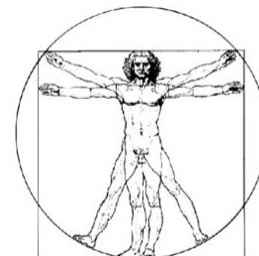


ecbi Finance Circle



On 19 May 2012 the ecbi Finance Circle held a meeting during the UNFCCC Climate change Conference in Bonn, Germany, with 20 participants from Australia, Canada, Ecuador, EU, India, Ireland, Japan, Malawi, Poland, Slovenia, UAE, Uganda, UK, UNFCCC Sec, USA, Zambia, Zimbabwe.

Two topics were discussed, namely long-term finance and the work programme of the Standing Committee.

Long-term Finance

The first issue raised was finance sources. There were diverging opinions on whether sources should be discussed at the multilateral level (AWG-LCA). It was pointed out that the providers of finance should be free to decide how they choose to raise it. But it was acknowledged that there are sources, namely innovative international instruments that need to be discussed at the multilateral level, albeit not necessarily at the UNFCCC.

The topics of a pathway from 2013 to the \$100bn in 2020, and of the shares of private versus public sector funding were raised but not taken up. The discussion turned instead to the issue of transparency and MRV of support, and the lessons that could and should be learned from the Fast Start Finance experience. There is no doubt that there is considerably more information on FSF made available by providers than used to be available on climate finance earlier. At the same time, the information does not seem to reach some of the relevant people in the recipient countries, and if it does, it is not always in the desired format. These lessons have to be learned and applied in the MRV of support regime that is being established.

Standing Committee Work Programme

Given the terms of reference of the Standing Committee, it was clear that the provision of draft guidance to the Operating Entities of the Financial Mechanism will have to be a priority task in the SC work programme.

A problem was raised in the context of the forthcoming review of the Financial Mechanism: the SBI has been mandated to initiate the next review of the FM in Doha, and it is not clear what role the Standing Committee should have in this context. It was suggested that the SC should be given the central role in managing this process.

The third topic raised in the discussion on the SC work programme was the role (if any) of the SC in drafting the accountability arrangements between the COP and the GCF. Should a first draft be done under the COP (LCA), or by the GCF Board? If it is to be done by the GCF

Board, then it has to be ensured that the draft is submitted to the COP for consideration (by the Standing Committee?), and that a revised draft may have to be reconsidered by the Board.