



Standing Committee on Finance

27 August 2024

Thirty-fifth meeting of the Standing Committee on Finance
4–6 September 2024
Arusha, Tanzania

Background paper on the sixth Biennial Assessment and Overview of Climate Finance Flows

Expected actions by the Standing Committee on Finance

The Standing Committee on Finance will be invited to finalize:

- a) The draft summary and recommendations of the sixth Biennial Assessment and Overview of Climate Finance Flows (BA) to be included as an addendum to the annual report of the SCF;
- b) The pre-final technical report of the sixth BA.

I. Possible actions for consideration by the Standing Committee on Finance

1. Draft summary and recommendations by the SCF: The SCF may wish to consider and finalize the draft summary and recommendations of the sixth BA to be included as an addendum to the annual report of the SCF, as contained in Annex I.
2. Finalization of the pre-final draft of the technical report of the sixth BA: The SCF may also wish to consider and finalize the pre-final draft of the technical report of the sixth BA, developed under the guidance of the co-facilitators, taking into account comments, written inputs by SCF members and any additional input, as contained in Annex II.

II. Background

3. COP 17 decided that the SCF shall assist the COP in exercising its functions with respect to the Financial Mechanism of the Convention in terms of measurement, reporting and verification of support provided to developing countries, inter alia, through preparing BAs. The BAs are to include information on the geographical and thematic balance of flows drawing from available sources of information, including, inter alia, from biennial reports (BR) and biennial update reports (BURs). Further guidance is contained in decisions 1/CP.18, paragraph 71, 5/CP.18, paragraph 11, 3/CP.19, paragraph 11, 9/CP.21, paragraph 13, paragraph 37(f) in the annex to decision 8/CP.22, and 4/CP.24, paragraphs 4 and 5.
4. COP 24 requested the SCF to map, every four years, as part of its BAs, the available information relevant to Article 2, paragraph 1(c), of the Paris Agreement, including its reference to Article 9 thereof. COP 26 welcomed the fourth BA of the SCF, in particular its summary, and endorsed its key findings. It also welcomed the mapping of information relevant to Article 2, paragraph 1(c), of the Paris Agreement in the fourth BA and took note of its key findings.
5. COP 27 welcomed the fifth BA of the SCF, its summary, and took note of the recommendations. It also acknowledged the improvement in the quality, transparency and granularity of information in the fifth BA while recognizing data limitations persist,

particularly in relation to private climate finance, including private finance mobilized by developed country Parties through bilateral and multilateral channels, and finance in sectors other than energy and transport, and requested further work in this regard in the sixth BA, including in relation to data by region, private finance mobilized from public interventions and financing arrangements relevant to averting, minimizing and addressing loss and damage.¹

6. COP 28 endorsed the general outlines of the technical report of the sixth BA and requested the SCF to consider updating, in the context of its sixth BA, its operational definition of climate finance, building on the non-exhaustive list of potential options identified in paragraph 44(a–c) of the executive summary of the report on clustering types of climate finance definitions in use.²

7. COP 28 also noted that the sixth BA will continue to consider the balance between mitigation and adaptation finance and public and private financial flows.³ CMA 5 requested the Standing Committee on Finance to include in its sixth BA information reported in biennial communications under Article 9, paragraph 5, of the Paris Agreement, as appropriate.⁴

III. Progress on the sixth Biennial Assessment and Overview of Climate Finance Flows

8. SCF 33 took note of the work-in-progress approach to the sixth BA, and re-confirmed the appointment of Diann Black-Layne and Vicky Noens as co-facilitators for the workstream. Furthermore, the SCF agreed to advance work on stakeholder engagement and outreach intersessionally to support the preparation of the report.

9. On 30 April 2024, the SCF conducted a webinar on three key technical reports of the SCF in 2024, including the sixth BA attended by 60 participants.

10. Technical work on drafting the sixth BA has progressed from the general outline endorsed by COP 28 to the development of an updated work-in-progress approach to the technical report at SCF34 and a pre-final draft of the technical report for consideration at SCF 35.

11. During SCF 34, members discussed potential options for updating, in the context of the sixth BA, the SCF's operational definition of climate finance, as appropriate, and considering relevant and updated or new sources of information across chapters of the report. Members provided guidance for elaborating specific topics and sections of the report, among others, access to climate finance from a variety of climate finance sources and providers, enhancing the usefulness and linkages of the BA with the SCF Forum on gender-responsive finance, and identifying opportunities for streamlining and improving coherence across report chapters as well as ensuring reference to COP and CMA decision texts, where applicable. At SCF 34, the SCF agreed to prepare a pre-final draft of the technical report taking into account the comments made at SCF34 and any written comments received by members, for consideration at SCF 35, as well as to prepare a draft summary and recommendations by the SCF, for consideration at SCF 35.

12. Intersessionally, work has progressed to finalise the technical report. The call for evidence launched in early March received six submissions by the deadline of 30 June 2024. The notification circulated to Parties on gathering preliminary data for the years 2021–2022 received 16 submissions. This was complemented with publicly available information for another eight Parties.

¹ Decision 14/CP.27, para. 7.

² Decision 5/CP.28, para. 6.

³ Decision 5/CP.28, para. 9.

⁴ Decision 9/CMA.5, para. 3.

