变化的基础设施筹集资金”作为 2017 年论坛的主题。资金问题常设委员会设立了一个工作组，由 Edith Kateme-Kasajja 女士和 Ismo Ulvila 先生担任共同协调人，领导论坛的组织工作。所有筹备工作都在闭会期间进行，包括在附属机构第四十六届会议期间举行的资金问题常设委员会两次非正式会议期间进行。

26. 论坛于 2017 年 9 月 6 日和 7 日在摩洛哥拉巴特举行。论坛由摩洛哥政府主办，与地中海联盟和欧洲复兴开发银行合作举办，得到荷兰政府、世界银行和美洲开发银行的大量捐款。约有 120 人，包括政府官员、多边开发银行和资金机制经营实体的代表、基础设施开发商、工程师、私营部门以及非政府组织的代表参加了这一活动。

27. 为了为筹备工作提供信息，资金问题常设委员会与伙伴组织和其他捐助者进行了广泛的协商(见以上第 26 段)。资金问题常设委员会提前进行论坛宣传，还将通过编制各种宣传材料传播 2017 年论坛的成果。

28. 关于 2017 年论坛的报告载于附件五。资金问题常设委员会在第 16 次会议期间商定了从论坛成果中产生的建议以及资金问题常设委员会就论坛采取的后续行动。该报告是在闭会期间完成的。

29. 资金问题常设委员会继续利用其虚拟论坛，[25] 虚拟论坛中保存着论坛会议的有关资料和其他相关资料，如成员们在外部活动中所作的发言和提交的材料，供所有相关利害关系方查阅。

[22] FCCC/CP/2016/8，附件三，第 68 和 69 段。

[23] 第 8/CP.22 号决定，第 7 段。

[24] 第 8/CP.22 号决定，第 9 段。

[25] http://unfccc.int/7552.php。

3. 资金问题常设委员会 2018 年论坛

30. 资金问题常设委员会将组织一次论坛，供从事气候变化融资的机构通报情况和继续交流信息，以促进联系和一致性。[26]

31. 资金问题常设委员会在第 16 次会议期间启动了对下一次论坛主题的审议工作，下一次论坛将由 Mohamed Nasr 先生和 Pieter Terpstra 先生担任共同协调人。资金问题常设委员会欢迎共同协调人关于下一次论坛主题的经修订的说明，[27] 其中载有就这一主题事项进行讨论的情况摘要、成员们提出的各项建议，以及从 2017 年论坛的组织工作中总结出的经验教训。该说明还载有建议下一次论坛讨论的主题清单，并建议将这些建议归纳为两个群组。资金问题常设委员会商定，由共同协调人负责在资金问题常设委员会会议之后的一个月内编写一份有关论坛主题的结构明确的建议，以上述说明中确定的群组为基础，供资金问题常设委员会批准。资金问题常设委员会还商定，在等待资金问题常设委员会通过讨论的主题之前，欢迎并接受由大韩民国提出的共同主办论坛的建议。

D. 2018 年气候融资流量两年期评估和概览

32. 缔约方会议第二十二届会议注意到 2016 年气候融资流量两年期评估和概览，尤其欢迎资金问题常设委员会的概要和建议。[28]

33. 根据第 2/CP.17 号决定第 121(f)段，资金问题常设委员会在第 15 次会议上启动了关于 2018 年气候融资流量两年期评估和概览的工作，包括商定启动技术工作，并尽早与数据提供者、制作者和分类者沟通，以及确定 2018 年气候融资流量两年期评估和概览纲要草案的可能要素。一个工作组在资金问题常设委员会第 15 次和 16 次会议上以及在闭会期间开展工作，工作组由 Outi Honkatukia 女士和 Seyni Nafo 先生担任共同协调人。

34. 资金问题常设委员会在第 16 次会议期间商定了附件六所载 2018 年气候融资流量两年期评估和概览技术报告纲要和概述及建议，其中还包括利害关系方参与情况及有关外联的信息，以及将在编写气候融资流量两年期评估和概览期间开展的活动和一个指示性时间表。资金问题常设委员会还商定，2018 年气候融资流量两年期评估和概览将包括以下三项产品：

(a) 一份技术报告；

(b) 概要和建议；

(c) 网站上的总量数据。

35. 资金问题常设委员会商定在缔约方会议第二十三届会议核准 2018 年气候融资流量两年期评估和概览后呼吁各方提交资料，并在资金问题常设委员会第 17 和 18 次会议期间举行两次技术会议。

[26] 第 2/CP.17 号决定，第 121(a)段。

[27] 载于资金问题常设委员会文件 SCF/2017/16/11 附件六。

[28] 第 8/CP.22 号决定，第 3 段和附件。

E. 气候融资流量两年期评估和概览之后继续衡量、报告和核实支助

36. 缔约方会议第十九届会议请资金问题常设委员会根据 2014-2015 年工作计划及其任务，考虑如何在气候融资流量两年期评估和概览之后继续衡量、报告和核实支助。[29] 缔约方会议第二十一届会议请资金问题常设委员会在执行有关在气候融资流量两年期评估和概览之后继续衡量、报告和核实支助的工作计划过程中，[30] 继续与《公约》下各有关机构、多边和双边机构以及国际机构进行合作。[31] 此外，缔约方会议第二十一届会议还请资金问题常设委员会在制定衡量、报告和核实支助的工作计划时，考虑《公约》附件一所列缔约方报告财务信息的方法方面的工作。[32] 此外，缔约方会议第二十二届会议请资金问题常设委员会在履行其衡量、报告和核实职能时，并在其现行工作计划的范围内，与有关的利害关系方和专家合作，考虑当前在《公约》下的工作和《巴黎协定》设想的进一步行动。[33]

37. 资金问题常设委员会在第 15 次会议上就此事项设立了一个工作组，由 Randy Caruso 先生和 Nafo 先生担任共同协调人。此外，资金问题常设委员会审议了 2017 年可能依据在气候融资流量两年期评估和概览之后衡量、报告和核实支助的两年期工作计划开展的活动。[34] 缔约方会议请资金问题常设委员会根据第 8/CP.22 号决定第 5 段，与相关利害关系方和专家合作，考虑当前在《公约》下的工作和《巴黎协定》设想的进一步行动，在审议这一请求时，资金问题常设委员会认为自己通过气候融资流量两年期评估和概览等方式，在衡量、报告和核实支助相关工作方面取得了良好的进展，其成果可用于为《巴黎协定》下正在进行的有关透明度框架的讨论提供信息。

38. 资金问题常设委员会还商定，由该委员会联合主席以及相关工作组共同协调人启动与科技咨询机构主席和《巴黎协定》特设工作组主席的磋商，以期为他们正在进行的关于支助透明度方面的工作提供技术投入。共同协调人随后在秘书处的支持下确定了这类投入。《巴黎协定》特设工作组于 2017 年 3 月 16 日至 18 日举行了关于《巴黎协定》第十三条所述行动和支助透明度框架的模式、程序和指南的闭会期间研讨会，上述投入为研讨会期间关于支助透明度的讨论提供了信息。资金问题常设委员会一名联合主席和一名委员会成员出席了研讨会。

39. 资金问题常设委员会在第 16 次会议上决定在气候融资流量两年期评估和概览之后延长衡量、报告和核实支助的工作计划，并在 2018 年开展以下活动：

[29] 第 7/CP.19 号决定，第 9 段。

[30] FCCC/CP/2015/8，附件七。

[31] 第 6/CP.21 号决定，第 4 段。

[32] 第 9/CP.21 号决定，第 14 段。

[33] 第 8/CP.22 号决定，第 5 段。

[34] 根据第 7/CP.19 号决定第 9 段、第 6/CP.20 号决定第 11 段、第 6/CP.21 号决定第 4 段和第 9/CP.21 号决定第 14 段制定的、在气候融资流量两年期评估和概览之后衡量、报告和核实支助的两年期工作计划在执行两年期工作计划过程中得到审议。

(a) 联合主席和共同协调人继续与科技咨询机构主席和《巴黎协定》特设工作组主席磋商，为这些机构正在进行的工作中与支助透明度相关的事项提供技术投入；

(b) 共同协调人在秘书处的支持下，在资金问题常设委员会第 18 次会议之前的闭会期间准备技术投入，包括参考 2016 年气候融资流量两年期评估和概览编写书面资料，以便为科技咨询机构第四十七届会议临时议程项目 12[35] 和《巴黎协定》特设工作组第一届会议第四期会议议程项目 5[36] 之下的工作提供信息。

F. 一致性和协调性：在顾及不同政策办法的情况下处理森林融资问题

40. 缔约方会议第十九届会议请资金问题常设委员会在关于一致性和协调性的工作中，顾及各方面的政策方针，特别考虑到森林融资的问题。[37] 缔约方会议第二十二届会议重申，将与森林相关的筹资问题纳入其 2017 年工作计划时，资金问题常设委员会将酌情考虑所有与森林有关的决定。[38] 据此，资金问题常设委员会在第 15 次会议期间商定，资金问题常设委员会不同实质性工作领域的共同协调人应酌情确保考虑这些决定。

41. 资金问题常设委员会的一名代表出席了 2017 年 5 月 13 日在附属机构第四十六届会议期间举行的、关于协调执行第 1/CP.16 号决定第 70 段所述活动的支持工作的第四次自愿会议。

G. 性别问题

42. 秘书处将编写并提交一份技术文件，供履行机构第四十八届会议审议，其中确定将性别考虑因素纳入《气候公约》进程工作流的切入点，缔约方会议第二十二届会议在其关于性别和气候变化的决定中请《气候公约》进程之下的所有组成机构在定期报告中列入资料，说明根据该文件在将性别视角纳入各自进程方面取得的进展。[39] 缔约方第二十二届会议还请履行机构制订一份性别问题行动计划，以支持《气候公约》进程之下与性别问题有关的决定和任务的执行，其中可包括优先领域、主要活动和指标、执行时间表、负责的主要行为方以及每项活动的指示性资源要求，并进一步制订该行动计划的审查和监测进程。此外，缔约方会议第二十二届会议请缔约方、组成机构成员、联合国各机构、观察员和其他利害关系方在附属机构第四十六届会议之前，通过召开会议进行协商，以便为制订性别问题行动计划提供投入。[40]

43. 资金问题常设委员会在第 15 次会议期间注意到，资金问题常设委员会将收到提供有关信息，说明在将性别视角纳入其工作方面取得的进展的要求。此外，

[35] 根据《巴黎协定》第九条第七款制定核算通过公共干预措施提供和调集的资金的模式。

[36] 《巴黎协定》第十三条所述行动和支助透明度框架的模式、程序和指南。

[37] 第 7/CP.19 号决定，第 11 段。

[38] 第 8/CP.22 号决定，第 10 段。

[39] 第 21/CP.22 号决定，第 13 和 14 段。

[40] 第 21/CP.22 号决定，第 27 和 28 段。

资金问题常设委员会启动了有关将性别视角纳入其工作的可能方面的讨论，尤其强调 2018 年气候融资流量两年期评估和概览和对资金机制的第六次审查。资金问题常设委员会还注意到，履行机构正在就制定性别问题行动计划开展工作，其中包括以上第 42 段所述缔约方会议第二十二届会议的邀请。

H. 与附属履行机构和《公约》各组成机构的联系

44. 缔约方会议第二十一届会议请资金问题常设委员会继续加强与所有相关利害关系方和《公约》下各机构的合作。[41]

45. 缔约方会议还请适应委员会和最不发达国家专家组与资金问题常设委员会及其他相关机构合作，就下列问题拟订方法并提出建议，供作为《巴黎协定》缔约方会议的《公约》缔约方会议第一届会议审议并通过：(a) 采取必要步骤，便利为发展中国家在《巴黎协定》第二条所述全球平均升温限制框架内开展适应工作动员支持；(b) 审评《巴黎协定》第七条第 14 款(c)项所述适应和支持的充足性和有效性。[42]

46. 此外，缔约方会议第二十一届会议还启动了一项关于适应的技术审查进程(TEP-A) (2016-2020 年)，力求查明加强适应力、降低脆弱性和增加对适应行动的了解和实施的实际机会。[43] 缔约方会议第二十二届会议欢迎适应委员会为开展关于适应的技术审查进程设立工作组，由资金问题常设委员会、技执委、最不发达国家专家组和观察员机构的成员组成。[44] 按照职权范围，资金问题常设委员会的一名代表将参加工作组。

47. 巴黎能力建设委员会的职权范围规定，根据巴黎能力建设委员会的年度主题，《公约》下设立的机构和资金机制经营实体派出六名代表，应邀参加能力建设委员会一年内的所有会议。[45] 在这方面，履行机构第四十五届会议商定，除其他外，将请资金问题常设委员会的一名代表参加巴黎能力建设委员会第 1 次会议，该会议将在履行机构第四十六届会议期间举行。[46]

48. 资金问题常设委员会在第 15 次会议期间提名了代表资金问题常设委员会与其他组成机构联络的协调人/候选人，并商定继续采用总体方针与这些机构保持联系，包括：

(a) 与其他组成机构分享其工作计划，强调尤其可能引起各机构与资金问题常设委员会之间开展合作的资金问题常设委员会的具体工作领域；

(b) 利用现有的工作和相关产出为其他机构提供投入；

[41] 第 6/CP.21 号决定，第 2 段。

[42] 第 1/CP.21 号决定，第 45 段。

[43] 第 1/CP.21 号决定，第 124 至 125 段。

[44] 第 5/CP.22 号决定，第 6 段。

[45] 第 2/CP.22 号决定，附件，第 3 和第 6 段。

[46] FCCC/SBI/2016/20，第 92 段。

(c) 派代表以个人专家身份(亲自出席或以虚拟方式)参加其他组成机构的会议，并向资金问题常设委员会报告出席这些会议的情况。

49. 在缔约方会议第二十二届会议期间，资金问题常设委员会联合主席与技执委联合主席参加了一次会议，讨论与技术机制和资金机制之间的联系相关的事项。此外，资金问题常设委员会联合主席和若干成员出席了绿色气候基金和《公约》之下组成机构之间的年度会议。

50. 在履行机构第四十六届会议上，资金问题常设委员会举行了一次会外活动，概述了在执行工作计划方面取得的进展。[47] 此外，资金问题常设委员会的一名代表出席了关于协调执行第 1/CP.16 号决定第 70 段所述活动的支持工作的第四次自愿会议。资金问题常设委员会的一名联合主席在特设工作组第一届会议第三期会议的特设工作组联络小组会议期间就缔约方和适应委员会、最不发达国家专家组、资金问题常设委员会和绿色气候基金代表之间的沟通问题做了发言。

51. 为了履行从第 1/CP.21 号决定第 45 段中产生的任务，在缔约方会议第二十二届会议期间，资金问题常设委员会的代表出席了适应委员会和最不发达国家专家组关于执行《巴黎协定》任务的临时结果的联合会外活动。在附属机构第四十六届会议期间，资金问题常设委员会的代表出席了适应委员会和最不发达国家专家组关于执行《巴黎协定》任务取得的进展的联合特别活动。此外，资金问题常设委员会向适应委员会提交了一份资料，说明适应委员会源自第 1/CP.21 号决定第 42 段的任务。[48] 资金问题常设委员会还积极参与了为履行以上第 45 段所述任务开展的工作，参与 TEP-A 工作组和适应委员会国家适应计划工作组，包括为适应委员会编写的文件提供投入，如关于利用绿色气候基金准备和筹备支持方案以及关于长期适应规划的文件。资金问题常设委员会的代表参加了适应委员会第 11 和 12 次会议。

52. 资金问题常设委员会的两名代表出席了巴黎能力建设委员会第 1 次会议，并在专门讨论巴黎能力建设委员会在 2017 年的主题领域或主题的为期一天的活动期间作了发言。[49] 资金问题常设委员会在第 16 次会议期间商定，应巴黎能力建设委员会向《公约》之下设立的机构发出的邀请提交一份资料，说明有关在《巴黎协定》背景下为落实国家自主贡献开展能力建设活动的情况，巴黎能力建设委员会与《公约》之下设立的机构的能力建设工作相关的任务，以及有关基于网络的能力建设门户的信息和建议。[50] 此外，资金问题常设委员会的两名成员远程参加了气候技术中心和网络咨询委员会的第 9 和第 10 次会议。

[47] 发言可查阅：http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/draft_slides_scfside_event_052017.pdf。

[48] 载于资金问题常设委员会文件 SCF/2017/15/11 附件五。

[49] 发言可查阅：http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/draft_slides_scf_intervention_fat_pccb_1.pdf。

[50] 巴黎能力建设委员会关于提交资料的呼吁，可查阅：http://unfccc.int/files/cooperation_and_support/capacity_building/application/pdf/080617_pccb_call_for_submissions_constituted_bodies_final.pdf。

I. 审查资金问题常设委员会的职能

53. 在缔约方会议第二十二届会议上，缔约方会议决定启动对资金问题常设委员会职能的审查。[51] 缔约方会议第二十二届会议通过了审查资金问题常设委员会职能的职权范围，载于第 9/CP.22 号决定附件。[52] 除其他外，缔约方会议第二十二届会议请资金问题常设委员会成员在 2017 年 3 月 9 日之前根据职权范围提交资金问题常设委员会的意见，供履行机构第四十六届会议审议。[53] 审查可利用的信息来源包括资金问题常设委员会的自我评估报告及关于提高其效率和效力的建议。[54]

54. 作为回应，资金问题常设委员会在 2017 年 3 月 6 日的务虚会期间开展了非正式讨论，并在第 15 次会议期间作了正式讨论，设立了一个工作组，由 Nasr 先生和 Terpstra 先生任共同协调员。根据达成的协议，资金问题常设委员会向履行机构第四十六届会议提交了一份更新和扩展概述，对缔约方会议赋予资金问题常设委员会的任务与资金问题常设委员会在 2011-2016 年期间取得的成果作了比较，还介绍了缔约方会议针对各项成果作出的相关决定。[55] 在履行机构联络小组关于审查资金问题常设委员会职能的非正式磋商期间，资金问题常设委员会的一名联合主席对提交的资料作了简要介绍。

55. 此外，资金问题常设委员会商定：在其成员中，包括在 2014 年当选的成员中进行一次调查；请秘书处就资金问题常设委员会提供的指导汇编一份量化的事实资料；在第 16 次会议上审议调查答复概要和量化信息，以便完成自我评估报告，并商定有关提高效率和效力的建议。资金问题常设委员会收到其成员提交的两份资料，还收到技执委就审查资金问题常设委员会的职能问题提交的一份正式函件。[56]

56. 资金问题常设委员会在第 16 次会议期间完成了自我评估报告，包括提出的建议，并注意到资金问题常设委员会成员关于这一问题的一份非正式说明。自我评估报告还载有资金问题常设委员会进行自我评估时收集的资料概述，以及单独的资金问题常设委员会成员就如何进一步促进和/或推动资金问题常设委员会的会议及其具体工作领域提供的建议汇编。[57]

[51] 第 6/CP.21 号决定，第 9 段。

[52] 第 9/CP.22 号决定，第 1 段。

[53] 第 9/CP.22 号决定，第 3 段。

[54] 第 9/CP.22 号决定，附件，第 4(e)段。

[55] 可查阅：http://www4.unfccc.int/Submissions/Lists/OSPSubmissionUpload/39_304_131359396103493098-SCF%20submission%20SBI%2046.pdf。

[56] 载于资金问题常设委员会文件 SCF/2017/16/7 附件一。

[57] http://unfccc.int/6881.php。

Annex I

Members of the Standing Committee on Finance as at 22 September 2017

[English only]

A. Parties included in Annex I to the Convention

Mr. Georg Børsting (Norway)
Mr. Jozef Buys (Belgium)
Mr. Randy Caruso (United States of America)
Ms. Outi Honkatukia (Finland)
Mr. Kazuhiro Iryu (Japan)
Mr. Pieter Terpstra (Netherlands)
Mr. Ismo Ulvila (European Union)
Mr. Peter Horne (Australia)
Ms. Gemma O'Reilly (Ireland)
Mr. Stefan Schwager (Switzerland)

B. Parties not included in Annex I to the Convention

African States
Mr. Richard Sherman (South Africa)
Mr. Mohamed Nasr (Egypt)

Asia-Pacific States
Mr. Ayman Shasly (Saudi Arabia)
Mr. Muhammad Imran Khan (Pakistan)

Latin American and Caribbean States
Mr. Paul Herbert Oquist Kelley (Nicaragua)
Mr. Rafael Da Soler (Brazil)

Least developed countries
Ms. Edith Kateme-Kasajja (Uganda)

Other Parties not included in Annex I to the Convention
Ms. Bernarditas Muller (Philippines)
Mr. Houssen Alfa Nafo (Mali)

Small island developing States
Ms. Diann Black-Layne (Antigua and Barbuda)

Annex II

Summary of the technical paper on the sixth review of the Financial Mechanism, with recommendations of the Standing Committee on Finance to the Conference of the Parties

[English only]

I. Background

1. At its 15th meeting, the Standing Committee on Finance (SCF) requested the secretariat to prepare a technical paper to inform the SCF in its deliberations on the effectiveness of the Financial Mechanism and in preparing its expert input to be submitted to the Conference of the Parties (COP). The paper builds on the criteria for the sixth review of the Financial Mechanism agreed by Parties at COP 22.[1] Those criteria have been grouped into clusters of issues and are covered in corresponding chapters as follows: (1) governance; (2) responsiveness to COP guidance; (3) mobilization of financial resources; (4) delivery of financial resources; (5) results and impacts achieved with the resources provided; (6) consistency of the activities of the Financial Mechanism with the objective of the Convention; and (7) consistency and complementarity of the Financial Mechanism with other sources of investment and financial flows.

