Standing Committee on Finance 22 (SCF22)

Meeting notes of SCF22

Sept 28-30, 2020

Freedom-Kai Phillips*

Given the current global condition dealing with COVID-19 the SCF members extended the term of the Co-Chairs extended until the next physical meeting 2021. UNFCCC Executive Secretary Patricia Espinosa provided an address to the SCF, stressing we are still on track for a 3°C rise, and highlighted the importance of 2020 as both the 5 year anniversary of the Paris Agreement, as well as the start of post-2020 climate action. To this point, the Executive Secretary encouraged Parties to submit revised Nationally Determined Contributions (NDC) and scale up climate finance to reach and exceed the goal of US$ 100 billion.

Key topics discussed: Fourth Biennial Assessment and Overview of Climate Finance Flows; First report on the determination of the needs of developing country Parties; Forum on Finance for Nature-based Solutions; Draft guidance to the operating entities of the Financial Mechanism; Linkages with the SBI and the thematic bodies of the Convention; and Dates and venues of future meetings. Due to the postponement of COP 26, the SCF workplan was extended to 2021.

Fourth Biennial Assessment and Overview of Climate Finance Flows

Based on the outreach strategy agreed upon at SCF21 and the call for evidence issued in November 2019, submissions received allowed the consultants to develop a zero draft by April 2020 and a working draft by June 2020. Due to challenges in gathering data due to COVID-19 the call for evidence was extended to 30 October 2020, with outreach activities to be conducted virtually. The consultants (Mr. Padraig Oliver, Ms. Chavi Meattle, Ms. Charlene Watson, Ms. Chantal Naidoo) presented the initial findings and highlighting remaining gaps including: methodology, an overview of climate finance, assessment of climate finance flows, mapping data to Article 2(1)(c) and Article 9 of the Paris Agreement. Ongoing work includes looking for country examples, with Parties welcoming the draft and providing input on various issues identified.

While in physical meetings draft reports would be normally shared in print form, the Co-Chairs were reluctant to share a digital draft fearing it would be shared too widely undermining credibility in the process given its incomplete state. Many constituencies voiced issues with this line of reasoning, RINGOs included, stressing that our role as research institutions provides a unique perspective to support and inform the approaches adopted. Nonetheless, the Co-Chairs remained steadfast that no advance draft would be shared.

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First report on the determination of the needs of developing country Parties

Over the course of SCF22 the first order draft was discussed. The call for evidence was remains open for observers until 30 October 2020 and regional informational webinars held over September and October 2020 with recordings available from Africa and Eastern Europe, Latin America and Caribbean, and Asia and Pacific events. Discussions focused on methodological issues, challenges with quantifying needs (some members citing double), and the need for robust and comprehensive numbers on needs to illustrate the importance of action and mobilization of support for developing countries. Parties emphasized the need to highlight both adaptation and mitigation, include loss and damage (including the suggested use of proxies to support quantification), and many stressed the limitations on quantifying needs. Some Parties emphasized the importance of including forestry as it represents an important area of opportunity for developing countries. Divergence remained around modalities to streamline challenges of developing countries, the inclusion of issues related to COVID-19, and progress towards the green economy.

Again, it was stressed by many constituencies – including RINGOs – that enhanced transparency, including the sharing of a draft version of the report, was an important step to ensuring the validity of the final findings. A new iteration of the draft report is aimed for November 2020, with the aim to publish the report in mid-2021.

Forum on Finance for Nature-based Solutions

Following agreement at SCF 21 to hold a Forum on Finance for Nature-based Solutions a draft program was developed outlining proposed themes, with inputs provided by both Parties and stakeholders. It was proposed to hold the Forum in the second half of 2021, with an awareness of the meetings being hosted under the UN Convention of Biodiversity (UNCBD). Exploration of linkages with the UK COP 26 Presidency and strengthening private sector engagement were stressed. The term "nature-based solutions" was identified as having ambiguities, with Parties cautioning the creation of an intended universal definition. Budgetary concerns were identified as impacting proposals for multiple events, multiple meetings, as well as ongoing uncertainty related to the impact of COVID-19. Observers stressed the need to ensure full and active participation of stakeholders in the Forum inclusive of civil society and indigenous peoples and local communities. Discussions remain ongoing about the location, with a view to hosting the Forum ideally in April/May 2021.

Draft guidance to the Operating Entities of the Financial Mechanism

Due to the shift of COP 26 to November 2021, Parties questioned the mandate of providing draft guidance to Operating Entities of the Financial Mechanism, with typical procedures following the publication of the annual reports of the Global Environment Facility (GEF) and the Green Climate Fund (GCF), inputs would be provided and compiled by the Secretariat. It was noted that the 2020 GEF report had been adopted by the Council to be available in October, with the 2021 report set to be prepared 14 weeks prior to COP 26, while the 2020 GCF report remains with the Board for adoption with a view for it to be available in November with the 2021 report set to follow a similar timeline as the GEF. Discussions focused on the need to provide guidance or combine guidance for 2020 and 2021, with the Committee agreeing that calls for input would be provided for both 2020 and 2021 once the reports were prepared.

Linkages with the SBI and the thematic bodies of the Convention

Discussions centred on if the current set of focal points should be broadened to include the Local Communities and Indigenous Peoples Platform (LCIPP), with an agreement that the current approach should be maintained and following further development to the LCIPP a focal point position could be considered.

Dates and venues of future meetings

The debate around the timing and location of SCF23 focused on the typical biannual meetings and the implications of COVID-19 on the potential for in-person meetings in the near future. In addition, the online format covering three days in three-hour blocks resulted in less functional time for the Committee to conduct its work.

Parties discussed the potential for hybrid meetings, to allow those who may travel to do so, with others stressing this could create complications, undermine equal participation, and hinder full participation. Other Parties suggested that virtual meetings should remain the approach going forward until travel is safe for Committee as a whole. Issues of quorum were also identified. Inputs were taken away by the Co-Chairs for further consideration.

SCF Focal Points

Adaptation related matters

Adaptation Committee Least Developed Countries Expert Group

Mr. Mohamed Nasr (Egypt), Mr. Zaheer Fakir (South Africa) Ms. Gabriela Blatter (Switzerland)

Technology related matters

Technology Executive Committee Climate Technology Centre and Network Advisory Board Ms. Vicky Noens (Belgium) Ms. Diann Black-Layne (Antigua and Barbuda)

Capacity-building related matters

Paris Committee on Capacity-building

Mr. Ismo Ulvila (European Union) Mr. Mattias Frumerie (Sweden)

Loss and damage related matters *Executive Committee of the Warsaw International Mechanism on Loss and Damage*

Mr. Paul Oquist (Nicaragua) Mr. Randy Caruso (USA)

Coherence and coordination

Financing for forests

Mr. Ivan Zambrana Flores (Bolivia) Gender Ms. Eva Schreuder (The Netherlands)