

Daily Briefing

15th Standing Committee on Finance Meeting

9 March 2017

This is the Climate Finance Advisory Service (CFAS) Daily Briefing. Produced at key meetings and negotiations by the CFAS expert team, the Daily Briefings try to provide a concise, informative update on key discussions that have taken place at each day of the meeting and give an overview of substantive points of action or progress. Please note that this is an independent summary by CFAS and not officially mandated by the SCF.

During the meetings, CFAS experts are available to provide advice to and answer specific questions for Board Members, Alternates and their advisers from developing countries. The CFAS team can be reached via cfas@germanwatch.org.

*Previous daily briefings and other CFAS analyses are available on the **new CFAS website** www.cfas.info.*

The CFAS Team

Summary from 9 March 2017

On Thursday, 9 March 2017, the Standing Committee on Finance (SCF) concluded its 15th meeting, continuing discussions on the several agenda items and agreeing on next steps to move the work of the Committee forward.

2018 Biennial Assessment and Overview of Climate Finance Flows

The group reported that discussions were held on possible elements for the draft outline of the 2018 Biennial Assessment and Overview of Climate Finance Flows (BA) with an emphasis on how to structure the section about methodological issues relating to the measurement, reporting and verification of public and private climate finance. Some members suggested that the UNFCCC Secretariat should be engaged in defining the methodological approach in support to the SCF, given the need for technical expertise. In terms of next steps, the co-facilitators, with support from the Secretariat, will develop a draft outline intersessionally for consideration by the SCF at its next meeting, as well as initiate technical work on the preparation of the BA.

MRV of support beyond the Biennial Assessment

The group's co-facilitator briefly reported back on the discussion held over the last two days. The breakout group agreed that the SCF has made good progress in its work related to the MRV of support, including through the BA, and that the outcomes could be used to inform ongoing discussions on the transparency framework under the Ad-Hoc Working Group on the Paris Agreement (APA). At that, it was decided to request that SCF co-chairs and the working group's co-facilitators initiate consultations with the Chairs of the Subsidiary Body on Scientific and Technological Advice (SBSTA) and the APA, with a view to provide technical input to the ongoing work under these bodies on transparency of support. Furthermore, it was agreed that the group's co-facilitators should explore arrangements for communicating information on the work of the SCF on MRV of support to the APA intersessional workshop on transparency, scheduled for 16-18 March 2017.

Sixth Review of the Financial Mechanism of the Convention

In his report back, the group's co-facilitator highlighted that the group revised the draft concept note for the sixth review. In addition, the linkages with the Adaptation Committee (AC) were explored, as to encourage other constituted bodies to submit inputs to the review, in line with the updated guidelines that were circulated to the SCF members on the previous day. Furthermore, it was decided that the expert input to the sixth review will include both Operating Entities (OEs), taking into account the relatively early stage of operationalization of the Green Climate Fund (GCF) vis-à-vis the Global Environment Facility (GEF). The OEs' secretariats informed the group about their ongoing work, which could be useful for the review. The UNFCCC Secretariat was encouraged to continue communication and collaborate with the OEs in this regard.

The two co-facilitators were designated to continue facilitating discussions within the working group, composed of overall 13 SCF members. As part of the outreach strategy, the group encouraged other constituted bodies to provide their views and inputs, in line with the updated guidelines.

Draft Guidance to the Operating Entities of the Financial Mechanism

In the morning, the working group presented the latest version of the compilation and analysis (C&A) of past guidance to the Operating Entities (OEs) of the Financial Mechanism. Members welcomed the C&A as a very useful tool, giving some additional input for further improvements. It was furthermore suggested to share the C&A with the Adaptation Committee (AC) and the Technology Executive Committee (TEC). SCF members were encouraged to share feedback on the user-friendliness of the C&A and the integrity of the information contained. In the afternoon, the group reported on the discussions held over the last two days and the next steps agreed.

In regards to the preparation of guidance, the SCF agreed to adopt and enhance the

approach last year in its outreach to the AC and the TEC, including the criteria against which the inputs received will be assessed. In terms of the preparation of a draft set of core guidance, the group discussed a methodology of consolidating all past guidance that is ongoing and relevant (labelled "active") for the operation of the OEs. A revised draft of consolidated "active" guidance will be considered at the next SCF meeting, with a view to preparing the SCF's recommendations. On the frequency of guidance to the GEF, members agreed to recommend to the COP to continue to provide guidance annually.

2017 Forum of the SCF

SCF members continued discussions on the 2017 SCF forum, in particular on identifying a suitable theme for the event. The group's co-facilitator reported that no consensus could be found during the first two days of the meeting and that informal consultations had taken place to find a compromise. Again, it was stressed that a decision was needed at this meeting, as intersessional work was impossible without agreeing on major parameters, such as a theme, venue and ideally a draft programme outline.

Members discussed a new proposal aimed at accommodating the different views. Discussions centred on finding a theme that was concrete enough to appeal to a wide array of stakeholders and add value to ongoing discussions on climate finance. In terms of finding a venue, it was discussed, whether or not the SCF forum should be held as a standalone event or, for instance, in conjunction with the Long-Term Finance in-session workshop, to be conducted during the meeting of the UNFCCC Subsidiary Bodies in May 2017 in Bonn. A representative from the Government of Morocco extended the invitation to host the event in Morocco, potentially linked to another climate finance event yet to be specified. Following prolonged discussions, a revised title was presented to SCF members in the afternoon. After another round of discussions, the SCF finally agreed on the theme for its 2017 forum, titled "Mobilizing Finance for Climate-Resilient Infrastructure".

The group's co-facilitators will continue work intersessionally, determining the scope of the event, fleshing out a draft programme, exploring the proposed venue options and begin engaging with stakeholders and possible resource persons.

Review of the Functions of the SCF

The agenda item regarding the review of the functions of the SCF was addressed in plenary during the last days. The SCF will submit an updated and extended overview of mandates provided to the SCF by the COP from 2011-2016, including the respective outputs delivered thereon. In addition, the SCF will conduct a survey among its current and former SCF members. Draft questions have already been circulated for consideration. A summary of the survey responses will be submitted by the SCF to SBI 47.

Linkages with the Subsidiary Body for Implementation and the thematic Bodies of the Convention

The issue of linkages with the SBI and the thematic bodies was already discussed during the first day of the meeting. The SCF nominated respective focal points for adaptation, technology, capacity-building and loss and damage related matters, to represent the SCF in the thematic bodies of the Convention, namely the Adaptation Committee; the Technology Executive Committee; the Paris Committee on Capacity-Building; and the Executive Committee of the Warsaw International Mechanism for Loss and Damage.

Last but not least, SCF members agreed on a submission to the Adaptation Committee on adaptation-related institutional arrangements under the Convention.

Other matters

Before concluding the meeting, SCF members briefly discussed the dates for the next meeting. Tentatively, the week of 18-22 September 2017 was identified. The Secretariat will continue consultations with SCF members, in order to confirm the dates as soon as possible.

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