2. The paper is informed by desk research and a literature review of the sources of information identified in the updated guidelines for the sixth review of the Financial Mechanism,[2] complemented by information from past decisions related to the Financial Mechanism and inputs from the secretariats of the operating entities of the Financial Mechanism.

3. The COP may wish to consider the following summary of the technical paper on the sixth review of the Financial Mechanism with recommendations of the SCF in its deliberations on the sixth review of the Financial Mechanism.

II. Summary of the technical paper

A. Governance

1. Transparency of the decision-making processes of the operating entities of the Financial Mechanism

4. This section of the technical paper covers the following issues relating to the transparency of the decision-making processes of the operating entities of the Financial Mechanism: intersessional decision-making by the governing bodies; openness towards observer engagement in decision-making; decision-making in the absence of consensus; proceedings, webcasting, reporting services and executive sessions; timely circulation and publication of official documents; official languages used for documents; accessibility to publicly unavailable information; ethics and conflicts of interest; and means for stakeholders to make complaints and criticisms and to resolve conflicts.

5. The decision-making processes of both operating entities follow international best practices regarding transparency, and both operating entities are in the process of strengthening their respective policies and procedures. There are remaining areas for further improvement; for example, the Green Climate Fund (GCF) needs to develop ways to make decisions in the absence of consensus. The GCF Board has been undertaking consultations on this issue under the guidance of its Co-Chairs. Furthermore, webcasting arrangements

[1] Decision 12/CP.22, annex, paragraph 3.
[2] Decision 12/CP.22, annex.

remain subject to review and the Board is scheduled to consider this issue. As for the Global Environment Facility (GEF), according to the sixth comprehensive evaluation of the GEF (OPS6), access to project-related information and documents should be improved further. According to the GEF secretariat, with a view to further enhancing the availability, accuracy, quality and timelines of data on GEF financing, operations and results, an upgraded information management system will be launched by the beginning of the seventh replenishment of the GEF (GEF-7) in July 2018.

2. Engagement of stakeholders in meetings and operations of the operating entities of the Financial Mechanism

6. This section analyses stakeholders' engagement in the meetings and operations of the operating entities of the Financial Mechanism, such as civil society organizations, including indigenous peoples, recipient countries and the private sector.

7. With regard to engagement with civil society organizations, there are mechanisms in place to ensure adequate and meaningful stakeholder engagement at meetings and in the operations of the operating entities. However, according to Transparency International, there are no harmonized criteria for qualifying such engagement and, beyond the redress mechanisms, there is not a process to verify information on how stakeholder consultation and participation is ensured by the GCF and the GEF. There is no financial support for civil society organizations to participate in GCF meetings, and, even though there is funding for civil society organizations to participate in the work of the GEF, lack of access thereto has been raised as a limiting factor. The level of engagement of indigenous peoples in relation to the GEF is currently under examination, while the GCF is in the process of developing a policy thereon.

8. Recipient countries have actively engaged in the policy and programming of both entities, and such participation has been facilitated by the delivery of capacity-building programmes and enabling activities implemented by both entities, including national portfolio formulation exercises, expanded constituency workshops, preparedness funding, and structured dialogues and country programmes.

9. As to private sector engagement, the GCF, as per its governing instrument, has an action plan for maximizing engagement with the private sector in its strategic plan, including through the Private Sector Facility (PSF) and the Private Sector Advisory Group. As of 2017, the PSF is fully operational and it is prioritizing creating a strategic road map and operationalizing private sector programmes and projects. Furthermore, out of 54 entities accredited so far to the GCF, 8 are private sector entities; and out of 43 projects approved so far, amounting to USD 2.2 billion, 11 projects through the PSF and one public private partnership project, amounting to USD 1.2 billion, relate directly to the private sector. Many other entities accredited to the GCF, including national, regional and multilateral development banks, have brought forward private sector funding proposals to the GCF and it is possible for accredited entities to partner with the private sector or other entities to bring forward private sector proposals.

10. The GEF continues to actively engage with the private sector, including through an updated policy on the use of non-grant instruments, and OPS6 found that the level of performance of existing projects involving the private sector is high. For example, during the sixth replenishment of the GEF (GEF-6), the GEF launched a USD 110 million non-grant pilot programme to demonstrate and validate the application of non-grant financial instruments to combat global environmental degradation. Furthermore, the GEF awarded 10 non-grant projects covering multiple focal areas, including 7 projects that directly deliver climate change mitigation benefits, a total of USD 70.2 million in GEF financing and leveraged almost USD 1.6 billion in co-financing, including USD 1.1 billion from the private sector. However, OPS6 pointed out that the GEF needs to adapt its strategy to improve its engagement with the private sector, including by viewing the private sector more broadly than just as a source of financing. The GEF can affect industry and production practices along the supply chain. Where conditions are not ripe for investment, such as in biodiversity conservation, long-term regulatory and policy intervention by the GEF can help to prime the pump to catalyse private sector investment.

3. Gender-sensitive approaches

11. This section analyses the gender integration policies and action plans of the operating entities of the Financial Mechanism and the application thereof in their projects and programmes. Both operating entities have developed comprehensive gender policies, and efforts are being made to enhance gender mainstreaming across the portfolio of projects and programmes.

12. The GCF has adopted a gender policy and action plan with the objective of fully mainstreaming gender considerations in all operations of the fund and also seeking to ensure gender parity within the GCF institution itself. As at 8 September 2017, 84 per cent of all the funding proposals approved by the GCF contained an initial gender assessment and 67 per cent contained a project-level gender and social inclusion action plan. GCF readiness resources may also be used to assist countries in meeting the standards of the GCF gender policy. Significant progress has been made by the GEF on the integration of gender issues, particularly in Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF) programming during GEF-6, with over 85 per cent of projects including a gender-sensitive results framework. However, OPS6 found that the policy could be improved in terms of clarity, and that the inclusion of gender-specific indicators in project documents was highly variable across the portfolio, pointing to the need for additional guidance. The GEF Council is expected to consider an updated policy on gender mainstreaming, together with operational guidelines, at its meeting to be held in November 2017, taking into account the results of OPS6 and lessons learned in implementation.

4. Environmental and social safeguards

13. This section analyses environmental and social safeguard policies and their application in projects and programmes. The operating entities of the Financial Mechanism are making efforts to improve, refine, implement and harmonize environmental and social safeguards.

14. The GCF is using, on a temporary basis, the International Finance Corporation Performance Standards, with which accredited entities are required to demonstrate their compliance on a ‘fit-for-purpose’ basis, meaning that accredited entities must demonstrate why a certain standard might not be applicable to their particular proposal or programme. It should be noted that when those standards were evaluated, some gaps in implementation were highlighted, notably in cases where project execution involves multiple financial intermediaries that are not themselves accredited or whose capacity to implement the standards is not well established.

15. As for the GEF, a 2016 evaluation found that the GEF minimum standards have been effective in catalysing efforts among the GEF agencies, but that some gaps in coverage remain, namely of a broad set of emerging topics, including human rights, climate change and disaster risks and the application of free, prior, informed consent. As the GEF and the GCF embark on the creation of broader partnerships and programmatic approaches, including with the private sector, issues such as these should be addressed in a coherent manner.

5. Fiduciary standards

16. The different fiduciary standards of the operating entities of the Financial Mechanism and other funds impose challenges and inefficiencies for institutions that access financial resources from more than one fund. However, there are many similarities between the fiduciary standards applied by the two operating entities and there is evidence for an increasing trend towards the standardization of the basic fiduciary standards to which countries and implementing entities must respond. It should be noted that the GCF fiduciary standards were due to be considered in 2017.

B. Responsiveness of the operating entities of the Financial Mechanism to guidance from the Conference of the Parties

1. Level of responsiveness to guidance from the Conference of the Parties

17. This section is based on the SCF activities being undertaken to enhance the consistency and practicality of the guidance provided to the operating entities of the Financial Mechanism and an overview of the quantity and type of guidance provided so far to the operating entities (i.e. policy, programme priority and eligibility criteria).

18. It was pointed out that guidance provided to the operating entities by the COP is often cumulative, repetitive and ambiguous and it is often formulated with little discussion with the operating entities about ongoing relevant activities or feasibility of implementation. The SCF, as part of its role of preparing draft guidance to the operating entities for consideration by the COP, is undertaking a number of activities to enhance the consistency and practicality of the guidance provided to the operating entities. This includes: preparing a compilation and analysis of previous guidance to the operating entities; discussions to identify a set of draft core guidance that could serve as a basis for the provision of future guidance; increased collaboration with other constituted bodies in the development of draft guidance; and engaging more regularly with the secretariats of the operating entities to obtain factual clarification and information in checking the feasibility of guidance.

19. The aforementioned compilation and analysis shows that, with regard to the distribution of past guidance provided in terms of the criteria set out in Article 11, paragraph 1, of the Convention, most guidance provided to the GCF can be described as related to "policy", followed by "other" and "programme priority". In the case of the GEF, most guidance provided falls under "programme priority", followed by "other" and "policy". The compilation and analysis also shows that the operating entities have responded to most of the guidance given to them by the COP (including 285 paragraphs in 85 decisions for the GEF, and 236 elements of guidance to the GCF since its creation). The SCF reckons that, with further refinement, the compilation and analysis could serve as a useful database to track and analyse progress made by the operating entities in implementing COP guidance, which may be useful for preparing any additional guidance to be provided to the operating entities.

2. Efficiency and performance of the cycle of project/programme approval procedures of the operating entities of the Financial Mechanism

20. This section illustrates the project cycle of each operating entity and efforts undertaken by both operating entities to address any remaining inefficiencies in the project cycle.

21. The GCF project cycle followed interim procedures until 2017, when updated procedures to streamline the approval process were agreed at the 17th GCF Board meeting, in July 2017. An updated project cycle was adopted by the Board, including the conclusion of the review of the project cycle. The various actions being put in place include a prioritization process, standards for processing time by the secretariat and independent advisory panel, the creation of a simplified approval process for small-scale projects, the revision of project proposal templates, and delegating approaches relating to project preparation facilities to the secretariat, along with the publication of updated guidance.

22. In an effort to overcome a set of issues identified in the fifth overall performance study of the GEF that created hurdles for recipient countries, since 2014 the GEF has launched many initiatives to improve its efficiency in approving projects. As a result, as of 2017 all of the projects approved were fully compliant with the new 18-month standard (this figure was 50 per cent in 2015). This was largely due to the approval of a strengthened cancellation policy, as well as to the consolidation of the guidance on the project cycle into a single document and the publication of additional guidelines in 2017. Other initiatives include the harmonization pilot between the GEF and the World Bank, which considerably shortened the time spent in designing and approving projects submitted by the World Bank.

C. Mobilization of financial resources

23. This chapter draws mainly on the 2016 biennial assessment and overview of climate finance flows (BA), which provides a snapshot of climate finance over the 2013–2014 period. A detailed review of all methodological issues involved in producing the BA is provided in the first chapter of the technical report on the 2016 BA.[3]

1. Role of the Financial Mechanism in scaling up the level of resources

24. As per Article 11, paragraph 5, of the Convention, the operating entities of the Financial Mechanism serve as channels through which developed country Parties fulfil their financial commitments, in addition to other bilateral, regional and multilateral channels. The operating entities play a crucial role in catalysing, leveraging and scaling up the level of resources by providing public finance that leverages additional public and private finance and investment. However, as noted in the 2016 BA, the operating entities remain a small part of the overall climate finance architecture and flows in the context of the broader climate finance landscape. Their role therefore must continue to be targeted and strategically defined.

2. Scale of resources provided to developing countries

25. The review of resources provided to developing countries concluded that the finances being provided to recipient countries through the Financial Mechanism continue to represent a very small proportion of overall climate finance. Tracking climate finance is a difficult exercise, given that there exists no comprehensive system or methodology or definition of climate finance and that data are not always harmonized. As noted in the 2016 BA, total adaptation funding provided through the operating entities amounted to USD 0.77 billion in 2013 and USD 0.56 billion in 2014, while climate finance provided through multilateral funds amounted to USD 1.85 billion in 2013 and USD 2.49 billion in 2014. The report also noted an increase of about 50 per cent between 2011 and 2014 in the climate finance provided by Parties included in Annex II to the Convention, including through multilateral institutions. Private sector financing and South–South financing both showed increasing trends over 2013–2014 biennium.

26. Since the fifth review of the Financial Mechanism, the equivalent of USD 10.3 billion has been pledged to the GCF (as at June 2017) for the initial resource mobilization period of 2015–2018 by 43 state governments, including nine developing countries.[4] The GCF Board is continuing efforts to finalize its initial resource mobilization plan, and reports that, as at March 2017, 42 countries, three regions and one city (out of 48 contributors) had signed the contribution agreements for part or all of their pledges, representing 10.1 billion of the 10.3 billion anticipated resources.[5] As at 2 June 2017, approximately USD 10.13 billion of the pledges had been converted into contribution agreements/arrangements, representing just over 98 per cent of the total pledged amount.

27. As decided by the GCF Board, the GCF aims for a 50:50 balance between adaptation and mitigation financing over time. As at June 2017, resources allocated through approved projects for mitigation represented 41 per cent, or USD 927 million, and resources allocated to adaptation projects represented 27 per cent, or USD 594 million. Resources allocated to projects for achieving both mitigation and adaptation represented a further 32 per cent, or USD 718.9 million. In total, the GCF portfolio consists of 43 projects and programmes, amounting to USD 2.2 billion (inclusive of USD 1.2 billion through the PSF), which is expected to attract an additional USD 5.3 billion in co-financing.

28. The GEF Trust Fund has been the primary source for grants provided by the GEF to recipient countries. It provides resources for the climate change mitigation focal area, technology transfer and enabling activities for the fulfilment of Convention obligations by

---

[3] Available at unfccc.int/10028.

[4] See http://www.greenclimate.fund/documents/20182/24868/Status_of_Pledges.pdf/eef538d3-2987-4659-8c7c-5566ed6afd19.

[5] See GCF document B.17/04.

developing countries. Recently, the Capacity-building Initiative for Transparency (CBIT) was also established as a separate trust fund, which has received total donor contributions amounting to USD 48 million. As at 30 June 2017, 10 national-level projects and a global project under the CBIT had been approved by the GEF.

29. Climate change mitigation funding has increased steadily from the GEF pilot phase to date, with cumulative totals amounting to USD 5.2 billion through 836 mitigation projects and programmes in over 165 countries. Currently, negotiations are ongoing for GEF-7, which will cover the period 2018–2022. Direct funding in support of climate change adaptation is currently delivered directly and exclusively through the LDCF and the SCCF. They both rely on voluntary contributions that can be made any time. Total cumulative pledges to the LDCF amount to USD 1.23 billion, of which USD 1.19 billion had been received as at 30 June 2017. Since its inception, USD 1.18 billion has been approved for projects, programmes and enabling activities under the LDCF. As for the SCCF, cumulative pledges amount to USD 351.7 million, of which 99 per cent has been paid by 15 contributing countries. As at 30 June 2017, the Special Climate Change Fund Adaptation Program had provided USD 287.9 million for adaptation projects and the Special Climate Change Fund Program for Technology Transfer (SCCF-B) had provided USD 60.7 million for 12 projects that support technology transfer.

3. Amount of finance leveraged and modalities of co-financing

30. Even though the GCF does not yet have a clear co-financing policy, it is integral to the decision-making process on funding proposals, as currently captured in the GCF investment framework. In fact, many projects submitted to the GEF do provide co-financing from national governments and other project partners. As at June 2017, co-financing expected to be mobilized from the 43 approved projects represented USD 5.3 billion, or a ratio of over 2:1. Of that, USD 1.2 billion has come through the fund's PSF. Discussions on whether to define a clearer co-financing policy and method for calculating additional costs have been initiated by the GCF Board. At its 17th meeting, the Board tasked the GCF secretariat with developing a proposal for the Board's consideration at its 19th meeting on the development and application of an incremental cost calculation methodology and guidance on the GCF approach to and scope for providing support to adaptation activities, as well as elements of a policy on co-financing.

31. The GEF policy on co-financing has evolved over the years and was last updated in 2014. The GEF policy defines co-financing as resources that are additional to GEF grants. The co-financing ratios have also evolved significantly since the inception phase, with the average ratios approaching 7.5:1 for the overall GEF Trust Fund and 13.8:1 for climate mitigation activities financed under GEF-6. The GEF notes that the climate change focal area has leveraged the highest levels of co-financing. The ratios of co-financing mobilized for LDCF and SCCF funds represent approximately 4:1 and 7.5:1.

4. Adequacy, predictability and sustainability of funds

32. A broader discussion on the adequacy of the resources available to meet the needs of developing countries is hampered by the fact that there is no agreed assessment of financing needs, as well as by the lack of a comprehensive system for tracking climate finance. Furthermore, an assessment of the adequacy of resources that looks only at the operating entities of the Financial Mechanism will be misleading because of its narrow scope. In addition, the adequacy of resources will ultimately depend heavily on enabling environments that allow for the effective use of funds as well as leverage public funding by co-financing from the private sector. This poses a challenge to a quantitative assessment of the adequacy of funds.

33. Concerning predictability and sustainability, during 2014–2017 developed countries continued to undertake efforts to mobilize resources to meet the USD 100 billion commitment by 2020, including through the development of the road map to USD 100 billion, which aims at increasing predictability and transparency regarding how the target will be reached. Moreover, there is ongoing work under the UNFCCC to identify the information to be provided by Parties in accordance with Article 9, paragraph 5, of the Paris Agreement, with a view to providing a recommendation for consideration and adoption by

the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session.[6]

34. In relation to finance channelled through the operating entities, the initial resource mobilization period of the GCF lasts from 2015 to 2018, and the GCF accepts new pledges on an ongoing basis. The GCF will initiate a formal replenishment process once its cumulative funding approvals exceed 60 per cent of the total contributions, confirmed by fully executed contribution agreements/arrangements, received during the initial resource mobilization. The GCF Board is currently engaged in discussions on how to initiate the first replenishment process and this issue is expected to be an important part of its 2018 workplan.

35. As for the GEF, the four-year replenishment process of the GEF Trust Fund resources makes it subject to a relatively good level of predictability. There is a high materialization of pledges made to the GEF; however, exchange rate fluctuations in the earlier months of GEF-6 mean that a shortfall from GEF-6 replenishment targets is still expected. The GEF has been working on an ongoing basis to minimize the potential consequences of the projected shortfall, aiming to maintain the balance among original allocations in the GEF-6 replenishment decision, assisting the least developed countries (LDCs) and small island developing States (SIDS) in accessing resources and supporting core obligations to the conventions for which the GEF is an/the operating entity of the Financial Mechanism. Over 99 per cent of all pledges made by the contributing countries to the GEF for GEF-6 have been deposited with the trustee, which is in line with 99 per cent of deposit made to all resources pledged since the establishment of the GEF. The GEF Council noted the contribution of the System for Transparent Allocation of Resources (STAR) to increased country ownership and country-led programming in the GEF,[7] in response to the mid-term evaluation and management response, and the OPS6 pointed to the ameliorated predictability of resources created by the STAR.

36. Funding for adaptation at the GEF is subject to less predictability than funding for mitigation. As the LDCF and the SCCF are not subject to a replenishment process, they rely on voluntary contributions from developed countries that can be made at any time. However, it is to be noted that, with few exceptions, resources have recurrently been pledged to both funds during the meetings of the LDCF/SCCF Council and that there has been an increase in the cumulative level of pledges to both funds, which have been supported by strong levels of materialization.

D. Delivery and effectiveness of financial resources

1. Accessibility

37. The accessibility of climate finance has been a significant concern for recipient countries, particularly for the SIDS and LDCs with capacity constraints. Upon examining the eligibility criteria and access modalities put in place by the operating entities of the Financial Mechanism, the review found that significant efforts have been made to facilitate access to climate finance by a broad range of partners and recipients: from creating specific funding windows of access for the private sector under the GCF, as well as measures to increase direct access and access by national entities, to broadening the range of partner agencies to the GEF through expanded partnership. Both entities are also engaging actively with recipient countries to increase their understanding of the processes and procedures involved in accessing funds, through capacity-building, readiness funding and support provided to national focal points.

