

Climate Finance Advisory Service

www.cfas.io

Daily Briefing

9th Standing Committee on Finance Meeting
(10–11 March 2015, Bonn)

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.

Summary from 11 March 2015

In the morning of Wednesday, 11 March 2015, members of the Standing Committee on Finance (SCF) reconvened to continue the discussions for the second and final day of their 9th meeting.

In the plenary, the co-chairs welcomed and thanked the SCF members for their spirit of compromise and understanding, which had allowed the Committee to move forward on several agenda items. Because of this advancement achieved during the first day, the SCF was able to conclude the meeting earlier than scheduled.

Draft Guidance to the Operating Entities of the Financial Mechanism

Following yesterday's discussions on Draft Guidance to the Operating Entities (OEs) of the Financial Mechanism, the SCF requested the secretariat to compile all previous guidance provided to the OEs in the past, with the view of identifying core guidance that will be provided annually as well as additional guidance, which depending to the addressed OE, will be tailored if deemed necessary.

Long-Term Finance

On long-term finance (LTF), SCF members discussed on how to provide their input to the in-session workshop on LTF in June, as requested by the COP.

The co-facilitator pointed out that some elements contained in different papers discussed in the SCF over the last years could fit as the Committee's input to the work programme on long-term finance. Furthermore, the SCF also debated whether or not it would be necessary to adjust its work plan, to be able to provide more technical and substantive inputs into the work programme on long-term finance in 2016, instead of only drawing on previous work.

Later in the afternoon, the co-facilitators presented the outcomes of the breakout group. Along this line, the SCF will, in implementing its work plan, consider issues related to decision 3/CP.19 para 12 as inputs to the workshop in 2015 and 2016. This specific para of the Warsaw decision refers to ongoing technical work on operational definitions of climate finance, including private finance mobilized by public interventions, and assessments of how adaptation and mitigation needs can most effectively be met by climate finance. For this year's in-session workshop, it was decided that the inputs by the SCF will be based on a) the report of the 2014 Forum on adaptation finance; b) the 2014 Biennial Assessment report; and c) the 5th review of the financial mechanism.

MRV of support beyond the Biennial Assessment and Overview of Climate Finance Flows

On the topic of measurement, reporting and verification (MRV) beyond the biennial assessment and overview of climate finance flows, the discussion started with a short summary by the co-facilitator on the progress achieved on the previous day. He highlighted that the discussion should be framed in a way to allow the breakout group to come up with practical and concrete suggestion on the contribution of the SCF to the joint in-session workshop in June.

The discussion evolved and member clustered the work around short and long-term deliverables. The identified short term deliverables are, for instance, the development of methodologies for reporting financial information and the review of the guidelines for the National Communications. Issues to be tackled in the long-term will be those that require a set of actions and time to be addressed. These actions are essential for the design of a robust MRV system. These are, among other things, the issues of a definition of climate finance, as well as the attribution and causality between intervention and mobilized resources.

In the closing plenary, it was reported, that the SCF co-chair will jointly agree with the SBSTA and the SBI chair on the modalities of the joint in-session workshop, by stressing the fact that the event is being hosted by the secretariat. Furthermore, it was also decided that the workshop should focus on climate finance under the Convention and focus on the experience in reporting its financial provisions. Last but not the least, members also discussed on the way forward in the design of the MRV regime on climate finance under the Convention.

2015 SCF Forum

The breakout group on the 2015 Forum discussed an early draft programme for the two-day SCF Forum in September, prepared by the secretariat based on the deliberations in yesterday's session. Representatives from the UN Forum on Forests, the Food and Agriculture Organization, the Center for International Forest Research, the CIF's Forest Investment Programme and the Climate Policy Initiative provided their brief views on the programme. Some highlighted that a clearer emphasis should be given to the SCF mandate of enhancing coherence and coordination in terms of forest financing, and that 'access to finance', as a main barrier for countries should be featured more prominently. Others pointed out that in order to address a broader audience, a two-pager should complement the programme, to provide a narrative for the objective and focus of the Forum and to set expectations. The work on this issue will continue intersessionally with the view of agreeing on an agenda for the Forum by the next SCF meeting in June. The intersessional working group will also include interested stakeholder beyond SCF members, to draw on as much expertise and technical input as possible. The secretariat will propose dates for regular conference calls.

Adaptation Fund: Institutional linkages and relations with other institutions

Following the discussions held yesterday, which were centered on possible scope, process and outputs of the potential institutional linkages and relations between the AF and other institutions under the Convention, members and observers agreed to differentiate two terms: "institutional linkages" and "relations". The understanding was that institutional linkages could require a set of decisions by the COP and the CMP, while the relation to other institutions would not require further decisions by the COP and CMP.

In identifying the scope, members cautioned not to duplicate the work undertaken by the AF Board, while striving for effective collaboration between bodies. Views diverged between a focus on options to improve the relations in a more operative/informal manner and those preferring a more wide-ranging discussion on the future of the whole financial mechanism of the Convention. Following the discussion, members decided to, for the beginning, to focus on possible future relations of the AF with other institutions under the Convention, as well as possible future institutional linkages between the AF and other institutions under the Convention, taking into account any identified legal and technical implications.

The Climate Finance Advisory Service (CFAS) is an initiative which is delivered by a consortium of experts led by Germanwatch e.V. and funded by the Climate and Development Knowledge Network (CDKN).

CDKN is funded by the UK Department for International Development (DFID) and the Netherlands Directorate-General for International Cooperation (DGIS) for the benefit of developing countries. However, the views expressed and information contained in it are not necessarily those of or endorsed by DFID, DGIS or the entities managing the delivery of CDKN which can accept no responsibility or liability for such views, completeness or accuracy of the information or for any reliance placed on them.

The Climate and Development Knowledge Network ("CDKN") is led and administered by PricewaterhouseCoopers LLP. Management of the delivery of CDKN is undertaken by [PricewaterhouseCoopers LLP](#) and an alliance of organisations including [Fundación Futuro Latinoamericano](#), [INTRAC](#), [LEAD International](#), the [Overseas Development Institute](#) and [SouthSouthNorth](#).

Contact: www.c-fas.org and queries@c-fas.net