38. However, some major gaps highlighted in a number of studies include: the lack of developing country capacity to devise a national strategy for utilizing available climate finance resources and for attracting climate-friendly investments; legal issues within

[6] Decision 1/CP.21, paragraph 55.

[7] Paragraph 15 of the Joint Summary of the Chairs, 45th GEF Council Meeting. Available at http://www.gefieo.org/sites/default/files/ieo/council-documents/files/c-45-Chair-Summary-eng.pdf.

entities; financial management and integrity; institutional capacity at the design, appraisal and implementation phases; and risk assessment capacity. To overcome these gaps at the international level, scaling up and coordinating financial resources to support capacity-building initiatives have appeared as a need. At the national level, better coordination among the national focal points across different ministries was underscored as being necessary. The increasing complexity of the global climate finance architecture, while in principle creating more choice for recipient countries, could create complications as countries often find it difficult to understand the requirements of the different funds and the differences between them.

2. Timeliness and rate of disbursement

39. An element of effectiveness is the time taken to develop, approve and begin implementation of projects funded through the operating entities. This relates to the speed at which access to climate finance is provided to the end user or intended beneficiary.

40. There are no fixed timelines or standards for projects seeking GCF approval. Practices are set to change as the initial approval process is modified to respond to the rapidly increasing pipeline. Processing time for project approval varies greatly, between 1 and 18 months or more. However, this was set to change as a result of discussions at the 17^{th} GCF Board meeting, in 2017, where the Board instructed the secretariat to implement a clearer prioritization process for pipeline management, among other measures designed to increase efficiency. The rate of disbursement of GCF funding is still relatively low but is growing steadily, owing to the fact that a large number of projects have yet to meet the full conditions for disbursement.

41. As for the GEF, the review found that the average time spent by projects in the pipeline for approval has been reduced since GEF-4 and GEF-5, with only a marginal minority of projects not meeting the 18-month standard. For the LDCF and the SCCF the average preparation time was 20 months. A study undertaken by the GEF secretariat in 2016 found that 69 per cent of projects approved in GEF-5 had moved to first disbursement within one year and 89 per cent after two years.

3. Country ownership of programmes and projects

42. Country ownership of projects and programmes financed through the Financial Mechanism is ensured mainly through the network of national focal points and national designated authorities (NDAs). Country ownership is recognized as a core principle of the GCF, as stipulated in its Governing Instrument and initial investment framework. In this regard, the NDAs play a key role in ensuring country ownership, including to recommend funding proposals to the Board in the context of national climate strategies and plans and to be consulted on other funding proposals for consideration prior to submission to the GCF in order to ensure consistency with national climate strategies and plans. The GCF Board recently adopted the guidelines for enhanced country ownership, which enjoins NDAs, accredited entities and delivery partners to follow the guidelines. The guidelines will be assessed annually and reviewed as needed but at least every two years. Recognizing country ownership is a continual process, with the guidelines stating that the principle will be considered in the context of all GCF operational modalities and relevant policies. The GCF also provides support to foster the capacity-building of NDAs, focal points and direct access entities to strengthen their capacities to efficiently engage with the GCF.

43. The GEF continues to make efforts to increase the national-level ownership of projects and programmes, including through readiness and enabling activities and through the development of country programme strategies and national portfolio formulation exercises, which are designed to provide a broader group of stakeholders with an opportunity and a voice in relation to the utilization of climate funds. An evaluation undertaken by the GEF independent evaluation office found that national portfolio formulation exercises enhanced ownership by creating more inclusive decision-making procedures for GEF programming. With a gradual shift to programmatic approaches, questions related to national ownership will remain of concern, as regional programmes generally benefit from less support than national programmes.

4. Sustainability of programmes and projects

44. There are guiding principles that aim to ensure the sustainability of GCF projects, even if many of the GCF-funded projects and programmes are only beginning implementation or have yet to begin implementation. For example, sustainability is a key aspect of the paradigm shift potential under the GCF investment framework criteria and sustainability is defined therein as the "degree to which the proposed activity can catalyse impact beyond a one-off project or programme investment". In addition, the GCF is actively seeking to finance projects that are scaled up from initial investments from the GEF and others. However, since many of the GCF projects have only just begun implementation, this section focuses more on the sustainability of GEF projects and programmes.

45. Even if the GEF does not have a formally established definition of sustainability, the initial criteria for project evaluation mention "sustainability of outcomes and results beyond completion of the intervention". The GEF evaluation of sustainability found that 77 per cent of projects in the climate change focal area cohort had satisfactory ratings for outcome and implementation. Recent evaluations of GEF climate mitigation activities have found evidence of significant impacts in countries as well as evidence of transformational projects. Regarding the sustainability of adaptation results supported through the LDCF and the SCCF, the GEF independent evaluation office found that over 98 per cent of national adaptation programme of action (NAPA) implementation projects showed a high to very high probability of delivering tangible adaptation benefits. The main concern regarding sustainability, across the GEF climate mitigation and adaptation portfolio, concerns the financial sustainability of project activities beyond the duration of the project. Lack of assured financing for future phases of implementation or for upscaling remains a concern for most projects. Many terminal evaluations recommend that projects identify and implement self-funding mechanisms in order to move beyond project-based approaches.

5. Enabling environments

46. As the summary reports on the workshops on long-term climate finance note, it is primarily governments in both developed and developing countries that set the enabling environment as it relates to policy and regulatory frameworks. However, most programming delivered through climate finance mechanisms aims to strengthen national capacities to achieve this objective. Readiness funding also supports an element of this enabling environment, as it relates to accessing finance. While it is too early to tell whether the GCF-funded projects will make a tangible, sustained contribution to the enabling environment, the GCF has highlighted various pathways through which it expects to contribute, including for example the creation of new markets and business activities, changed incentives for market participants, and reduced costs and risks of deploying climate technologies. Furthermore, the GCF is working with countries on the enabling environment also through the funding of readiness requests and national adaptation plans (NAPs) or adaptation planning. A separate activity area under the Readiness Programme for the formulation of NAPs was established by the GCF, whereby the Executive Director can approve up to USD 3 million to support the formulation of NAPs and other adaptation planning processes.

47. One of the key objectives of the GEF-6 climate change mitigation focal area is to foster enabling conditions to mainstream mitigation concerns into sustainable development strategies. Recent findings from the OPS6 point to the fact that GEF-6 projects play an important role in strengthening the enabling environment, for instance by proposing legal and regulatory measures to address constraints to mitigation and adaptation, building the capacity of public and private entities, reducing information barriers and supporting market change. Furthermore, GEF support for enabling activities for national communications and biennial update reports, as well as for the CBIT, also contributes to building the institutional and technical capacity of developing countries to meet transparency requirements. Furthermore, GEF support, through the LDCF and the SCCF, for NAP processes and its country engagement, including through expanded constituency workshops, further strengthen the enabling environments of developing countries._

E. Results and impacts achieved with the resources provided

1. Mitigation results

48. Of the funding approved by the GCF as at June 2017, 41 per cent was dedicated to mitigation and a further 32 per cent tackled both adaptation and mitigation. The anticipated emission reductions from these projects totalled 981 million tonnes of carbon dioxide equivalent (t CO_2 eq), with the potential for 74 projects in the pipeline reaching 701 million t CO_2 eq reduced or avoided over the lifetime of the proposed activities.

49. The GEF reports that, as at 30 June 2017, it has supported 867 projects on climate mitigation with over 5.3 billion in GEF funding. The total cumulative emission impact of all mitigation projects supported through the Trust Fund is estimated to be over 8,400 Mt CO_2 eq. In the first three years of GEF-6, projects and programmes were estimated to reduce emissions by more than 1.9 Mt CO_2 eq. In 2014, during OPS5, the GEF independent evaluation office calculated that the average cost per tonne of direct mitigation across all GEF project types was USD 1.2/t CO_2 eq. In the GEF-6 period, partially estimated benefits of 1,920 Mt CO_2 were achieved with GEF funding of USD 1,174.2 million, which would indicate an average cost of USD 0.61/t CO_2 eq. The GEF updated its mitigation calculation methodologies in 2014, coordinated with the International Financial Institution Framework for a Harmonized Approach to Greenhouse Gas Accounting exercise.

2. Adaptation results

50. The GCF projects that 140 million people are to benefit from reduced vulnerability and/or increased resilience through the 55 adaptation and cross-cutting projects in its pipeline. For the GEF, from its inception until 30 June 2017, the LDCF approved USD 1.1 billion for projects, programmes and enabling activities, including the preparation and implementation of NAPs and NAPAs. In addition, the SCCF provided USD 287.9 million to adaptation projects. The active portfolio under the LDCF is expected to reach 4.4 million beneficiaries and train over 34,000 people in adaptation, while also bringing over 1.1 million ha land under climate resilient management. The LDCF and the SCCF have both contributed to the adoption of national policies, plans and frameworks. The 2017 evaluation of the SCCF found that the fund had delivered significant results in terms of catalytic effect, generation of public goods and demonstration of technologies.

3. Technology transfer

51. The GEF reports that technology transfer for adaptation and mitigation is a key cross-cutting theme of all of its projects. It reports having supported 31 climate change projects with technology transfer objectives (USD 188.7 million), whereas 10 adaptation projects promoted the adoption of new technology (USD 79.7 million). Since 2008, the Poznan strategic programme on technology transfer has also been programmed, with USD 35 million from the GEF Trust Fund and USD 15 million from the SCCF. This was used to support technology needs assessments and finance priority pilot projects as well as to support the Climate Technology Centre and Network. In terms of adaptation technology, the GEF recognizes that there has been a modest focus on technology transfer for adaptation.

4. Capacity-building

52. Capacity-building is another cross-cutting theme of both GEF and GCF programming. Capacity-building and technical assistance are embedded in all GCF-approved projects, beyond the in-depth capacity-building that is a hallmark of the Readiness Programme. As at 8 September 2017, the GCF had committed funds totalling USD 39.5 million for 118 readiness activity requests. SIDS, the LDCs and African States make up 66 per cent of the total portfolio. As for the GEF, targeted capacity-building initiatives have included national capacity self-assessment as well as enabling activities, technology needs assessments, national portfolio formulation exercises, country programming strategies and readiness support, in addition to ongoing provision of support to national focal points, constituencies and designated authorities. According to the GEF

report to COP 23, in 2016 alone the GEF Trust Fund, the LDCF and the SCCF supported 135 projects with various capacity-building priorities. The OPS6 noted that the GEF has had success in influencing the regulatory and policy framework in countries through capacity-building and enabling activities. Since the fifth review of the Financial Mechanism, the CBIT has been launched and operationalized by the GEF. As at 30 June 2017, it had received pledges of USD 54.6 million, and in the last year 11 projects were approved, totalling USD 12.7 million.

F. Consistency of the Financial Mechanism with the objective of the Convention

53. Article 2 of the Convention stipulates that the ultimate objective of the Convention or any legal instrument adopted by the Convention is to achieve, in accordance with the relevant provisions of the Convention, stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system, within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner. The objective of the Convention is embedded in the Governing Instrument and strategic plan of the GCF and the GEF programme priorities that are identified in the initial guidance from the COP and further guidance thereafter. The review finds that the mitigation and adaptation objectives of the operating entities are consistent with the objective of the Convention and that programming deployed according to the operating entities' objectives is also consistent with the objective of the Convention.

G. Consistency and complementarity of the Financial Mechanism

1. Consistency and complementarity between the operating entities of the Financial Mechanism

54. This section summarizes the steps that the operating entities have been taking to promote consistency and complementarity between themselves at the strategic and operational levels, and the pathways for collaboration that have been identified and applied since the fifth review of the Financial Mechanism.

55. For the GCF, the issue of consistency and complementarity is inscribed in its Governing Instrument. The initial strategic plan of the GCF highlights the comparative advantages of the GCF and notes the need to operate in coherence with other climate finance institutions. The GCF operational framework on complementarity and coherence was recently adopted at the 17th Board meeting, which provides guidance on pursuing complementarity at the Board and strategic level and enhanced complementarity at the activity level, at the national programming level and at the level of delivery of climate finance through an established dialogue.

56. The GEF notes that each fund may play different, complementary roles that can produce greater impacts and leverage more resources, if combined strategically. During GEF-6, given the growing significance of climate change influence on all areas of GEF interventions, the GEF climate change mitigation strategy sought to enhance synergies across focal areas and to enhance complementarity with other climate financing options, including the GCF. The ongoing policy debate around GEF-7 provides a unique opportunity to further refine the comparative advantages of the GEF.

57. Beyond the definition of strategic-level comparative advantages, both operating entities have sought to operationalize their complementarity. The Executive Director of the GCF and the GEF Chief Executive Officer have met on a number of occasions to explore potential cooperation at the operational level. At the secretariat level, the GCF and the GEF secretariats frequently communicate on a wide range of topics and activities, such as mitigation and adaptation strategies, the status of resource allocation, project cycle modalities and lessons learned, project preparation grant guidelines, private sector engagement, templates, co-financing policy, accreditation of agencies, financial master

agreements, trustee arrangements, and readiness and preparatory support. The secretariats of the two operating entities attend each other's Board/Council meetings to respond to any questions as needed, and share information and lessons learned from their work.

58. In fact, coordination and collaboration between the two operating entities have already led to some greater consistency and convergence between their policies, strategies and programmes. Some of these areas of convergence are highlighted in chapter A above, notably in terms of governance modalities, transparency of decision-making and information disclosure polices, as well as the application of increasingly convergent environmental, gender and social standards. Of particular interest is the scheduled revision of many of the key policies of the GCF in 2017 and 2018, as well as the policy revisions that have been initiated by the GEF, including those launched by the GEF-7 replenishment discussions in the same period. As these policies are reviewed by the GCF and the GEF, lessons learned and best practices can be integrated through coordination and information-sharing between the entities and their secretariats.

59. The COP has provided specific guidance to the GCF to "enhance its collaboration with existing funds under the Convention and other climate-relevant funds in order to enhance the complementarity and coherence of policies and programming at the national level". The two operating entities are working to promote complementarity at the national level through national planning exercises such as the GCF country programmes and the GEF national portfolio formulation exercises. Funding approvals by the GCF to date show how the GEF in some cases has helped pave the way for leveraging and enabling investments from the GCF. A recent report updating on the implementation of the GEF 2020 strategy noted that 'organic' complementarity between the GEF and the GCF is gradually emerging as the GCF ramps up project approvals.

60. More specifically, at the national level, an overview of a country's national context, policy framework and respective climate action agenda is summarized in a GCF country programme. In this exercise, a country identifies a pipeline of projects or programmes that it would like to undertake with the GCF, aligned with GCF strategic impacts, investment criteria and operational modalities. This exercise is similar to the national portfolio formulation exercise process undertaken by the GEF. Furthermore, the GEF country support programme supports the execution of national dialogue initiatives, in which representatives or focal points for other climate finance mechanisms may participate. In order to harness the full opportunity to enhance coordination at the national level, a World Resources Institute report suggests that countries should "identify one ministry or body that serves as the national focal point or authority for all the climate funds". The same report also notes that there may be value in establishing a broader readiness hub or programme, or in combining readiness funds, to address overall planning and pipeline needs.

2. Consistency and complementarity between the operating entities of the Financial Mechanism and other sources of investment and financial flows

61. As noted in the fifth review of the Financial Mechanism, the global architecture of climate finance is rapidly evolving and becoming increasingly complex. Decision 11/CP.1, paragraph 2(a), states that consistency should be sought and maintained between the policies, programme priorities and eligibility criteria for activities established by the COP and the climate change activities beyond the framework of the Financial Mechanism. As the GCF has been working on becoming fully operational since the fifth review of the Financial Mechanism, the operating entities and other institutions have been cooperating by exchanging lessons learned and experience in order to inform the development of the operational policies of the funds. While each fund and mechanism has a distinct comparative advantage, and aims at supporting different objectives, there is increasing convergence between the strategies, policies, eligibility criteria, processes – and, as a result, projects and programmes – being supported by the various funds.

62. A matrix analysis was undertaken across a selected set of active multilateral funds to assess consistency and complementarity between the operating entities and other funds on adaptation and mitigation. On adaptation programming, a matrix analysis was done for the following funds: the GEF (SCCF and LDCF); the GCF; the Adaptation Fund (AF); the Climate Investment Funds (CIFs) (Pilot Program for Climate Resilience (PPCR)); and the

United Nations Capital Development Fund Local Climate Adaptive Living Facility (UNCDF LoCAL). The following observations can be made:

a) There is convergence between the various mechanisms' goals and objectives of either "promoting resilience", "building adaptive capacity" or "supporting adaptation". One mechanism specifically refers to the Sustainable Development Goals in its objectives;

b) A clear observation of how the mechanisms complement each other, or the specific niche or role of each mechanism in the climate finance landscape, is not possible from a review of their strategic programming directives. The articulation of these strategic directions, against which projects are often assessed, range from higher-level or more general principles (i.e. paradigm shift, awareness, country-drivenness) to statements more specifically focused on vulnerability, resilience and adaptation. Some commonalities include addressing social, physical and economic aspects of the impacts of climate change, and alignment and integration into development and development plans. Only one of the funds described has a narrowly defined specialization in infrastructure;

c) The LDCF is the only fund supporting the preparation of NAPAs. The GEF, the SCCF and the LDCF, the GCF and the AF each support the implementation of NAPAs and the preparation or implementation of NAPs. The difference in support received from each is not identified;

d) The LDCF, the AF and UNCDF LoCAL provide only grants, while the PPCR and the GCF also provide highly concessional loans and grants. The GCF also provides other non-grant financing, such as equity investments, risk guarantees, highly concessional loans and debt instruments and is also developing a results-based payment approach for REDD-plus.[8] This may be an indicator of the scope and type of projects and programmes supported by each fund.

63. On mitigation programming, a matrix analysis was done for the following multilateral and bilateral funds: the GEF; the GCF; the CIFs (Clean Technology Fund); United Kingdom International Climate Fund; and the International Climate Initiative. The following observations can be made:

a) There is a degree of consistency between the objectives and goals of the various mechanisms in that they seek to support countries' transitions towards low-carbon development;

b) A significant portion of the funds examined focus on a specific theme or sector, for example energy or forests, while the GEF and the GCF include the full spectrum of sectors in which to achieve potential emission reductions.

64. Furthermore, on technology programming, a comprehensive overview of initiatives relevant to climate technology development and transfer was undertaken by the secretariat upon request by the subsidiary bodies. On the basis of patterns and trends observed in the landscape of technology development and transfer, the mapping generated useful insights, including that:

a) There are fewer adaptation technology programmes than those directed at mitigation. Yet, this may change under the GCF, in terms of allocation of funds, which would allow further implementation of adaptation technology activities and programmes;

b) Although support for climate technologies, including finance, is increasing, it is more prevalent at the research and development and commercial or diffusion stages, leaving a gap at the demonstration and early stages of commercialization;

c) There are growing numbers of international forums, partnerships and networks on technology development and transfer. Yet, to gain insight into the actual level of synergy and coordination between existing activities and initiatives, additional information would have to be gathered;

[8] Activities referred to in decision 1/CP.16, paragraph 70.

d) On capacity-building programming, the GCF is undertaking efforts to provide capacity-building support, primarily through its Readiness and Preparatory Support Programme, a strategic priority for the GCF that was established to strengthen and build enabling environments to allow developing countries to access GCF resources. In particular, the GCF is strengthening its support provision to countries in order to build their capacity for direct access. Furthermore, the GCF is the convener and facilitator of the Global Readiness Coordination Mechanism, an initiative to coordinate institutions independently providing readiness support to enable countries to access GCF funding, with core members from the African Development Bank, the Commonwealth Secretariat, the German Agency for International Cooperation (GIZ), the KfW, the United Nations Environment Programme, the United Nations Development Programme and the World Resources Institute, and a number of observer institutions.

65. Capacity-building efforts of the GEF include national capacity self-assessments, which were designed to assist countries in identifying capacity needs to implement the Rio Conventions, including the UNFCCC. The GEF provides support to the priority areas identified in the framework for capacity-building in developing countries established under decision 2/CP.7 and enabling activities for developing countries to meet the transparency requirements under the Convention. The CBIT is the most recently established capacity-building programme of the GEF,[9] which aims to support the institutional and technical capacities of developing countries to meet the enhanced transparency requirements of the Paris Agreement. In addition, ECW is a tool that enhances recipient country capacity and country ownership.

III. Recommendations of the Standing Committee on Finance

66. On the basis of this summary of the technical paper, the SCF recommends the following actions to the COP for its consideration:

a) *Requests* the Board of the Green Climate Fund (hereinafter referred to as the Board), after reviewing its webcasting arrangements, to consider to make its webcast arrangements permanent;

b) *Requests* the Board to consider how it may enhance the engagement of civil society organizations in its meetings and operations, with particular regard for those from developing countries;

c) *Requests* the operating entities of the Financial Mechanism, as appropriate, to provide timely responses to countries' requests;

d) *Requests* the operating entities of the Financial Mechanism to continue to improve private sector engagement;

e) *Requests* the Board to assess the engagement of stakeholders in the meetings and operations of the Green Climate Fund;

f) *Requests* the Board to assess the existing gaps in its interim environmental and social safeguards and to develop its own environmental and social safeguards urgently;

g) *Requests* the Board to continue its work to improve project approval procedures in line with decisions taken at the 17th meeting of the Board;

h) *Requests* the Board to further enhance direct access;

i) *Requests* the Board to consider ways to improve availability of information on how to access Green Climate Fund funding, which may include making basic information on the Green Climate Fund and its processes available in the official United Nations languages, as appropriate;

j) *Requests* the operating entities of the Financial Mechanism to continue to strengthen complementarity and coherence.

[9] Decision 1/CP.21, paragraphs 84–86.

Annex III

Draft decision on draft guidance to the Green Climate Fund

[English only]

[*The Conference of the Parties*,

1. *Welcomes* the report of the Green Climate Fund to the Conference of the Parties and the information contained therein, including the list of actions taken by the Board of the Green Climate Fund (hereinafter referred to as the Board) in response to guidance received from the Conference of the Parties;

2. *Notes with appreciation* the significant scaling up of the operations of the Green Climate Fund in 2017, including:

(a) Improvements in the project proposal development and approval process;

(b) The increase in the number of accredited entities;

(c) The availability of additional financial resources for the Readiness and Preparatory Support Programme and the increased number of readiness and preparatory support projects that have been approved;

(d) The decision by the Board to initiate a review of the Readiness and Preparatory Support Programme;

(e) The decision by the Board to invite the Chairs of the Technology Executive Committee and the Advisory Board of the Climate Technology Centre and Network to present options for supporting collaborative research and development;

(f) The issuance of the request for proposals to the private sector for mobilizing funds at scale;

3. *Encourages* the Board to include in its annual report to the Conference of the Parties information on projects approved by the Board that support the innovation and/or scaling up of climate technologies, with a view to informing the Technology Mechanism as it undertakes further work on climate technology innovation;

4. *Also encourages* the Board to continue to improve access to the Readiness and Preparatory Support Programme, including by:

(a) Facilitating communication of available support to national designated authorities and other relevant Green Climate Fund stakeholders;

(b) Ensuring the continued development of guidelines relating to the preparation of readiness and preparatory support proposals based on lessons learned and the experience and input of countries, delivery partners and relevant constituted bodies under the Convention;

5. *Requests* the Board to improve the efficiency of the readiness and preparatory support approval process and to expedite related disbursements;

6. *Also requests* the Board to allow for flexibility in the implementation of national adaptation plan related readiness activities, in order to enable countries to take into account evolving guidance from the Conference of the Parties on national adaptation plans and related processes such as nationally determined contributions or adaptation reporting;

7. *Further requests* the Board to continue to work to improve project approval procedures in line with decisions taken at the 17th meeting of the Board;

8. *Requests* the Board to consider ways to improve availability of information on how to access funding from the Green Climate Fund, which may include making basic information on the Green Climate Fund and its processes available in the official United Nations languages, as appropriate;

9. *Also requests* the Board to expedite its consideration of obtaining the privileges and immunities needed for the effective and efficient operationalization of the Green Climate Fund, consistently with relevant decisions of the Conference of the Parties and the Board;

10. *Further requests* the Board to continue to promote the use of programmatic approaches, as appropriate, taking into account its current practices;

11. *Requests* the Board to take any necessary actions in preparation for the first replenishment process, which will be triggered in accordance with applicable Board decisions;

12. [Placeholder on possible guidance from the COP agenda item on the sixth review of the Financial Mechanism and any other relevant agenda items];

13. *Invites* Parties to submit to the secretariat, in writing, no later than 10 weeks prior to the twenty-fourth session of the Conference of the Parties (December 2018), their views and recommendations on elements to be taken into account in developing guidance for the Board of the Green Climate Fund;

14. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 13 above when providing its draft guidance for the Board of the Green Climate Fund for consideration by the Conference of the Parties;

15. *Also requests* the Green Climate Fund to include in its annual report to the Conference of the Parties information on the steps that it has taken to implement the guidance provided in this decision.]

Appendix

Other inputs considered by the Standing Committee on Finance at its 16th meeting

Matters that are scheduled to be considered by the Board of the Green Climate Fund at its 18th meeting

1. *Emphasizes* the importance of the operational guidelines on simplified approval procedures for micro and small-scale projects, in particular for direct access entities, for accessing the resources of the Green Climate Fund;

2. *Urges* the Board to prioritize developing full policies on prohibited practices, including policies addressing anti money laundering and countering the financing of terrorism;

3. *Encourages* the Board to consider ways to ensure the alignment of the asset management by the interim trustee with the goals set in the Paris Agreement as well as with international best practice for environmental, social and governance standards;

4. *Notes* the approval of the request for proposals for the results-based payments pilot programme for activities referred to in decision 1/CP.16, paragraph 70;

Matters that reflect the current operations of the Green Climate Fund

5. *Encourages* the Green Climate Fund to initiate a review of the functions of its committees, panels and groups to increase their effectiveness in meeting institutional needs;

6. *Encourages* the Board to optimize the use of the Readiness Programme to support more national implementing entities from developing countries in being accredited to the Green Climate Fund and to support developing countries in formulating their country programming, in accordance with country needs and circumstances;

7. *Reiterates* that the Private Sector Facility should promote the participation of the private sector in developing countries, including local private sector actors and local financial intermediaries;

8. *Reiterates* that the operation of the Private Sector Facility should be in accordance with the prevailing laws and regulations of the country, consistent with national policy, as well as taking fully into account the principle of country-drivenness;

9. *Urges* the Board to enhance its work in facilitating results-based payments for activities referred to in decision 1/CP.16, paragraph 70, including to increase the number of countries that are in a position to obtain and receive payments for results-based actions referred to in paragraph 5 of decision 9/CP.19 and taking into account paragraph 7 of the same decision;

10. *Encourages* the Board to continuously improve complementarity and coherence with other operating entities and financial institutions by finalizing an operational framework on complementarity and coherence, and to initiate dialogue on coherence in climate finance delivery with other multilateral entities;

11. *Requests* the Board to conduct regional meetings annually to gain more insight into challenges and obstacles as well as progress of implementation of projects in each country and to enable peer learning and exchange of views, experience and lessons learned;

12. *Encourages* the Board to further engage with the Technology Executive Committee and the Climate Technology Centre and Network on support for collaborative research and development;

13. *Encourages* the Board to continue to strengthen its engagement with the private sector;

Matters on which the Standing Committee on Finance did not conclude its discussions

14. *Notes with concern* the low level of disbursement of funds to the projects and programmes approved by the Board;

15. *Encourages* the Board, in line with paragraph 33 of the Governing Instrument of the Green Climate Fund, to consider entering into appropriate arrangements with the Adaptation Fund to provide support to it in line with efforts aimed at enhancing funding for adaptation.

Annex IV

Draft decision on draft guidance to the Global Environment Facility

[English only]

[*The Conference of the Parties*,

1. *Welcomes* the decision of the Global Environment Facility Council to begin the process of updating its minimum agency standards and fiduciary policies;[1]

2. *Also welcomes* the Council's approval of the Global Environment Facility policy on conflicts of interest and ethics;[2]

3. *Requests* the Global Environment Facility to enhance the consultation process with recipient countries and other stakeholders in the context of the Global Environment Facility replenishment process;

4. *Also requests* the Global Environment Facility, as appropriate, to provide timely responses to countries' requests;

5. *Invites* Parties to submit to the secretariat, in writing, no later than 10 weeks prior to the twenty-fourth session of the Conference of the Parties (December 2018), their views and recommendations on elements to be taken into account in developing guidance for the Global Environment Facility;

6. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 5 above when providing its draft guidance for the Global Environment Facility for consideration by the Conference of the Parties;

7. *Also requests* the Global Environment Facility to include in its annual report to the Conference of the Parties information on the steps that it has taken to implement the guidance provided in this decision.]

[1] Paragraphs 24 and 25 of the joint summary of the chairs of the 52nd Council meeting of the GEF. Available at https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.52_Joint_Summary_of_the_Chairs.pdf.

[2] bid, paragraph 7.

Appendix

Other inputs considered by the Standing Committee on Finance at its 16th meeting

Matters that reflect the current operations of the Global Environment Facility

1. The Council of the Global Environment Facility (GEF) should enhance or at least maintain the allocation of the seventh replenishment of the GEF (GEF-7) for climate change focal areas;

2. The GEF, in its next replenishment cycle, should maintain the System for Transparent Allocation of Resources on the understanding that it is a system for resource allocation to eligible countries that is based on transparency and reflects the performance of the respective countries as well as their potential in achieving global environmental benefits;

3. The approach to resource allocation of GEF-7 should allow countries to be the main determinant of such allocation and should increase flexibility for reallocation of funds between focal areas;

4. Developed country Parties and any other Parties in a position to do so should continue and enhance their voluntary financial contributions to the GEF, in order to ensure a robust GEF-7 in providing adequate and predictable funding, taking into consideration the Paris Agreement (also considered in decision 11/CP.22, paragraph 2);

5. The GEF should continue its efforts to deliver global environmental benefits by responding to national priorities and international commitments under the three Rio Conventions (the UNFCCC, the Convention on Biological Diversity and the United Nations Convention to Combat Desertification);

6. *Encourages* the GEF to continue sharing information in its annual report on projects that it has approved that support the innovation and/or scaling up of climate technologies, with the aim of informing the Technology Mechanism as it undertakes further work on climate technology innovation;

7. *Encourages* the GEF to report on the outcomes of its collaboration with the Climate Technology Centre and Network with respect to exploring new ways of supporting climate technology related requests for technical assistance as referred to in decisions 11/CP.22 and 15/CP.22;

8. *Notes* that a longer-term perspective in relation to engaging the private sector in GEF technology projects is required;

Matters on which the Standing Committee on Finance did not conclude its discussions

9. *Encourages* both the Green Climate Fund and the GEF to consider ways to ensure the alignment of the asset management by the trustee with the goals set in the Paris Agreement as well as with international best practice for environmental, social and governance standards;

10. *Requests* the GEF to continue implementing in its seventh replenishment period its established funding policies, [including] [mainly] through the grant-based funding instruments in support of all developing countries;

11. *Requests* the GEF to continue to implement its policies in line with the provisions of the Convention that relate to eligibility and avoid differentiation between developing countries;

12. To allow more direct access to funding, Indonesia urges the GEF to begin a new round of accreditation of agencies so that new national and regional agencies can join the current portfolio of GEF agencies;

13. To incentivize local or community-based initiatives and for greater significant environmental, social and economic benefits at the local community level, Indonesia urges the continuation and strengthening of the GEF Small Grants Programme;

14. [Placeholder on possible guidance from the Conference of the Parties/Subsidiary Body for Implementation agenda items on the GEF];

Matters that require clarification from the proponent(s) of input

15. *Encourages* the GEF to promote enhanced communication between executing agency, technology provider and technology recipient;

16. *Encourages* the GEF to focus on strengthening institutional capacity and transforming policy and regulatory environments so as to better engage the private sector.

Annex V

Report on the 2017 forum of the Standing Committee on Finance, "Mobilizing finance for climate-resilient infrastructure"

[English only]

A. Background and proceedings

1. Introduction

1. The 2017 forum of the Standing Committee on Finance (SCF) was held on 6 and 7 September in Rabat, Morocco, on the topic "Mobilizing finance for climate-resilient infrastructure". The forum was hosted by the Government of Morocco and held in partnership with the Union for the Mediterranean (UfM) and the European Bank for Reconstruction and Development (EBRD), with contributions from the Government of the Netherlands, the World Bank and the Inter-American Development Bank (IADB).

2. The forum was attended by about 120 participants representing different regions, with representatives from governments, multilateral development banks (MDBs), the operating entities of the Financial Mechanism, infrastructure project developers, the private sector and industry associations as well as civil society organizations. More than 30 resource persons were engaged in the forum as presenters, panellists and facilitators.

3. The two-day forum featured plenary presentations, panel discussions, case studies and breakout group discussions. It examined climate-resilient infrastructure in the broader global infrastructure landscape, the current trends, gaps in financing and ways to close the financing gap in the light of international best practices. The forum programme and information about speakers and panellists are available on the SCF forum web pages.[1]

4. At the opening and closing sessions, Ms. Patricia Espinosa, the Executive Secretary of the UNFCCC secretariat, Ms. Nezha El Ouafi, Secretary of State to the Minister of Energy, Mines and Sustainable Development, responsible for sustainable development, of the Government of Morocco, Mr. Mezouar Salaheddine, President of the twenty-second session of the Conference of the Parties (COP), Mr. Fathallah Sijilmassi, Secretary-General of the UfM secretariat, Mr. Jorge Borrego, Deputy Secretary-General of the UfM secretariat, and Ms. Bernarditas Muller and Mr. Georg Børsting, Co-Chairs of the SCF, highlighted the urgent need for financing climate-resilient infrastructure, citing recent extreme weather events around the world, including the flooding in Houston, United States of America, and Mumbai, India, and the substantial damage experienced by Caribbean countries. It was also noted that governments need to demonstrate strong political will and honour the important commitments made at COP 21 and reiterated at COP 22. Enhancing the link between climate-resilient infrastructure and sustainable development, transparency and a disciplined market was suggested as a means to attain sustainable development objectives. The nationally determined contributions (NDCs) were mentioned as an immediate, concrete opportunity to create an enabling environment for financing climate-resilient infrastructure.

5. The importance of close cooperation between governments, the private sector and other non-state actors was also emphasized, as was the need to look beyond national interests. Related to this, the benefits of regional cooperation were highlighted and the Mediterranean region was mentioned as an example, where the identification of concrete regional cooperation projects and initiatives enhances partnerships and interactions through a scaling-up effect, exchange of best practices, exchange of information and development of innovative initiatives.

6. The remainder of chapter A provide a detailed summary of the presentations and discussions in the different sessions of the forum. Chapter B contains recommendations of

[1] http://unfccc.int/10368.php.

the SCF for consideration at COP 23. Finally, chapter C describes follow-up actions of the SCF in 2018.

2. Session 1. Climate-resilient infrastructure in the context of the broader global infrastructure landscape

7. Session 1 focused on climate-resilient infrastructure in the context of the broader global infrastructure landscape. The scene-setting presentation by EBRD highlighted that while infrastructure is already vulnerable to extreme weather, climate change is a significant risk amplifier. It was noted that the long lifespan of infrastructure means that it needs to cope with shifting climate conditions over future decades, including sea level rise and shifts in temperature ranges and precipitation patterns. This in turn means that infrastructure being built today needs to anticipate the climate conditions expected tomorrow. In this sense, it is noteworthy that the Organisation for Economic Co-operation and Development (OECD) estimates that each dollar spent on climate change adaptation delivers four times its value in terms of potential damage avoided.

8. The benefits of climate-resilient infrastructure, as presented by EBRD, include the following:

(a) Reduced exposure or sensitivity of systems to climate-related hazards;

(b) Minimized consequences of disruptions through robust design;

(c) Reduced vulnerability of populations to climate shocks and disruptions, with their access to resources and services being safeguarded;

(d) Protection of investment returns, business continuity and regulatory compliance.

9. It was emphasized that developing countries are facing huge infrastructure needs and need to develop nationally appropriate standards and codes to incentivize the consideration of climate resilience in their infrastructure plans. In this regard, it was noted that MDBs, which are among the key financiers of climate-resilient infrastructure, could play an important role, both with regard to developing new financial products and as intermediaries that bring in knowledge to developing countries to align their practices with international best practices, enabling them to develop their own approaches and standards.

Box 1

European Bank for Reconstruction and Development's work on climate-resilient infrastructure

Climate resilience and adaptation is part of the European Bank for Reconstruction and Development (EBRD) Green Economy Transition (GET) approach and infrastructure is a major focus of EBRD climate resilience investment operations. Since 2011, EBRD has spent EUR 1.1 billion of dedicated adaptation finance on infrastructure and signed 130 projects. In terms of business areas, the majority of GET adaptation finance went to municipal and environmental infrastructure, followed by investments in power and energy, transport, and property and tourism.

Source: EBRD Presentation, session 1, 2017 forum of the Standing Committee on Finance.

10. With regard to the role of multilateral climate funds, a panellist from the Green Climate Fund (GCF) secretariat noted that currently only 20–30 per cent of GCF financing is spent on adaptation, because the fund's operations are country-driven and many developing countries have not yet sufficiently prioritized climate-resilient investments. For the GCF to further advance work in this area, developing countries, as part of their engagement with the GCF, need to prioritize climate-resilient infrastructure in line with their national strategies and plans.

11. In a similar vein, a representative of EBRD pointed to an existing gap with respect to strategic planning in many developing countries. In EBRD countries of operation, insufficient attention is given to adaptation in the NDCs. In those cases, the countries' adaptation needs should be spelled out in the NDCs and linked with investment planning. An example of good practice cited is the Strategic Programs for Climate Resilience

developed under the Pilot Program for Climate Resilience (PPCR). The PPCR experience shows that developing an investment plan that integrates climate resilience helps developing countries to prioritize and allocate investments and to identify the most suitable financing channels.

12. A panellist from the Global Environment Facility (GEF) secretariat noted that the GEF sees an increased demand for resilient urban development and resilient infrastructure projects, including requests for both increased safety of infrastructure and service continuity. Beyond this, the panellist noted the need for a more concerted effort to enable transformative infrastructure-based solutions that offer social and/or economic benefits beyond infrastructure resilience. The GEF also aims to continue and increase its work on integrating green solutions into infrastructure, an area where many innovations are happening. Examples of such solutions include green roofing, permeable pavements, filter strips, shelter belts and bioretention.

13. It was noted that there is a general lack of enthusiasm for financing projects focused on maintaining ecosystem services, although such services are crucial in assisting infrastructure to fulfil its function with regard to promoting resilience for communities. Often the myriad of co-benefits produced by this type of project are not fully taken into account in the context of cost–benefit analyses.

3. Session 2. Infrastructure investment trends and the investment gap

14. Session 2 focused on infrastructure investment trends and the investment gap. The scene-setting presentation by Global Infrastructure Basel (GIB) noted that estimates of annual global infrastructure investment requirements range from USD 5 trillion until 2020[2] to USD 5–7 trillion for the period 2015–2030.[3] Taking climate resilience in the urban infrastructure context into account, the Cities Climate Finance Leadership Alliance estimates ‘business as usual’ investment needs at USD 4.1–4.3 trillion annually, and additional investment needs for a low-emission and climate-resilient path at USD 0.4–1.1 trillion.[4]

15. In recent years, infrastructure investment has been stagnating and the estimated global infrastructure investment gap ranges from USD 1 trillion[5] to USD 2.5 trillion for basic infrastructure.[6]

16. The presenter from GIB noted that aligning different stakeholders’ understanding of infrastructure resilience will be key for attracting financing. The concept involves not only physical but also qualitative components which are hard to measure. In addition, data on resilience and climate change adaptation are limited.

17. It was also noted that while sustainability and resilience may be perceived as critical in the financial sector, well-defined concepts are not currently widespread. There is a need for comprehensive and efficient measurement tools to make risks and benefits transparent. Figure 1 shows the potential private sector contribution to fill the investment gap. It shows that while private finance in the power sector and in climate change mitigation could be raised fairly easily, this will be much harder for action on adaptation, illustrating the need for more incentives to facilitate private sector investments in the relevant sectors.

[2] World Economic Forum. 2013. *The Green Investment Report: The Ways and Means to Unlock Private Finance for Green Growth*. Available at http://reports.weforum.org/green-investing-2013/.

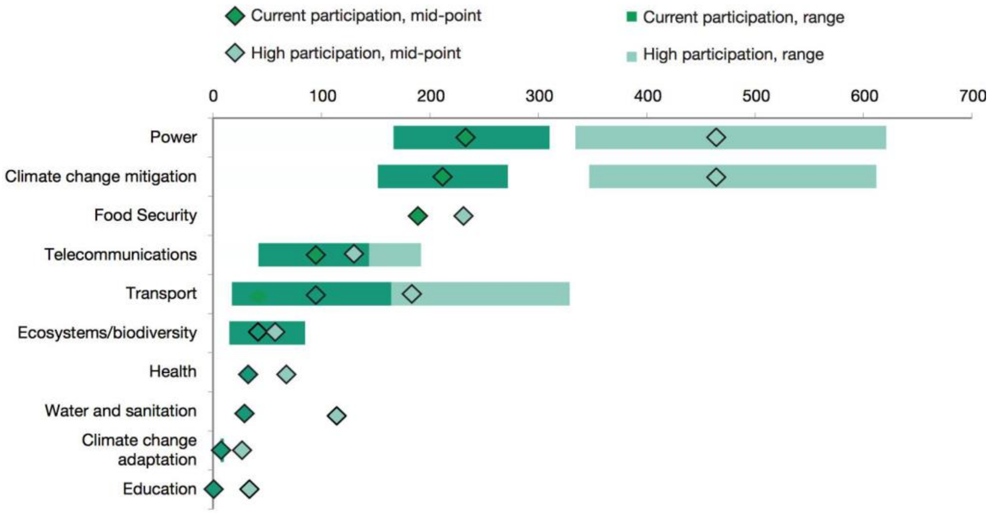
[3] United Nations Conference on Trade and Development. 2014. *World Investment Report 2014*. Available at http://unctad.org/en/PublicationsLibrary/wir2014_en.pdf.

[4] Cities Climate Finance Leadership Alliance. 2015. *The State of City Climate Finance 2015*. Available at http://www.citiesclimatefinance.org/2015/12/the-state-of-city-climate-finance-2015-2/.

[5] As footnote 2 above; McKinsey Global Institute. 2016. *Bridging Global Infrastructure Gaps*. Available at http://www.mckinsey.com/industries/capital-projects-and-infrastructure/our-insights/bridging-global-infrastructure-gaps.

[6] As footnote 3 above.

Figure 1
Potential private sector contribution to fill the investment gap



Source: United Nations Conference on Trade and Development (2015) cited by: Global Infrastructure Basel presentation at the 2017 forum of the Standing Committee on Finance.

18. The presentation from GIB highlighted that the development of sustainability and resilience frameworks and measurement tools is vital: (a) to show the sustainability and resilience performance of an infrastructure project; (b) to indicate the benefits that can be achieved by integrating sustainability and resilience into infrastructure planning and design; (c) to highlight the room for improvement (optimizing sustainability and resilience lowers the risks of default and damage, implying lower borrowing rates and insurance premium); and (d) to show the themes that cities and investors should be looking at for increasing sustainability and resilience, to save costs and to reduce risk.

19. The second presentation by an SCF member, Mr. Oquist Kelley, discussed alternative sources of finance such as idle corporate funds of listed companies which could be used to stimulate the global economy, reduce inequalities, and support climate action and the achievement of the Sustainable Development Goals (SDGs). These corporations could be encouraged to invest in AAA-rated bonds issued by institutions such as the World Bank and regional development banks. The funds generated would then be channelled to the existing financing windows for climate action. One of the participants also noted the importance of blended finance, which enables public and private actors to create projects jointly, and stressed that attracting philanthropic money could also be an option for developing countries to get off the ground projects that are not bankable.

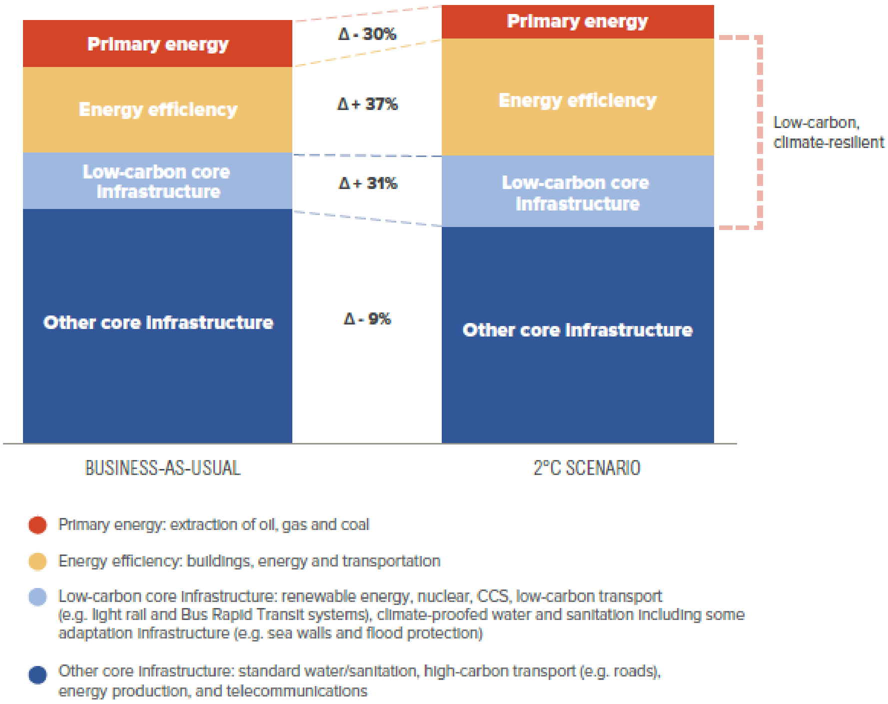
20. A representative of the United Nations Economic Commission for Africa (ECA) provided insights into the African perspective on trends and gaps in climate-resilient infrastructure. He stated that Africa suffers from a chronic infrastructure deficit in all sectors as well as poor-quality and expensive infrastructure services compared with other parts of the world, and that the continent’s existing infrastructure is under threat from climate change. In this context, ECA, the World Bank, the African Union Commission and the African Development Bank, with initial funding from the Nordic Development Fund, jointly founded the Africa Climate Resilient Investment Facility. This facility is aimed at strengthening the capacity of African institutions and project developers to integrate climate information and services into the planning, design and implementation of infrastructure investments to enhance their resilience to climate variability and change in selected sectors, particularly energy, water, transport and agriculture.

4. Session 3. Infrastructure investment in the context of Article 2 of the Paris Agreement

21. Session 3 focused on the objective of the Paris Agreement to make finance flows consistent with a pathway towards low greenhouse gas (GHG) emissions and climate-resilient development. In this context, an expert of the Overseas Development Institute,

representing the New Climate Economy project, provided insights into the work of the Global Commission on the Economy and Climate, which leads the New Climate Economy project. The reports of the Global Commission, inter alia, highlight that developing countries account for around two thirds of global infrastructure investment, and have an opportunity to ‘leapfrog’ polluting and inefficient models. The next two to three years will be critical because of lock-in of capital and technology and a shrinking carbon budget. The report stressed that investing in sustainable infrastructure requires a shift in investment but does not need to cost much more (see figure 2).

Figure 2
Infrastructure spending in a 2 °C scenario (2015–2030, percentage change)



Note: Δ is the mathematical symbol for change.

Source: Global Commission on the Economy and Climate (2016 and 2014) and Bhattacharya et al. (2016), as cited in: Overseas Development Institute/New Climate Economy presentation at the 2017 forum of the Standing Committee on Finance.

22. The Global Commission identified four action areas to scale up and shift public and private investments to sustainable infrastructure and provided the following targeted recommendations:

(a) **Tackling price distortions**: almost 30 countries have initiated or accelerated reforms of their fossil fuel subsidies over the last three years and leaders of the Group of Seven committed in May 2016 to eliminate inefficient fossil fuel subsidies no later than 2025. At the same time, 40 countries and over 20 cities have implemented or scheduled carbon pricing. The Global Commission recommends that all developed and emerging economies, and others where possible, commit to introducing or strengthening carbon pricing by 2020. Furthermore, it will be crucial to price infrastructure services appropriately, for both traditional and ecosystem-based infrastructure;

(b) **Strengthening investment policy frameworks and capacity**: the Global Commission recommends that countries develop clear national, subnational and sectoral development strategies and infrastructure plans that are aligned with long-term climate goals. In addition, all countries should develop transition plans to accelerate the scaling-up of clean and resilient energy solutions and a phasing-out of coal, in a way that ensures a just transition;

(c) **Transforming the financial system**: the Global Commission recommends that governments and investors agree on common standards for, and scale up, green bonds. Countries, especially those in the Group of 20 (G20), should build on the work of the

Financial Stability Board's Task Force on Climate-related Financial Disclosures to move towards appropriate mandatory disclosure standards. Further, development finance institutions should double their investments in financing sustainable infrastructure as quickly as possible, and scale up further as warranted;

(d) **Innovation – boost investment in clean technology research and development (R&D) and deployment**: governments and businesses should substantially increase investments in R&D and deployment, and develop genuine research partnerships together and across countries.

23. The Integrated Programme for Protection of the Lake Bizerte against Pollution was presented at the forum as an example of a low-carbon and climate-resilient infrastructure project that is taking an integrated approach to serve the multiple aims expressed in Article 2 of the Paris Agreement. The flagship programme aims to rehabilitate the environment and water quality of Lake Bizerte in the North of Tunisia through an integrated approach tackling all its main sources of pollution. The programme seeks to build an effective ecosystem to enhance the socioeconomic status for the population living around Lake Bizerte and to enable a multi-stakeholder process for sustainable development. Developed as part of the Horizon 2020 initiative for a cleaner Mediterranean Sea, it will directly contribute to the local and regional depollution efforts and the improvement of aquatic life and living conditions of the surrounding population. It will implement sustainable infrastructure and protection measures against environmental degradation in pollution hot spots that could affect the environmental quality of marine and coastal ecosystems and the quality of life in the region of Bizerte. The Ministry of Equipment and Environment of Tunisia has worked closely with the UfM to secure commitment and resources to the project, which include self-financing from the Government of Tunisia, a loan of EUR 40 million from the European Investment Bank, EUR 15 million as a grant from the European Commission and EUR 20 million from EBRD.

24. During the plenary discussion, participants discussed, inter alia, the need to examine how financial sector regulations such as Basel III or Solvency II are shaping the incentives within asset management firms. The need to look at fiduciary requirements of sovereign wealth funds to see how much money those funds are allowed to allocate to emerging markets, or, in particular, infrastructure in emerging markets, was also highlighted.

5. Sessions 4 and 5. Barriers to financing climate-resilient infrastructure

25. Session 4 was designed to allow discussion on what could be the main barriers to financing climate-resilient infrastructure. The session opened with a scene-setting presentation by the World Bank, followed by four parallel breakout group discussions. The participants rotated among the four breakout groups, which respectively tackled the following four areas:

(a) Policies and enabling environments;

(b) Strategic planning and programming;

(c) Project preparation and technical design;

(d) Financial structuring.

26. In the scene-setting presentation, the World Bank presented its views on the main barriers to developing climate-resilient infrastructure. With regard to creating enabling policy environments, the presentation noted that it will be crucial to mainstream climate into the national budget, to ensure that NDCs cover climate-resilient infrastructure and to use the NDCs to create policies that incentivize investment. There is a need to improve climate and disaster risk screening in order to overcome planning and programming related barriers and to be able to 'climate proof' projects and better account for future conditions. Screening tools need to be user-friendly and the staff applying the tools need to be trained in order to be effective. In addition, the tracking of climate co-benefits needs to be improved to be able to measure climate finance and achieve targets. In terms of project preparation and design, it is essential to analyse all available strategies, identify any vulnerabilities of those strategies and develop an adaptation strategy to address such vulnerabilities. With regard to financing projects, concessional finance will need to be better targeted towards the provision of global public goods and towards funding activities that cannot be funded by commercial finance. It

should also be optimized towards drawing in the private sector. Public and private sector capacity needs to be built and infrastructure investments need to be de-risked through quantifying and managing risks and building new insurance packages.

Box 2
Examples of World Bank support to climate-resilient infrastructure

The World Bank is supporting developing countries in their efforts to develop and finance climate-resilient infrastructure in different sectors. Concrete country examples include support provided to Cameroon for building an institutional framework that enables private sector participation in the power sector, resulting in close to USD 1 billion of private investments to date. In Colombia, the World Bank supported the government's efforts to deepen capital markets and create green bonds and other green financial products. In Kenya support focused on enhancing the legal and regulatory framework and the utilization of credit ratings in the national water sector to create enhance investors' understanding of risks underlying investments.

Source: World Bank presentation, session 4, 2017 forum of the Standing Committee on Finance.

(a) Outcomes of the breakout group discussions

27. Following the presentation, the participants rotated between four breakout groups, with each thematic group tackling one of the four areas referred to in paragraph 25 above. Paragraphs 28–33 below provide an overview of the key results of the breakout group discussions, as presented by the facilitators of the breakout groups in session 5.[7]

28. **Policies and enabling environments**. Participants emphasized the need for better inter-agency coordination across different government agencies and for mainstreaming climate resilience into budgetary planning processes. Outdated legislative and regulatory frameworks, building codes and standards were also mentioned as key barriers. Participants also stressed that insufficient attention is given to policies and enabling environments supporting the resilience of small-scale infrastructure. The need to allow for more flexibility with regard to providing access to climate finance was underlined, and it was noted that, in particular, subnational entities are facing severe hurdles with regard to accessing financing.

29. **Strategic planning and programming**. Participants highlighted the lack of frameworks for climate-resilient infrastructure planning and noted that creating a unified framework for planning would be preferable to having a proliferation of multiple frameworks. In addition, participants noted a lack of climate risk data and the difficulty of translating scientific information into a public communication that can be easily understood and used by policymakers. Receiving information on the options for action as well as on the consequences of those options would enable policymakers to plan for climate-resilient infrastructure. Participants also emphasized that more attention needs to be directed towards enhancing the climate resilience of existing infrastructure. Another barrier mentioned was that politicians are often faced with competing needs and conflicting goals. In this regard, it was noted that there is value in having a high-level body that could help to enhance the importance of climate-resilient infrastructure on the political agenda. Participants also pointed to the challenge of adequately taking into account local needs and concerns in planning processes.

30. In terms of best practices and lessons learned with regard to overcoming strategic planning barriers, the usefulness of utilizing standards and codes was stressed. An example was given of national standards for roads and embankments in the Netherlands which are helping to integrate resilience criteria into planning and procurement processes. A programme in Nepal, which successfully supported the integration of local knowledge into building infrastructure in mountainous regions, was also discussed. Further examples from the discussions include the development of strategic investment plans in Egypt and Honduras which are helping to align financial support with national priorities, and a strategic plan for

[7] The report-back slides from the breakout group facilitators are available under section 5 of the programme of the 2017 SCF forum, available at http://unfccc.int/10368.php.

road networks in Morocco which recommends an assessment of climate risks and resilience criteria for every project in the road sector. Another best practice tool highlighted is the Building Research Establishment Environmental Assessment Method, which is the world's longest established method of assessing, rating and certifying the sustainability of buildings.

31. **Project preparation and technical design**. The lack of clear guidance on the technical definition of climate resilience was found to be one of the main barriers. The need for technical standards was also noted and participants had varying views on whether such standards should be stringent or have inbuilt flexibility. It was further noted that, unlike mitigation technologies, guidance on available adaptation technologies and how to use them appropriately is lacking. Substantial requirements for financing and lack of guidance on how to meet financing requirements and criteria were also mentioned as key barriers. The low predictability of financing is a major hurdle, since even if efforts are undertaken to meet financing requirements there is still significant risk that the project may not meet the high standards and requirements of financiers. There is also a risk that efforts to meet the criteria of project financiers, such as a results framework requirement, lead to diminished country ownership of a project. Further barriers noted include the lack of harmonized data due to different methodologies used by actors, insufficient horizontal and vertical data sharing and the difficulty of feeding scientific information into political decision-making processes. With regard to existing capacity in countries, it was noted that it is crucial to identify those capacities and sustain them in the long term.

32. **Financial structuring**. The discussions focused mainly on technical capacities, tools and data. A lack of technical tools for modelling externalities and screening long-term climate risks was noted. How to validate and monetize social and environmental benefits needs to be further explored so as to enhance the financing of climate-resilient infrastructure. Building the capacity of the private sector to price in these externalities will also be crucial, given that the development of many infrastructure projects is led by the private sector. Furthermore, the need for creating structures for non-revenue-generating and small-scale projects that may not appear attractive to lenders and investors was stressed, given the various non-commercial, social and environmental benefits of climate-resilient infrastructure. Varying time frames of actors involved in the different stages of infrastructure projects were noted as a further hurdle, as was the uncertainty on access to external sources of finance. Requirements by MDBs for sovereign guarantees where they co-finance projects in host countries were also mentioned as a barrier. Participants also highlighted that resilience and adaptation should be an integral part of good project design and engineering and cautioned against focusing on building a business case around the adaptation component of larger infrastructure project alone.

33. Given that the depth of private capital markets and the maturity of the insurance market varies greatly across developing countries, financing solutions need to be context specific. Recent success stories and good practices include asset pooling and project aggregations to finance small-scale infrastructure projects, such as the set of small-scale hydropower projects in the Russian Federation financed through the New Development Bank, which was founded by Brazil, the Russian Federation, India, China and South Africa. Other examples mentioned are domestic actions in the Moroccan insurance sector, including the introduction of new requirements for businesses to insure certain types of assets, and the development of a sustainable insurance road map.

6. Session 6. Best practices, lessons learned and opportunities related to mobilizing financing for climate-resilient infrastructure

34. Session 6 set the scene for day two by focusing on key areas for action, namely improving climate risk information and assessment, strengthening policy and regulatory frameworks and institutional capacities, and transforming the financial system.

35. A presentation by OECD focused on different policy levers needed to strengthen resilience, such as evidence provision, accounting for climate risks in projects financed by governments, enabling resilience through policy and regulation, and disclosure of climate risks. On the provision of evidence, all OECD countries have conducted national infrastructure risk assessments, which are mostly multi-sector and multi-hazard and reveal a growing consideration of interdependencies between operators and across sectors. The body

of methodological guidelines and tools on integrating resilience into investment projects is growing. With regard to accounting of climate risks in publicly funded projects, climate risk screening and management tools are prevalent in development banks but still rare in OECD domestic investments. In terms of contractual arrangements, particularly when looking at public–private partnerships (PPPs), it is crucial to determine who has the capacity to bear a certain risk in practice. The presenter noted that in Colombia, for instance, contractual arrangements for PPPs were changed following the floods in 2010 and 2011 in order to strengthen insurance requirements for concessions, which reduces the government’s liability and provides an incentive for concessionaires to consider climate risks. On the policy and regulation side, it will be important to change standards in such a way that by default new infrastructure is climate resilient. Policies should support resilience throughout the entire process of designing, building and operating infrastructure. Lastly, the presenter highlighted the importance of climate risk disclosure as it can provide a price signal in terms of distinguishing a resilient asset from a less resilient one, enhance the consideration of infrastructure interdependencies, and raise management attention and provide an incentive to take a decision. There is growing interest from the financial sector in the physical aspects of climate risk and there are industry-led initiatives to scale up climate risk disclosure, such as the Financial Stability Board disclosure task force on climate-related risks or voluntary reporting initiatives, led by both the public and the private sector, such as the Carbon Disclosure Project.

36. Sessions 7, 8 and 9 focused on best practices with regard to, respectively: improving risk information and assessment; strengthening policy and regulatory frameworks and institutional capacities; and transforming the financial system. Each session featured two parallel plenaries with three to four case studies presented in each. The following sections provide an overview of the presentations made by the panellists.

7. Session 7. Best practices, lessons learned and opportunities related to mobilizing financing for climate-resilient infrastructure: Part I. Improving risk information and assessment

37. It was suggested that targeted support is needed to make risk data and information accessible to policymakers and industries, especially in developing countries. Donors and the operating entities of the Financial Mechanism can help to strengthen hydrometeorological services in developing countries so that better weather and climate data and information services become available to inform the cycle of infrastructure planning, designing, building and operation. For an effective climate risk management, the use of digitalization and satellites can be considered for data-gathering purposes. The following case studies and examples presented by the various panellists attest to the need for enhanced risk information and assessment in the process of infrastructure planning, building and operation.

38. The Minister of Public Works of El Salvador spoke about his country’s experience in systematically managing climate risks over the years. As a country exposed to various climate risks and extreme weather events such as hurricanes and typhoons, El Salvador has focused on identifying the most vulnerable zones and refurbishing those areas. The country established the Climate Change Adaptation and Risk Management Department (DACGER) within the Ministry of Public Works, Transportation, Housing and Urban Development in December 2010. DACGER is comprised of four units responsible for overseeing the country’s bridges, drains, geotechnical engineering and conducting technical studies. The unit is supported by technical specialists and staff for administrative and field support. DACGER runs an intensive programme of protection works and has eliminated 780 vulnerable areas of the 978 zones inspected over the years. For instance, hills vulnerable to potential landslides and soil erosion have been stabilized with rainwater runoff management. For an effective volcanic hazard management, El Salvador has utilized drone technology to identify debris flow trajectories and built dikes to control the flow of debris. These are some of the examples of what DACGER is doing to improve risk information and assessment. However, the Minister emphasized that risk information needs to be taken a step further, creating a culture of prevention and facilitating a dissemination of risk knowledge among the public.

39. What has made the El Salvador experience so successful lies in the fact that people are the main focus of the country’s climate and geological risk management. The country is now

moving towards building a culture of foresight and prevention. A special emphasis is placed on vulnerable groups, and the government seeks their active engagement in the risk mitigation and management efforts. The Minister of Public Works of El Salvador also stressed the importance of aligning the national strategy with a regional one, such as the Central American framework policy on mobility and logistics, saying that a regional approach is useful when dealing with common and transboundary ecosystems and infrastructure. The country also takes an approach of multiscale management, from local to global, using various channels and financial instruments such as loans and regional and subregional funds. The Minister also emphasized the need for instituting regulations to prevent corruption. For instance, if the iron used in building a bridge is not of the required quality, then the infrastructure will fail to withstand shocks and disasters as originally planned.

40. A representative of C40 Cities Climate Leadership Group, a global network of the world's megacities and mayors, stressed the importance of city-level action in integrating climate resilience into infrastructure. Ninety-eight per cent of C40 cities say the effects of climate change present significant risks for their respective cities, and cities are increasingly at risk of coastal and inland storm flooding, heatwaves and drought. It is estimated that climate change will cost the global economy more than USD 2.5 trillion a year in lost productivity by 2030 owing to occupational heat stress alone. Cities are a centre for various social and economic activities, and infrastructures are intricately interconnected to support the many activities taking place in cities. For instance, the transport system can be affected by extreme heat or rainfall and sea level rise, which in turn has consequences for other infrastructure systems such as water, energy, telecommunications and wastewater management. When one infrastructure system fails, there will be a series of cascading failures, paralyzing cities and their economic activities. Therefore, the interconnectedness of infrastructure needs to be tackled and relevant risk information and assessment needs to be made accordingly.

41. Infrastructure developers need sector- or industry-specific best practices guidelines to move forward with climate-resilient infrastructure. A representative of the International Hydropower Association (IHA) informed the participants that IHA is currently working with the World Bank Group and EBRD to develop hydropower-specific guidelines for climate resilience, which can facilitate the process of risk analysis, modelling, risk assessment and defining best adaptation strategies or solutions for the sector. At the analysis phase, the potential impact of climate change at a specific site needs to be identified through reasonable modelling. The findings of such analysis can then be translated into scenarios at the site. Developing a set of reasonable climate change scenarios, using the best risk information and data available, is important, and the scenarios need to be applied to a project design. The scenarios are also used to stress-test a project to identify any vulnerabilities as well as an appropriate business model. Then they need to consider what structural and functional measures are already in place or planned to avoid or reduce those identified risks.

42. Tajikistan offers a good case study for climate-resilient hydropower. In a presentation by EBRD, it was highlighted that the country derives more than 98 per cent of its electricity from hydropower, which is therefore critical to the country's economic growth, livelihoods and living standards. However, only around 5 gigawatts of 40 gigawatt hydropower potential is currently being captured due to inefficiency. Qairokkum is a major hydropower plant in northern Tajikistan, which supplies 500,000 households with electricity. Projected climate change impacts pose risks to the plant's ability to generate electricity, especially given shifting temperatures and precipitation affecting glaciers and rivers. In this context, a rehabilitation and upgrade of the dam structure and turbine and hydro-electric equipment of Qairokkum was envisioned, which is expected to result in a capacity increase from 126 to 170 megawatts. A feasibility test was conducted in preparation for the project with a focus on understanding and analysing the impacts of climate change on the hydropower sector and integrating them into the infrastructure design. Turbine upgrade and spillway capacities were then adjusted to optimize power generation and safety across a range of climate change scenarios. Integral to this project was an emphasis on capacity-building on climate and hydrological data collection and usage, reservoir management and dam safety, which was supported by twinning with a world-leading hydropower operator, Hydro-Québec.

43. A flood repair and upgrade of a roads project in Bosnia and Herzegovina, financed by loans from EBRD, the World Bank and others, demonstrates a careful use of climate

projections and assessment of impacts on the road network when designing climate resilience measures to be built into the roads. The project aimed at repairing and upgrading the 34 road sections that had been heavily damaged by the unprecedented floods of 2014. In the technical assessment phase, two global climate models were used to make climate projections for temperature, precipitation, cold events and storms, and their likely impacts on the roads were assessed. In assessing major climate risks and mapping out vulnerabilities, a QuickScan approach to risk assessment was used, a methodology developed by the Conference of European Directors of Roads. This approach mobilizes a multi-disciplinary group of stakeholders in a workshop and goes through three analytical steps using available maps, data, information and local knowledge to identify, analyse and evaluate risks. As a result of the risk assessment process, it was decided to enhance the roads' drainage systems, strengthen vulnerable slopes, bridges and tunnels and deepen bridge abutments. It was also decided to install rock mattresses to reduce the impact of long-term erosion risks and widen the bypass roads.

44. A representative of the Adaptation Fund Board secretariat indicated that the Adaptation Fund takes an integrated approach to adaptation and climate resilience by aligning it with the SDGs, Article 2 of the Paris Agreement and the Sendai Framework for Disaster Risk Reduction 2015–2030. Consulting local people is at the heart of the Adaptation Fund adaptation and resilience projects, which include community-built small-scale infrastructure projects such as building sea walls to slow costal erosion in Senegal. The Adaptation Fund has supported updating the meteorological services in developing countries to enhance risk information and assessment. In Georgia, it funded a project aimed at developing climate-resilient flood and flash flood management practices to protect vulnerable communities. The project activities included building partnerships, facilitating cooperation between the local and national governments and building capacity of the local people to use climate data. Systems were established at the national and subnational level for both short- and long-term flood forecasting.

45. During the discussions that followed the presentations, some panellists stressed the importance of local consultation and inter-actor coordination in implementing adaptive and resilient measures. In a local setting, people are often not fully aware of climate risks, and capacity-building is needed in this regard. Changing the mindset of such local people is important to avert damage and a loss of human lives in extreme weather events. Developing country participants also highlighted the need to change the mindset of infrastructure planners and developers at home so that they can start doing things differently and integrating climate resilience into infrastructure development.

8. Session 8. Best practices, lessons learned and opportunities related to mobilizing financing for climate-resilient infrastructure: Part II. Strengthening policy and regulatory frameworks and institutional capacities

46. A representative of the World Bank stated that strengthening policy and regulatory frameworks and institutional capacities for climate-resilient infrastructure can have the following benefits:

(a) Ensure strategic, multi-sectoral approaches to building resilient infrastructure;

(b) Strengthen institutions and build capacity;

(c) Improve project appraisal and preparation;

(d) Enhance access to finance and reduce the cost of capital;

(e) Improve project design and implementation.

47. The programmes and case studies contained in paragraphs 48–51 below elaborated on how strengthening policy and regulatory frameworks in different cases have enabled strategic planning for and supported designing, building and financing climate-resilient infrastructure projects.

48. The World Bank has supported building national-level climate-resilient development strategies through PPCR and the Climate Action Peer Exchange (CAPE). PPCR provided funding for technical assistance to enable developing countries to build upon existing

national work to integrate climate resilience into national and sectoral development plans. As a result, 28 vulnerable countries developed a multi-sectoral climate-resilient strategy with a special focus on directing investment for adaptation planning. CAPE brings together ministries of finance and other relevant stakeholders to discuss fiscal and financing challenges and experiences in implementing the NDCs, and serves as a capacity-building forum for peer-to-peer knowledge-sharing and advisory support. Both PPCR and CAPE have enabled strategic planning for climate-resilient infrastructure and its financing at the country level.

49. In a climate-resilient road project in the West Coast of Samoa, where more than 50 per cent of the roads sits less than 3 metres above sea level and only a few metres from the shoreline, the World Bank supported a review of the country’s institutional and legal framework and recommended specific reforms and the capacity-building that is required to facilitate climate resilience in the road sector. This review led to the development of the country’s climate change adaptation policy framework and objectives for the national road network.

50. The World Bank also supported the Government of Timor Leste in undertaking a detailed analysis of available structuring options and the viability and market acceptance of the Tibar Bay Port project, a new greenfield port construction project in Tibar Bay following Dili Port for dry cargo reaching its capacity. The World Bank worked with the Government of Timor Leste to develop the country’s long-term capacity for project appraisal and preparation, which led to the establishment of a PPP unit within the Ministry of Finance and development of its workflow and process. Furthermore, the World Bank helped to build capacity within the Government of Timor Leste to support the establishment of a working PPP programme and bringing projects to the market. As a result, in 2016 the Government of Timor Leste signed a 30-year, USD 490 million concession contract with Bolloré Logistics, which had been selected through a competitive bidding process.

51. In the case of the 4th Generation Toll Road Program in Colombia, a USD 24 billion decade-long investment plan to create a nationwide toll road network through multiple PPPs. Once the plan was in place, it brought together investment, advisory and treasury support from the MDBs as well as investment and guarantees. In the case of a roads and bridges maintenance project in Mozambique, efforts are being made to review the existing design standards and construction maintenance approaches to ensure that these better address climate risks in the infrastructure lifecycle. As identified as a priority in the National Climate Change Adaptation and Mitigation Strategy of Mozambique, the MDBs and local developers are working together to develop technical standards and maintenance approaches for paved and unpaved classified road networks and capacity-building programmes for local contractors and service providers.

52. A representative of the World Association for Waterborne Transport Infrastructure (PIANC) spoke about her organization’s ongoing work in developing technical good practice guidance to support the owners, operators and users of waterborne infrastructure in building mitigation and adaptation safety along with nine other international associations of ports and maritime infrastructure. Waterborne infrastructure such as ports and harbours today are exposed to more frequent and severe flooding, wind, waves and storms owing to climate change. Other factors that the operators and developers of waterborne infrastructure need to take into consideration include potential changes in fog characteristics, which has implications for visibility and navigational safety issues, changes in ice cover and river flow and changes in water chemistry due to increased air and water temperatures. In this context, providing technical guidance that promotes adaptive management and capacity in waterborne infrastructure becomes all the more important as conventional methods and techniques are not as applicable owing to increased uncertainty.

53. The PIANC representative stressed that it is important to design waterborne infrastructure in a way that can facilitate modification when new information arises. The technical good practice guidance for maritime infrastructure, which is currently in the making, will include considerations for real-time monitoring, early warning systems and contingency plans as well as constant monitoring of asset conditions and maintenance of infrastructure to maximize adaptive capacity. Further, the working group on the technical guidance will review the investment financing criteria for waterborne infrastructure and

focus on developing a business case for adaptive infrastructure that takes into consideration the interconnectivity of infrastructures.

54. The Nador West Med project is a climate-resilient port project in northern Morocco, which is currently under construction and funded by, among others, the Government of Morocco, EBRD and the African Development Bank (AfDB). Ports are especially important in the case of Morocco, as 95 per cent of the country's trade passes through ports. During the project preparation phase, EBRD commissioned a study on adaptation to determine what adaptation measures should be incorporated into the design. Climate resilience measures that have been and will be included throughout the project cycle include the installation of surfacing, mechanical and electrical equipment designed to withstand projected temperature extremes of more than 40 °C. Moreover, surface drainage systems able to cope with extreme rainfall and overtopping, and storage facilities able to withstand extreme temperatures and weather will be installed. In addition to providing support in the construction phase, EBRD will offer advice on operational aspects, including developing an emergency response plan in the case of extreme weather events and a coastal erosion monitoring scheme for the local area.

55. EBRD is also preparing a loan with the National Ports Agency, for climate-resilient upgrades in Morocco's port sector. The GEF Special Climate Change Fund has awarded a USD 6 million grant to co-finance this investment. The GEF is working with the National Ports Agency to identify priorities for the development of the Moroccan ports sector in the context of its national strategies and plans such as the 2030 National Port Strategy, specific to the priority climate change risks the country faces. Furthermore, the GEF will provide a comprehensive package of technical support to build the capacity of the port sector for climate resilience, which includes formulation of a strategic framework for the sector and preparation of technical guidelines in reference to international best practices such as the forthcoming PIANC technical good practice guidance mentioned in paragraph 52 above.

56. Efforts are under way in Jamaica to address water management issues related to climate change, which is one of the most serious threats to sustainable development facing the small island developing States, in the housing sector. In Jamaica, drought and shifting patterns of rainfall are likely to worsen the challenges already affecting the country's water supply and distribution, such as ageing assets, population growth and environmental degradation. In this context, the four-year Financing Water Adaptation in Jamaica's New Urban Housing Sector project, which is based on a partnership agreement between IADB and the Jamaica National (JN) Group, aims to introduce various water adaptation measures in the country's housing sector such as the use of rainwater harvesting systems, water-efficient taps and showers, low-flush toilets, efficient irrigation systems and grey water recycling facilities. The project also seeks to increase climate-resilient housing by raising awareness of the business and financial cases for building homes with water-efficient measures and to enhance the country's water security and climate-resilience by increasing the efficiency in the use of water by Jamaican households.

57. The Financing Water Adaptation in Jamaica's New Urban Housing Sector project has two main components: the loan facility that will facilitate the installation of water-saving measures and technologies, administered by the JN Bank, and the technical cooperation component to be managed by the JN Foundation. A representative of the JN Foundation noted that her team is focused on building the institutional capacities of the Jamaican housing sector and construction industry, as well as local businesses, financial institutions, civil society and the Government of Jamaica. The capacity-building support focuses on enhancing capacity to design and install water adaptation measures, making the business case for water efficiency for developers and construction companies and the financial case for water adaptation in households, and raising awareness of the threats of climate change and the related opportunities presented by water efficiency.

58. A representative of the GCF secretariat stressed the importance of structural changes, driven by decisively resilient and low-carbon interventions, in addressing the increasing vulnerabilities of megacities and urban centres in developing countries to climate risks. If not properly managed, deepening urbanization can reduce a city's resilience as it puts added pressure on energy and natural resources while increasing the GHG emissions. For cities like Manila and Bangkok, which represent 61 and 72 per cent of the Philippine and

Thai economies, respectively, integrating climate resilience at the city level is imperative. As discussed in a presentation by the C40 Cities Climate Leadership Group mentioned in paragraph 40 above, in an extreme weather event, a city's entire infrastructure system can be paralyzed because infrastructures are closely interconnected. The bigger and more concentrated the city, the greater the damage if it is not resilient. Urban climate change resilience implies that cities are capable of functioning, surviving and thriving in the face of shocks and stresses related to climate change.

59. The GCF can support mainstreaming transformational resilient investments into urban areas by initiating consultations early in the process of designing an intervention and properly addressing climate resilience considerations, including significant social development issues and safeguards. A wide mix of financial resources, including the full spectrum of the GCF funding and other climate project preparation and finance facilities, can be used to create synergies across sectors and enable the capacity-building needed on the ground. Policies that can support such structural changes must be in place in developing countries, and a strong push from the governments is needed to integrate the growth and climate agendas. A recent OECD report estimates that integrating the growth and climate agendas could add 1 per cent to the average economic output of the G20 countries by 2021 and raise their 2050 output by up to 2.8 per cent.[8]

60. AfDB is currently in the second phase of its Climate Change Action Plan 2016–2022. A representative of AfDB noted that adaptation projects in Africa are often small-scale community projects and that aligning adaptation with infrastructure is the best way to scale up climate finance for adaptation in the region. Since 2013, the Climate Safeguards System of AfDB has facilitated upstream climate risks assessment and helped to identify strategies that can reduce the vulnerabilities of infrastructure projects to climate risks. AfDB has offered institutional capacity needs assessments and relevant training opportunities, targeting engineers, infrastructure developers and decision makers. It has raised their awareness of climate risks and strengthened their capacity to mobilize adaptation finance at scale while facilitating an exchange of knowledge and skills transfer among the institutions represented.

61. A representative of the IHA informed the participants that integrating climate resilience into hydropower starts in the planning at the river basin level and includes building resilience into the design of a new project or modernizing the existing projects, such as re-sizing of turbines. The World Bank Group and IHA are currently working together to develop climate resilience guidelines specific to hydropower, a renewable source of energy in and of itself. The World Bank Group requires climate resilience as a criterion for its project screening process; climate resilience is one of the World Bank's five strategic shifts for its climate change related work. The hydropower-specific guidelines, expected to be finalized later this year, are adapted from the World Bank Decision Tree Framework. IHA is simultaneously working on developing concise climate resilience assessment criteria that outline, inter alia, eligibility requirements for the Climate Bonds Initiative.

62. During the discussions that followed the presentations, a panellist stressed the need for municipalities and governments to work closely with development partners and funding agencies to develop sectoral and master plans for adaptation and resilient infrastructure from the very beginning. Another panellist was of the view that national priorities must be determined by the countries themselves as well as their regulatory approaches. There was a common agreement among the panellists that public finance needs to be used to de-risk the economy and to make climate-resilient investments attractive for the private sector. The need for targeted capacity-building for various stakeholders, such as engineers, was also noted with regard to the technical aspect of climate-resilient infrastructure as well as the financing aspect, including eligibility and criteria for funding.

[8] OECD. 2017. *Investing in Climate, Investing in Growth*. Paris: OECD Publishing. Available at http://dx.doi.org/10.1787/9789264273528-en.

9. Session 9. Best practices, lessons learned and opportunities related to mobilizing financing for climate-resilient infrastructure: Part III. Transforming the financial system

63. The need for developing metrics for climate resilience that can be used to measure progress or estimate the expected benefits of a project was suggested as a way to help to transform the financial system. More funds are being committed to adaptation finance worldwide, and it is crucial to communicate what the results of such finance may be by using a tool. Private investors also want to see the benefits and opportunities of a project. For this reason, various organizations have developed their own system of measuring resilience, including the GEF and the GCF as well as private entities such as the S&P Global Ratings.

64. A representative of EBRD spoke about the current work of the MDBs in developing a metric that can be used to monetize the climate resilience benefit of their projects and investments. For mitigation projects, metric tonnes of CO_2 equivalent is widely used to capture an estimated reduction in GHG emissions that a given project will achieve. The measure is comparable between different sectors and can be used to capture the benefits of different sector projects such as wind farms, cement plants and forest restoration projects. Values expressed in metric tonnes of CO_2 equivalent can also be aggregated, which is very convenient for institutions that finance mitigation projects.

65. In the case of adaptation, different sectors are likely to require different approaches and solutions as adaptation is highly context specific. EBRD, for instance, supported an irrigation upgrade project in Kazakhstan. The project aimed to modernize an irrigation system that was highly inefficient in the use of water, as large amounts of water were being lost in the conveyance. A vast amount of water can be saved through this upgrade project, and EBRD monetized the value of water saved, which came out at around USD 35.5 million per year. The upgraded irrigation system is expected to last about 25 years, and can be translated to benefits worth about USD 887 million in the lifespan of the infrastructure. This computation scheme is a work in progress and open for further consultation (see the table below).

Analysis of the climate resilience benefit of the Kazakhstan irrigation project

Indicator	*Value (units)*	*Note/Computation*
Physical outcome	Reduction in water conveyance losses: 180 million m^3/year	Water conveyance loss reduction was calculated during the feasibility study
Monetization/valorization of physical outcome	USD 35.5 million	Shadow irrigation water tariffs in the project location are around 62 tenge per m^3, or USD 0.2/m^3. Therefore, 180 million m^3 x USD 0.2/m^3 = USD 35.5 million
Climate resilience benefit	USD 887 million	The design life of the infrastructure being financed is 25 years. Therefore, the climate resilience benefit is calculated as USD 35.5 million x 25 = USD 887 million NB: no discount rate was applied in this calculation, and the tariff was assumed to be constant
Resilience benefit ratio	4.93	The finance committed to the project was USD 180 million, and the climate resilience benefit is USD 887 million. Therefore, the resilience benefit ratio is 887:180 or 4.93

Source: Adapted from the presentation by the European Bank for Reconstruction and Development at the 2017 forum of the Standing Committee on Finance.

66. Internationally recognized climate resilience standards incorporating the social, economic and environmental benefits of resilience can direct investment towards infrastructure projects that are more resilient to medium to long-term climate change impacts. The Standard for Sustainable and Resilient Infrastructure (SuRe®), which was developed by GIB, is an example of such a standard. SuRe® is a stakeholder-driven and voluntary global standard for infrastructure sustainability and resilience. GIB brought together various stakeholders from the public and private sectors, civil society, the engineering community, non-governmental organizations and international organizations to define a common understanding around the concept of sustainability and resilience. The SuRe® standard is a product of three years of consultation with these stakeholders, and is aligned with the existing international frameworks and agreements on environmental, social and governance topics, including the SDGs and the Sendai Framework. The interconnectedness of different infrastructure systems and the corresponding cascade of risks are taken into consideration in the SuRe® standard for resilience management and risk mitigation. Furthermore, the SuRe® Standard takes into account the social and environmental benefits of sustainable and climate-resilient infrastructure (see figure 3).

Figure 3
The SuRe® standard

Source: Adapted from the presentation by Global Infrastructure Basel at the 2017 forum of the Standing Committee on Finance.

67. Some countries have taken on developing principles for sustainable insurance, and there is a growing emphasis on the importance of insurance regulation in building a resilient society. A representative of the Moroccan Supervisory Authority of Insurance and Social Welfare, said the central bank of Morocco, Bank Al-Maghrib, has taken a lead role in elaborating the Moroccan road map for the financial sector alignment on sustainable development under the direction of the Chairman of the Scientific Committee of COP 22. The exercise was made possible with contributions from the Ministry of Finance and the nation's bank and insurance associations and stock exchange. The road map outlines key elements for aligning the financial sector with sustainable development objectives, which include the extension of risk-based governance to social and environmental risks, the development of sustainable financial instruments and products, capacity-building in the field of sustainable finance and disclosure for the purposes of transparency and market discipline.

68. Against the backdrop of the national road map for the financial sector alignment on sustainable development, an insurance scheme to cover the consequences of catastrophic events has been established in Morocco. The scheme covers losses in both natural disasters and man-made events. The compensation process is triggered once the Head of Government declares an event a catastrophe. The insurance scheme is a mixed plan

covering the losses incurred to the insured and at the same time offering an entitlement system for persons with no coverage. The entitlement system guarantees persons with no coverage a right to minimum compensation for a personal injury and loss of principal residence in the event of a catastrophe. It draws funding from the Solidarity Fund against Catastrophic Events, which is financed by the State.

69. The Government of the Republic of Korea institutes a broad policy framework for green finance and provides incentives to private sector entities for green business practices. In this context, the role of the public sector in leading the way and providing policy frameworks and guidelines for the private sector was emphasized. A representative of the Ministry of Strategy and Finance of the Republic of Korea introduced the country's green finance practices. For instance, the Green Certification System helps identify firms, products and technologies that are green, and the certification can help rally public support for such firms and products. The Green Management Disclosure Programme is a voluntary disclosure programme run by the Korea Exchange, while the Green Financial Information System is operated by the Korea Federation of Banks and the Committee on Green Growth. Moreover, the National Pension Act encourages the National Pension Service, a leading institutional investor in the country, to consider the environmental, social and corporate governance criteria for investments.

70. In the realm of private finance in the Republic of Korea, green loans and green bonds are being offered. For instance, industries and firms certified as 'green' are given preferential treatment with regard to a lending limit and rate offered by private financial institutions. Private entities such as the Korea Development Bank, Korea Eximbank and Hyundai Capital are each offering green bonds for low-carbon and eco-friendly projects and the purchase of eco-friendly vehicles.

71. A representative of S&P Global Ratings indicated that there is a growing interest from the financial sector in identifying the physical aspects of climate risks through financial disclosure initiatives and resilience ratings. For instance, the G20 Finance Ministers and Central Bank Governors meeting in December 2015 asked the Financial Stability Board to review how the financial sector can take account of climate-related issues. The Financial Stability Board, in turn, created the industry-led Task Force on Climate-related Financial Disclosures. The S&P Global Ratings has also developed its Green Evaluation approach that can be applied to green bonds, green bank loans, green asset-backed securities, equity and all other forms of sustainable finance. Green Evaluation defines the value of 'green' for capital markets and any other financing, and enables transparency in green finance. It is designed to enable institutional investment in sustainability by providing the confidence of independent evaluation of environmental impacts. Furthermore, it provides a green channel to sustainable finance for institutional fixed incomes. This particular tool goes beyond the existing tools and takes into consideration the local and sector-specific context of sustainable and climate-resilient investments.

72. A representative of the Global Adaptation & Resilience Investment Working Group (GARI), a private sector led and launched initiative that was announced at COP 21, introduced the findings of the group's 2016 survey that captured the private sector sentiment on issues of climate risk metrics and climate-resilient infrastructure.[9] Seventy-eight per cent of the survey respondents said that analysing the risk of the physical effects of climate change is "very important" to them. Seventy per cent of the investor respondents replied that they are considering climate-resilient investments now, while an additional 23 per cent said they are poised to invest in climate resilience in one to three years' time. The respondents were most interested in investing in infrastructure, which stood at 61 per cent, and then in companies that address specific aspects of physical climate risks, which ranked 60 per cent.

[9] The survey compiled 101 responses from 236 solicitations for feedback from GARI participants and interested stakeholders. See: Global Adaptation & Resilience Investment Working Group. 2016. *Bridging the Adaptation Gap: Approaches to Measurement of Physical Climate Risk and Examples of Investment in Climate Adaptation and Resilience*. Discussion paper. Available at https://garigroup.com/discussion-paper.

73. As private sector investors are increasingly and practically focused on screening climate risks for infrastructure and other assets, GARI is preparing a 5- to 10-page investor guide to climate risk and resilience and plans to release it at COP 23. More and more innovative financing tools are emerging, such as the Climate Resilience and Adaptation Finance & Technology Transfer Facility (CRAFT), which is the first private fund concept to focus on climate resilience and adaptation. CRAFT has a USD 500 million blended finance fund to invest in companies that generate actionable data about and solutions to climate change impacts. It is equipped with a USD 20 million Project Preparation Technical Assistance Facility. This momentum for change in doing things differently within the private sector needs to be capitalized, and a greater coordination is required between the public and private sector on climate risk screening and climate-resilient investment opportunities.

74. During the discussion that followed the presentations, it was suggested that finding the right language for the private sector and investors that they would understand is important. The benefits of climate-resilient infrastructure need to be emphasized, as businesses are looking for opportunities, not risks. Furthermore, it was noted that financial structuring would require a clear definition of resilience and adaptation as well as clear criteria for resilient infrastructure financing. Having a clear definition of resilience and adaptation does not necessarily require coming up with a new definition; it could be more effective to better align the existing definitions to bring about a common understanding among stakeholders from the public and private sectors.

75. The need for building the capacity of the private sector was also mentioned, given that there is currently a mismatch between private investments and long-term public needs in the context of climate change. Furthermore, the need for creating structures for non-revenue-generating and small-scale projects that may not appear attractive to lenders and investors was stressed, given the various non-commercial benefits of climate-resilient infrastructure.

76. A participant stressed that the NDCs are not just about mitigation; many of them include adaptation, and ways for developing countries to get the funding needed for their adaptation activities must be tackled. A panellist stressed the need for enhancing the capacity of countries to design sound projects in line with the funding agencies' criteria and priorities. Another panellist suggested that identifying exactly where projects are struggling, and appealing to investor appetite would be the next step to mobilize private finance for climate-resilient infrastructure. The need for enhanced capacity-building to help countries to put forward a good project concept was noted as well as the need for enhancing the accessibility of the climate funds so that the work of integrating resilience into infrastructure can be expedited.

10. Session 10. Reflections on key outcomes and conclusions of the forum

77. Mr. Luke Daunivalu (Fiji), representing the incoming COP 23 Presidency, expressed his gratitude to the SCF and the Government of Morocco for hosting the forum and highlighted a few themes in concluding the forum. He noted that natural disasters and extreme weather events taking place around the world today underscore the urgency needed for Parties to deliver on the Paris Agreement. It is time to do things differently by building climate-resilient infrastructure and also by transforming the financial system so that Parties, together with other stakeholders, can implement adaptation. The questions of what specific guidance needs to be given to the operating entities of the Financial Mechanism so that more financing can be triggered for adaptation and how to accelerate the delivery of climate finance to fund climate-resilient infrastructure projects need to be further explored. He also linked the Paris Agreement to the 2030 Agenda for Sustainable Development, saying that if the goals of the Paris Agreement are not met, then the SDGs cannot be achieved.

78. A representative of the Africa Adaptation Initiative gave a regional perspective on the issue of climate resilience and adaptation. Adaptation is a priority in the region, and all African countries have included an adaptation component in their intended nationally determined contributions. In sub-Saharan countries, adaptation costs as a share of gross domestic product (GDP) are expected to be around 0.5 per cent on average between 2010 and 2050, which is much higher than in any other world regions, where the costs are

expected to range from 0.08 to 0.2 per cent of GDP. She suggested that adaptation must be supported in the form of grants, not loans, given the urgency of the matter in the face of increasing climate risks and more frequent extreme weather events. Specifically, she highlighted that 70 per cent of national hydrological and meteorological services in Africa operate at a basic level or below, linking it to one of the suggestions emerging from the forum that hydrometeorological services in developing countries need to be enhanced (see para. 37 above).

79. The representative of the GIB Foundation acknowledged the usefulness of this forum and urged the SCF to disseminate the findings of the forum and dig deeper into some of the important topics, including the issue of harmonizing the various project proposal templates that are used by the GEF, the GCF and the Adaptation Fund and facilitating the uptake of global standards for resilience and sustainability in the UNFCCC process. A wider use of blended and phased finance as well as guarantees to attract private finance is encouraged. Mechanisms for asset pooling and project aggregation for small-scale projects need to be further refined and mainstreamed. She also stressed that the engineering and insurance sectors need to be more involved to mainstream climate resilience into infrastructure. She encouraged the use of nature-based solutions and hybrid infrastructure in making infrastructure resilient. Furthermore, she noted that making a stronger business case for more private sector involvement in climate-resilient infrastructure is needed.

80. A representative of EBRD highlighted the usefulness of the 2017 forum, which brought together actors not only from the international climate change negotiation process but also from the investment community and industry associations. He stressed that the forum reinforced a strong link between infrastructure and human development. For instance, better and more consistent water supplies can result in better living standards. Strategic planning that can support the mobilization of finance for climate-resilient infrastructure was identified as a priority, as well as the need for internationally recognized metrics and standards that can be used to measure success and progress. The forum also informed the participants that there is a wide range of financial sources that can be used to finance climate-resilient infrastructure. One of the barriers to financing climate-resilient infrastructure identified was the issue of turning the NDCs into a concrete strategic plan that can readily attract funding. How development partners may be able to support developing countries to do strategic planning for adaptation and climate resilience needs to be tackled further.

81. The representative of C40 Cities Climate Leadership Group called for engaging cities more rigorously in driving action for climate resilience and adaptation, noting that cities are where most people live and where the effects of climate change will be felt the most. He stressed that capacity-building is needed to enable cities and central governments to identify best practices in addition to enhancing their capacity to prepare good project proposals. Risk information needs to be made more accessible, and a vertical integration of actors at the city, regional and national levels needs to be strengthened.

B. Recommendations of the Standing Committee on Finance

82. On the basis of the outcomes of its 2017 forum, the SCF submits the following recommendations for consideration by the COP. The SCF recommends that the COP:

(a) Invite developing country Parties to develop policy and/or strategic planning frameworks that incorporate national climate-resilient infrastructure priorities into investment decisions in the context of nationally determined contributions and national adaptation plans, as appropriate;

(b) Encourage developing country Parties to take advantage of the resources already available through the operating entities of the Financial Mechanism in order to strengthen their institutional capacities at the local, subnational and national levels to develop climate-resilient infrastructure projects;

(c) Highlight the need to ensure efficient access to climate finance from different providers, including the operating entities of the Financial Mechanism;

(d) Invite Parties to encourage enhanced engagement of government agencies, including ministries of finance and planning, in order to further mainstream climate resilience and integrate it into infrastructure plans as well as national development strategies and budgetary processes, as appropriate;

(e) Encourage the continuation of the provision of technical and financial support for enhancing hydrometeorological services in developing countries so that better climate data and information services become available to inform the process of infrastructure planning, design, building and evaluation;

(f) Invite Parties, MDBs, international organizations, expert institutions and the private sector to further collaborate in the development of climate-resilient infrastructure certification systems and standards and metrics, including the valuation of social and environmental benefits;

(g) Invite Parties to consider means to incentivize private sector investment in climate-resilient infrastructure and to establish and/or strengthen the dialogue with key actors at the subnational, national, regional and international levels to ensure the resilience of infrastructure;

(h) Request the GCF, the GEF and the Adaptation Fund to continue supporting climate-resilient infrastructure projects in developing countries, while taking into account the need for coherence and complementarity between these funds and with other providers of financial support.

C. Follow-up activities of the Standing Committee on Finance in 2018

83. The SCF will consider undertaking the following activities in relation to the topic of its 2017 forum:

(a) Assessing how to address the issue of climate resilience metrics in the 2018 biennial assessment and overview of climate finance flows;

(b) Continuing to engage with relevant institutions, such as MDBs, the private sector, regulators and industry associations, to further discuss how to enhance financing for climate-resilient infrastructure projects on the basis of lessons learned and good practices, including considering the possibility of SCF engagement in relevant events;

(c) Producing outreach materials, including a publication to disseminate the outcomes of the 2017 SCF forum, as part of a broader outreach strategy to better promote the outcomes of SCF forums.

Annex VI

Outcomes of discussions on the 2018 biennial assessment and overview of climate finance flows

[English only]

1. Outputs of the 2018 Biennial Assessment and Overview of Climate Finance Flows

The 2018 biennial assessment and overview of climate finance flows (BA) will consist of three outputs:

- ***A technical report***, which will include three core chapters, namely:
  - Methodological issues relating to measurement, reporting and verification of climate finance;
  - Overview of climate finance flows in 2015–2016;
  - Assessment of climate finance flows;
  - Additionally, the technical report will include an introduction with information on the process of preparing the 2018 BA. It will also include annexes, frequently asked questions, a glossary and a list of references.
- ***A summary and recommendations***, which will include four sections: 1. context and mandates; 2. challenges and limitations; 3. key findings; and 4. recommendations.
- ***Aggregate-level data*** *in a well-structured interactive format* on a dedicated website with easy- to- access weblinks to the underlying data sheets and sources as well as information on data quality/certainty.

2. Outlines of the 2018 Biennial Assessment and Overview of Climate Finance Flows

Outline of the summary and recommendations by the Standing Committee on Finance on the 2018 biennial assessment and overview of climate finance flows

I. Context and mandates

II. Challenges and limitations

III. Key findings

IV. Recommendations

Outline of the technical report on the 2018 biennial assessment and overview of climate finance flows

ACKNOWLEDGEMENT

Summary and recommendations by the Standing Committee on Finance on the 2018 biennial assessment and overview of climate finance flows (see above)

INTRODUCTION

- Background and objectives: set the scene – context of decisions of the Conference of the Parties.
- Scope: explicit explanation of what the 2018 BA will do (i.e. a metadata analysis and overview/summary of existing publicly available information).
- Challenges and limitations (e.g. practical difficulties in estimating domestic flows, private flows and other unreported or underreported flows with any certainty).
- Approaches used in preparing the 2018 BA:
  - Clearly outline what the BA is: describe where the data have been sourced from, time period, data coverage and how the data were aggregated (e.g. how the different types of sub-flows are categorized in the onion diagram, how “pledged” vs “committed” vs “disbursed” are treated, etc.);
  - Clearly describe where the data on “geographical” and “thematic balance” come from and how they are aggregated and categorized.

CHAPTER I – Methodological issues relating to measurement, reporting and verification of climate finance

- Key messages.
- Brief summary/update on ongoing technical work related to measurement, reporting and verification of finance, including operational definitions:
    - Compilation of definitions of climate finance and criteria used by various institutions, and compilation of information on how Parties define mitigation and adaptation in their national communications, biennial reports, biennial update reports, nationally determined contributions, national adaptation plans and nationally appropriate mitigation actions;
    - Comparison of approaches used in reporting climate finance, including sector-based methodologies, methodologies for estimating mobilized private finance, and domestic climate finance tracking systems.
- Information on emerging methodologies for measuring mitigation and adaptation finance outcomes.

Review recommendations from the 2014 and 2016 BAs.

CHAPTER II – Overview of current climate finance flows in 2015–2016

- Key messages.
- Mapping of data availability and gaps by sector, geographic area, thematic distribution and financial instrument/asset class.
- Updated onion diagram, including information on trends since the 2014 BA with respect to flows, thematic and geographical distribution and financial instruments used:
    - Estimates of global total climate finance flows, including international and domestic flows;
    - Climate finance flows from developed to developing countries:
        - UNFCCC funds;
    - South–South cooperation on climate finance.
- Evaluation of the quality of data, including clear identification of the uncertainties associated with each source of data and description of how the quality of measurement and reporting is assessed, and the completeness of data (e.g. clearly outline the sources of data uncertainty, clearly describe the assessment of the quality of data as “relatively certain”, “medium certain” or “relatively uncertain”, and clearly present the scale of the completeness of data from ‘low’ to ‘high’).
- Mapping of available datasets that integrate climate change considerations into insurance, lending and investment decision-making processes and that include information relevant to tracking consistency with the long-term goal outlined in Article 2, paragraph 1(c), of the Paris Agreement.
- Reflection of perspectives of recipient countries.
- Identification of emerging sources of data (e.g. cities).

CHAPTER III – Assessment of climate finance flows

- Key messages.
- Introduction.
- Thematic objectives and geographical distribution of climate finance flows to developing countries:
    - Thematic objectives of climate finance;
    - Geographical distribution of climate finance;
    - Additionality of climate finance provided to developing countries.
- Effectiveness of climate finance: ownership, needs and impacts:
    - Access to climate finance;
    - Pledges, approvals, commitments and disbursement of climate finance;
    - Ownership;

  - o Alignment with needs, including inter alia in the context of nationally determined contributions and national adaptation plans;
  - o Reported results and impacts of climate finance: selected insights and experience;
  - o Leverage and mobilization.

- Global total climate finance, and developing country flows in context:
  - o Investment in high-carbon energy;
  - o Estimates of subsidies;
  - o Subsidies and financing measures affecting forests and land-use change;
  - o Global finance at risk from climate change.

- Special topics/issues, such as gender and climate finance, forest finance, financial instruments to address loss and damage, technology investment and climate-resilient infrastructure.

ANNEXES
FAQs
GLOSSARY
REFERENCES
LIST OF ABBREVIATIONS
BOXES/CASE STUDIES (in relevant chapters)

- Possible examples:
  - o Metrics for assessing progress in the alignment of portfolios of international financial institutions, institutional investors, etc.;
  - o Systems and tools used for integrating climate change considerations into investment strategies and decision-making processes in the mainstream investment, lending and insurance sectors.

3. Stakeholder involvement and outreach

Outreach is an important component of the BA preparation process, particularly for data collection and review. This will be primarily achieved via the following means:

- Call for submissions immediately after endorsement of the outline of the 2018 BA at the twenty-third session of the Conference of the Parties;
- Technical meeting involving Standing Committee on Finance (SCF) members and data producers and aggregators (organized in conjunction with the 17th meeting of the SCF, in March 2018);
- Technical meeting in conjunction with the 18th meeting of the SCF, in 2018, involving SCF members and data producers and aggregators;
- Data collection from national reports under the Convention, other reports and statistical systems, as well as data collection from institutions that provide climate finance through surveys and desktop research.

4. Activities and indicative

Main activities	*June to December 2017*	*2018* *1st quarter*	*2nd quarter*	*3rd quarter*	*4th quarter*
Data availability and gap analysis	X				
General outline of the BA	X				
Data collection, aggregation, harmonization and analysis	X	X	X	X	
First order draft of the technical report		X			
First BA technical meeting		X			
Second order draft of the technical report			X		
Technical review			X		
Second technical meeting			X		

Main activities	*June to December 2017*	*2018*			
		1st quarter	*2nd quarter*	*3rd quarter*	*4th quarter*
First order draft of the summary and recommendations			X		
Third order and final draft of the technical report				X	
Technical review				X	
Second order and final draft of the summary and recommendations				X	
Editing, lay-out and production			X	X	
Development of web-based content			X	X	
Roll-out and publication				X	
Webinars and launch event at twenty-fourth session of the Conference of the Parties					X

Abbreviations: BA = Biennial Assessment**.**

Annex VII

Self-assessment report of the Standing Committee on Finance

[English only]

I. Background

1. As per the terms of reference for the review of the functions of the Standing Committee on Finance (SCF), one of the sources of information that the review shall draw upon is a self-assessment report of the SCF and recommendations on improving its efficiency and effectiveness.[1] In response to that mandate, the SCF gathered various information on its areas of work, through an updated and expended overview of its mandates to date, factual information collected by the secretariat, and a survey of current and past SCF members (elected in 2014). The SCF agreed to update and expand the overview of the mandates provided to it by the Conference of the Parties (COP), building on the information provided by the SCF to COP 22 on the outputs delivered by the SCF in 2011–2015,[2] and to also include information on the related decisions taken by the COP in response to the respective outputs of the SCF, with a view to providing this information for consideration and further deliberation at the forty-sixth session of the Subsidiary Body for Implementation (SBI).[3] The summary below outlines the factual information gathered and the responses to the survey conducted.

II. Summary of information gathered

2. The SCF requested the secretariat to compile quantitative and factual information on various matters, related mainly to its meetings, such as on meeting attendance, the number of working groups of the SCF, calls for submissions issued by the SCF, and the submission of SCF reports to the COP.[4] The following outlines the findings derived from that information, spanning the period 2012–2017.

A. Quantitative and factual information

3. From the 1st to the 10th meeting of the SCF, an average of 18 out of 20 members attended each meeting, with a slight drop in participation to an average of about 16 members per meeting since the 11th meeting.

4. Overall, an average of 48 persons participate in SCF meetings, including 18 members and 30 observers. Registration information maintained by the secretariat shows a fairly even distribution of participation by observer groups, with Party observers most represented. On average, seven observers from Parties included in Annex I to the Convention and six observers from Parties not included in Annex I to the Convention attend the meetings, followed by observers from non-governmental organizations and inter-governmental organizations. The meetings are also accessible via webcast, and, where information thereon is available, webcast views suggest that on-demand use of this service is greater than live use. Between 6 and 10 SCF members participate in the annual SCF forum, which is widely attended by Party observers.

5. The SCF has increasingly made use of working groups, with an average of seven groups having been established per year in the past three years. The SCF usually submits its

[1] Decision 9/CP.22, annex, paragraph 4(e).

[2] FCCC/CP/2016/8, annex VII.

[3] The updated and expanded overview of the SCF mandates is available at http://www4.unfccc.int/Submissions/Lists/OSPSubmissionUpload/39_304_131359396103493098-SCF%20submission%20SBI%2046.pdf.

[4] The compiled information is available in annex II to SCF document SCF/2017/16/7.

report to the COP two weeks prior to the COP session, owing to the last meeting of the year of the SCF being held close to the COP session.

6. Overall, the SCF has issued one open-ended call for inputs and six calls for inputs on specific issues, such as on measurement, reporting and verification (MRV) of support beyond the biennial assessment and overview of climate finance flows (BA), the SCF forum, and coherence and coordination of financing for forests, to which up to 30 responses have been received. In addition, the in-person or virtual participation of SCF representatives in meetings of the Adaptation Committee, the Technology Executive Committee (TEC), the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts and the Paris Committee on Capacity-building has also significantly increased. Furthermore, since 2013, the SCF has held information events annually during the sessions of the subsidiary bodies and/or the COP to provide an update on the status of its work as well as on specific activities such as the BA and the issue of coherence and coordination of forest finance.

B. Survey among Standing Committee on Finance members

7. The SCF agreed to conduct a survey among its members, including members elected in 2014. Overall, 16 current SCF members responded to the survey as well as five former members of the SCF who were elected in 2014.[5] The responses show a general level of satisfaction with the meetings and substantive work of the SCF and its impact in many climate finance related areas through its technical inputs such as the BA and its cooperation with various climate finance stakeholders.

8. However, the responses also show that there is room for improvement with regard to many procedural and substantive matters. SCF members provided concrete and detailed suggestions on how to improve the work of the SCF and on the need for sufficient resources to support its work. The SCF also received three submissions, two from individual SCF members and one from the TEC.[6] All submissions received in response to the invitation of COP 22[7] are available on the UNFCCC website, including one from a non-governmental organization.[8]

III. Proposals for the further improvement and/or enhancement of specific areas of work of the Standing Committee on Finance

9. The following is a compilation of possible suggestions from individual SCF members for further improving and/or enhancing the meetings of the SCF and specific areas of its work:

(a) **In-session and intersessional working modalities***:*

(i) Improve allocation of meeting time, for example by increasing the time available for plenary sessions;

(ii) Convene at least three meetings per year and make more efficient use of intersessional work;

(iii) Prioritize the work of the SCF in order to maximize focused outcomes;

[5] Annex III to SCF document SCF/2017/16/7 contains a compilation of all responses provided by SCF members.

[6] Available in annex I to SCF document SCF/2017/16/7.

[7] Decision 9/CP.22, paragraph 3.

[8] Available at http://www4.unfccc.int/submissions/SitePages/sessions.aspx?showOnlyCurrentCalls=1&populateData=1&expectedsubmissionfrom=Parties&focalBodies=SBI and http://unfccc.int/7481.php, respectively.

(iv) Ensure the full engagement and commitment of all members with regard to actively participating in the intersessional work of the SCF, providing clear guidelines for work and decision-making and taking into account the technical constraints on virtual means of participation;

(b) **Composition and level of participation of members***:*

(i) Ensure the appropriate qualifications, expertise and skills of members nominated to the SCF, taking into account the need for balanced representation of experts from inside and outside the intergovernmental process, as well as the personal commitment of the individual members;

(ii) Introduce alternate members, ensuring that no additional costs arise in the implementation of such a modality {note: this suggestion, raised by a number of SCF members, was opposed by various members owing to legal as well as practical deliberations, including the view that such a provision would fall outside the scope of the terms of reference of the review of the functions of the SCF; an informal note on the issue of membership of the SCF which included information on the current practice regarding SCF membership, as well as possible amendments to the current composition and working modalities of the SCF was considered by the SCF during its 16th meeting and has been made available on the SCF website}*;*[9]

(iii) SCF members are responsible for ensuring quorum, particularly when the SCF adopts its decisions;

(iv) The schedule for SCF meetings in a given year, once agreed by the SCF, should remain as is, rescheduling of a meeting should be considered only under exceptional circumstances;

(v) Ensure participation of members in meetings of the SCF, including through virtual means of participation on a case by case basis;

(c) **Engagement of relevant stakeholders** in specific areas of the work of the SCF, such as the MRV of support beyond the BA, the SCF forum and the BA:

(i) Identify stakeholders whose engagement should be further enhanced, such as observers from Parties not included in Annex I to the Convention, the private sector (investment banks or fund management), research, financial and insurance entities involved in climate change finance, and initiatives aiming at transforming the financial system towards climate-smart investments (such as international financial institutions, the United Nations Environment Programme Finance Initiative, and the Climate Policy Initiative);

(ii) Organize sessions on specific topics in order for the SCF to interact with external stakeholders;

(iii) Improve the web-based platform for communication and exchange of information;

(iv) Ensure that inputs provided by observers during meetings of the SCF are appropriately taken into consideration;

(v) Incorporate formal and informal working modalities to enable more contribution from key stakeholders.

(d) **Maintain linkages with the constituted bodies under the Convention**:

(i) Allocate more time and resources in order to develop synergies between the different bodies;

(ii) Identify possible areas of duplication of tasks between the SCF and the constituted bodies, and in particular with the work undertaken by the Subsidiary

[9] http://unfccc.int/6881.php.

Body for Scientific and Technological Advice (SBSTA), the SBI and the Ad Hoc Working Group on the Paris Agreement (APA);

(iii) Provide targeted information to inform the work of other bodies, including informally;

(iv) Enhance the understanding of other constituted bodies of the work of the SCF, in order to better manage their expectations;

(v) Enhance the engagement of SCF members in the meetings of other constituted bodies by agreeing on the input to be provided in advance of the meeting in order to allow for an agreed SCF input rather than views expressed by members in their personal expert capacity;

(vi) Ensure sufficient feedback to the SCF from members attending meetings of other bodies.

(e) Address **duplication and/or overlaps between the work of the SCF and other bodies***:*

(i) The SCF and the secretariat could work more collaboratively with other bodies to identify and address overlaps, in order to improve coordination;

(ii) There is a need to emphasize with other constituted bodies the mandate of the SCF of preparing the draft guidance to the operating entities of the Financial Mechanism, in order to ensure coherence in the provision of guidance;

(iii) Follow-up actions/recommendations on specific sectoral issues identified by the SCF may be taken forward by other constituted bodies instead of the SCF;

(iv) There is a need for the COP to ensure that work on climate finance related matters is not duplicated across different constituted bodies;

(f) **Improving the forum** of the SCF

(i) Develop clear recommendations for Parties, bodies and external organizations regarding the follow-up on the forum;

(ii) Enhance the use of the findings and outputs of the forum and the integration thereof into the work of the SCF and other bodies, such as by improving the linkages with other constituted bodies and external stakeholders through the promotion of the deliverables of the forum and establishing an enhanced web-based platform;

(iii) Link the outcomes of the forum as an activity with the promotion of the function of coherence and coordination in the delivery of climate change financing and the rationalization of the Financial Mechanism;

(g) Enhance the **effectiveness of the provision of draft guidance to the operating entities of the Financial Mechanism**, such as through a more strategic approach by the SCF and ensuring ownership of SCF members regarding the SCF outputs to the COP;

(h) Further improve the **expert inputs to the reviews of the Financial Mechanism** by seeking views from all constituted bodies under the Convention;

(i) Further work on the **improvement of the coherence, effectiveness and efficiency of the operating entities of the Financial Mechanism**, including by proposing recommendations;

(j) **MRV of support beyond the BA**:

(i) Identify the specific role of the SCF within the currently ongoing MRV-related work conducted by other bodies, such as the SBSTA and the SBI, also in the light of limited resources;

(ii) Ensure a focus particularly on the issues of verification and measurement of support;

(k) **Mobilization of financial resources**, such as the need for the SCF to work towards providing detailed guidance to determine the mobilization of financing from a country-driven approach.

IV. Recommendations

10. On the basis of the information gathered in the context of the self-assessment and in order to improve the efficiency and effectiveness of the SCF, the SCF recommends that the COP:

(a) Take note of the updated and expanded overview of the mandates provided by the COP to the SCF, referred to in paragraph 1 above;

(b) Take note of this self-assessment report of the SCF;

Working modalities of the SCF

(c) Acknowledge the transparency of the proceedings and decision-making processes of the SCF, including through the webcast of its meetings and the timely publication of its reports to the COP;

(d) Take note that there is a need for the SCF to reconsider some of its in-session and intersessional working modalities, with the aim of further enhancing its efficiency and effectiveness, ensuring the inclusiveness and transparency of its proceedings and adequately engaging relevant stakeholders in its deliberations, including with regard to observer participation;

(e) Encourage Parties to ensure that members nominated to the SCF possess the necessary technical background and expertise in the area of finance, in line with decision 2/CP.17, annex VI, paragraph 2;

(f) Encourage the SCF to optimize its work by convening the appropriate number of formal and informal meetings, including on the margins of sessions of the subsidiary bodies, in the light of its workload in a given year, and to ensure the maximum participation of its members;

(g) Encourage Parties to provide financial resources to support the implementation of the workplan of the SCF;

(h) May wish to consider appropriate modalities to ensure an enhanced participation of members, taking note of, inter alia, the suggestions included in paragraph 9(b) above;

(i) May wish to consider the existing workplan of the SCF, and particular its workload, when providing guidance to the SCF;

(j) May wish to take note that the SCF may need to consider prioritizing specific areas of work in the light of its workload in a given year;

Linkages with the SBI and the constituted bodies under the Convention

(k) Take note that there is a need for the SCF to further refine its approach to maintaining linkages with the constituted bodies under the Convention;

Level and nature of stakeholder engagement

(l) Acknowledge that the level and nature of stakeholder engagement by the SCF is adequate and fit for purpose, noting that the SCF should further strengthen its engagement in the context of some activities, including by enhancing the engagement of, inter alia, representatives of:

(i) Developing country Parties;

(ii) The operating entities of the Financial Mechanism;

(iii) Financial institutions and the private sector from developed and developing country Parties, including initiatives aiming at transforming the financial system towards climate-smart investments;

(iv) Research entities involved in climate change finance;

Quality and added value of the outputs of the SCF

(m) Acknowledge the contribution of the SCF in informing and advancing the work of the COP through its outputs and/or recommendations, such as the BA, the expert input to the reviews of the Financial Mechanism, the draft guidance to the operating entities of the Financial Mechanism, the annual thematic forums, and the arrangements between the COP and the Green Climate Fund;

(n) Note the need for the SCF to provide specific and targeted outputs and/or recommendations in order to effectively advance the work of the COP;

SCF forum

(o) Acknowledge the added value of the SCF forum, including through its ability to convene key stakeholders, and the enhancement of a common understanding on various issues, noting that there is need for the SCF:

(i) To enhance the use and ownership of the accumulated knowledge and expertise gathered at the forum;

(ii) To provide clear recommendations to the COP and/or other bodies and external organizations, as appropriate, regarding follow-up actions of the forum;

Coordination of climate finance work among the constituted bodies under the Convention

(p) Encourage other constituted bodies under the Convention to provide inputs to the SCF, which is mainly responsible for preparing the omnibus draft decision on guidance to the operating entities of the Financial Mechanism;

(q) Ensure the coherence and coordination, and avoid duplication of, climate finance related work across different constituted bodies, recognizing the mandates and competencies of the different bodies;

(r) Identify the specific role of the SCF in the ongoing work related to MRV of support and transparency by other bodies such as the SBSTA, the SBI and the APA, also with a view to avoiding duplication of efforts while respecting the respective mandates of those bodies.

Annex VIII

Workplan of the Standing Committee on Finance for 2018

[English only]

Activities	*Outcomes/results*	*Time frame*
1. Mandated activities of the Standing Committee on Finance (SCF) as per decision 2/CP.17, paragraph 121		
(a) Organize a forum for the communication and continued exchange of information among bodies and entities dealing with climate change finance in order to promote linkages and coherence	2018 SCF forum, pending the adoption of the topic by the SCF	Mid 2018, pending the adoption of the topic by the SCF Ongoing activities of the virtual forum
	Continuous updating and implementation of the SCF communication strategy	Ongoing
	Established linkages and continued exchange with bodies and entities dealing with climate finance, under and outside the Convention	2018 SCF forum Ongoing outreach activities of the virtual forum
(b) Maintain linkages with the Subsidiary Body for Implementation (SBI) and the thematic bodies of the Convention	Co-Chairs of the SCF inform presiding officers of the thematic bodies of the Convention about the activities of the SCF and establish working relationships	2018
	Continuous updating and implementation of the SCF communication strategy	Ongoing
	Enhanced linkages with the SBI and the thematic bodies of the Convention	Ongoing
(c) Provide to the Conference of the Parties (COP) draft guidance to the operating entities of the Financial Mechanism of the Convention, with a view to improving the consistency and practicality of such guidance, taking into account the annual reports of the operating entities and relevant submissions from Parties	Draft guidance provided to the COP	COP 24

Activities	Outcomes/results	Time frame
(d) Make recommendations on how to improve the coherence, effectiveness and efficiency of the operating entities of the Financial Mechanism	Recommendations provided to the COP, as appropriate	Sessions of the COP
(e) Provide expert input, including through independent reviews and assessments, to the preparation and conduct of the periodic reviews of the Financial Mechanism by the COP	Work on expert input to the seventh review of the Financial Mechanism (COP 27)	2021
(f) Prepare a biennial assessment and overview of climate finance flows, to include information on the geographical and thematic balances of such flows	Work on the third biennial assessment and overview of climate finance flows	2018 Outcome at COP 24
2. Further mandates of the SCF as per various decisions adopted at COP 18		
Decision 1/CP.18, paragraph 70: Implement the work programme of the SCF, including the creation of a climate finance forum that will enable all Parties and stakeholders to, inter alia, exchange ideas on scaling up climate finance	See 1(a) above	
Decision 5/CP.18, paragraph 4: Facilitate the participation of the private sector, financial institutions and academia in the forum	See 1(a) above	
3. Further mandates of the SCF as per various decisions adopted at COP 19		
Decision 3/CP.19, paragraph 11: In the context of the preparation of its biennial assessment and overview of climate finance flows, consider ongoing technical work on operational definitions of climate finance, including private finance mobilized by public interventions, to assess how adaptation and mitigation needs can most effectively be met by climate finance, and include the results in its annual report to the COP	See 1(f) above	
Decision 7/CP.19, paragraph 9: Consider ways to increase its work on the measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	Implementation of the extended workplan on the measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows Recommendations provided to the COP, as appropriate	Ongoing COP 24
Decision 7/CP.19, paragraph 11: Consider, in its work on coherence and coordination, inter alia, the issue of financing for forests, taking into account different policy approaches	Financing for forest-related considerations integrated into existing workplan, where appropriate, and work on this matter continued in the context of the overall issue of improving coherence and coordination in the delivery of climate change financing	Ongoing

Activities	*Outcomes/results*	*Time frame*
4. As per decision 6/CP.20, paragraph 11		
In the context of its ongoing work, including the preparation of the biennial assessment and overview of climate finance flows, further explore how it can enhance its work on the measurement, reporting and verification of support, based on the best available information on the mobilization of various resources, through public interventions	Implementation of the extended workplan on the measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	Ongoing
5. Further mandates of the SCF as per various decisions adopted at COP 21	Recommendations provided to the COP, as appropriate	COP 24
Decision 1/CP.21, paragraph 45: The Adaptation Committee (AC) and the Least Developed Countries Expert Group (LEG), in collaboration with the SCF and other relevant institutions, to develop methodologies and make recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session on:	Input provided to the AC and the LEG, as appropriate	2018
(a) Taking the necessary steps to facilitate the mobilization of support for adaptation in developing countries in the context of the limit to global average temperature increase referred to in Article 2 of the Paris Agreement		
(b) Reviewing the adequacy and effectiveness of adaptation and support referred to in Article 7, paragraph 14(c), of the Paris Agreement		
Decision 1/CP.21, paragraph 63: Serve the Paris Agreement in line with its functions and responsibilities established under the COP		Ongoing
Decision 6/CP.21, paragraph 2: Continue to strengthen its engagement with all relevant stakeholders and bodies under the Convention	Continuous updating and implementation of the SCF communication strategy	Ongoing
	Enhanced linkages with the SBI and the thematic bodies of the Convention	Ongoing
Decision 6/CP.21, paragraph 4: In implementing its workplan on the measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows, continue to engage with relevant bodies under the Convention, multilateral and bilateral agencies, and international institutions	Implementation of the extended workplan on the measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	Ongoing
Decision 9/CP.21, paragraph 13: Take into account the enhanced information provided by Parties included in Annex II to the Convention referred to in paragraph	Work on the third biennial assessment and overview of climate finance flows	2018

Activities	Outcomes/results	Time frame
6 of decision 9/CP.21 in its biennial assessment and overview of climate finance flows		COP 24
Decision 9/CP.21, paragraph 14: Take into account the work on the methodologies for the reporting of financial information by Parties included in Annex I to the Convention in the context of its workplan on the measurement, reporting and verification of support	Implementation of the extended workplan on the measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	Ongoing
5. Further mandates of the SCF as per various decisions adopted at COP 22		
Decision 8/CP.22, paragraph 5: In fulfilling its function on the measurement, reporting and verification of support, and in the context of its existing workplan, cooperate with relevant stakeholders and experts and consider ongoing work under the Convention and further action envisaged under the Paris Agreement	Implementation of the extended workplan on the measurement, reporting and verification of support beyond the biennial assessment and overview of climate finance flows	Ongoing
Decision 8/CP.22, paragraph 10: Integrate financing for forest-related considerations into its 2017 workplan, where appropriate, and continue work on this matter in the context of the overall issue of improving coherence and coordination in the delivery of climate change financing, taking into account all relevant decisions on forests	Financing for forest-related considerations integrated into existing workplan, where appropriate, and work on this matter continued in the context of the overall issue of improving coherence and coordination in the delivery of climate change financing	Ongoing
Decision 21/CP.22, paragraph 14: All constituted bodies under the UNFCCC process to include in their regular reports information on progress made towards integrating a gender perspective into their processes according to the entry points identified in the technical paper referred to in paragraph 13 of decision 21/CP.22	Integration of a gender perspective into its processes according to the entry points identified in the technical paper	Ongoing
6. Functions of the SCF as per decision 1/CP.16, paragraph 112		
Improve coherence and coordination in the delivery of climate change financing, including the undertaking of analyses and information exchanges	Recommendations provided to the COP, as appropriate Exchanges through the forum, as appropriate	Sessions of the COP, ongoing
Rationalize the Financial Mechanism, including the undertaking of analyses and information exchanges	Recommendations provided to the COP, as appropriate Exchanges through the forum, as appropriate	Sessions of the COP, ongoing

Activities	*Outcomes/results*	*Time frame*
Mobilize financial resources, including the undertaking of analyses and information exchanges	Recommendations provided to the COP, as appropriate	Sessions of the COP, ongoing
	Exchanges through the forum, as appropriate	
Measurement, reporting and verification of the support provided to developing country Parties, including the undertaking of analyses and information exchanges	Recommendations provided to the COP, as appropriate	Sessions of the COP, ongoing
	Exchanges through the forum, as appropriate	
Any other functions that may be assigned to the SCF by the COP		

Notes: All activities of the SCF as outlined in this table are subject to the availability of financial resources; when providing additional mandated activities to the SCF, the COP may wish to take this into consideration, as well as the need for further streamlining and rationalization of the work to be conducted by the SCF in the light of capacity constraints induced by the large array of different mandates provided to the SCF.

Abbreviations: AC = Adaptation Committee, COP = Conference of the Parties, LEG = Least Developed Countries Expert Group, SBI = Subsidiary Body for Implementation, SCF = Standing Committee on Finance.