Taskforce on Access to Climate Finance
Note for circulation to all Steering Committee members

SECOND STEERING COMMITTEE (27 AUGUST 2021) – MEETING SUMMARY

Short summary
The Steering Committee of the Taskforce on Access to Climate Finance met for the second time on Friday 27 August 2021. The second meeting brought two new topics to the Steering Committee - the process for developing the principles and recommendations of the Taskforce, and the criteria for selecting pioneer countries, as well as serving as an update on actions from the first meeting. Steering Committee members agreed final versions of the Concept Note and External Narrative for the Taskforce, which will be published on the COP26 webpage. The Overseas Development Institute (ODI), the Center for Global Development (CGD), and the UN Development Programme (UNDP) presented on the approach and methodology, along with the analytical underpinning that will enable the Taskforce to develop its principles and recommendations. Steering Committee members noted the importance of prioritisation and of coordination between donors in developing the Taskforce’s principles and recommendations. Members discussed the criteria for selecting pioneer countries, as well as the process for selection, ahead of providing final views following the meeting. The Steering Committee agreed with the proposal to meet twice more ahead of COP26.

Full summary
Vel Gnanendran (UK) and Vineil Narayan (FJ) opened the meeting as co-chairs. Vel Gnanendran summarised the outcomes of the previous meeting, including agreement of the scope, interim governance structure, workplan and aims of the Taskforce. Vel Gnanendran then set out the agenda for this meeting, which included agreement on the Concept Note and External Narrative; a discussion on the principles and recommendations to be developed by the Taskforce; a discussion of the criteria for selection of pioneer countries; and the timeline to COP26.

Concept note and external narrative
Vineil Narayan thanked the Steering Committee members for their feedback on the Concept Note and sought participants’ agreement to the final version of the document, which will act as the primary terms of reference for the Taskforce’s work up to COP26, and similarly for the External Narrative. Participants expressed support for both the Concept Note and External Narrative, paving the way for the documents
to be published. Participants noted that access to private sector finance should be acknowledged in the Concept Note, even though it is not a primary focus of the Taskforce’s initial phase. Steering Committee members agreed with the wording on this matter in the Concept Note. Vineil Narayan informed the Steering Committee that the intention was to publish the agreed final versions of the Concept Note and External Narrative before 14 September 2021, when the 76th session of the UN General Assembly begins.

Principles and recommendations

The co-chairs introduced the discussion on principles and recommendations of the Taskforce. Following feedback from the previous meeting, they invited the Steering Committee members to suggest working-level contacts from their governments and organisations to continue more frequent and detailed discussions through a Taskforce Informal Working Group in the run-up to COP26, including work to develop the principles and recommendations of the Taskforce. The Secretariat invited the Overseas Development Institute (ODI), the Center for Global Development (CGD), and the United Nations Development Programme (UNDP), who have been commissioned to support the Taskforce in developing its principles and recommendations, to present on the approach and methodology, along with the analytical underpinning that will enable the Informal Working Group to develop the principles and recommendations.

The presentation set out how ODI and CGD will conduct analysis to better understand the climate finance landscape and the challenges recipients face in accessing climate finance, to identify priority areas for the Taskforce. The presentation also addressed some of the technical questions which will establish how the Taskforce should intervene focusing on themes around: national ownership and coordination; an aligned, coordinated and programmatic approach to access; and the broader questions and gaps in the context of access to finance. UNDP also presented on work it is doing in the Pacific region: to consider access to finance from a systems perspective; to improve links between climate and development finance; and to approach the access question from a more people-centric and evidence-based perspective.

In response to this, the Steering Committee commented that the Taskforce should consider how it can remain focused on the highest priority issues and to also consider where others may be better placed to respond. The Steering Committee raised further points around the importance of coordination between donors: to enable country ownership, to maximise the effectiveness of programmatic approaches, and to draw upon lessons and avoid repeating mistakes. To create an enabling environment for the programmatic approach the Taskforce is developing, the importance of adaptable programming and a flexible concept was emphasised. In coordinating with existing donors and drawing upon lessons learned, it was
suggested that the Taskforce identifies the most successful partner in-country and determine the critical success factors. Participants highlighted similarities in the climate finance effectiveness agenda and that of aid effectiveness and the need to consider both in the round – a point raised in the previous meeting. Participants suggested exploring key enablers and working backwards in terms of key success factors from a budgetary perspective. Participants also drew attention to the need for gender responsiveness and inclusivity, with involvement from vulnerable groups.

**Criteria for selection of pioneer countries**

The co-chairs sought initial feedback on a draft paper outlining criteria for selecting pioneer countries for the Taskforce. Steering Committee members agreed with the criteria proposed and the process outlined for selecting countries. Steering Committee members commented it would be of value to create a geographic distribution across the five pioneer countries selected. The capacity of countries to participate in the pilot was raised as an important consideration, with suggestions made to link with existing programmes or institutions to support the pilot, such as the Nationally Determined Contributions Partnership (NDCP). Suggestions were also made to further strengthen the criteria, with requirements for synergies with climate funds and possible interest in working with the private sector.

Vel Gnanendran outlined the proposed process for selecting pioneer countries for the pilot and invited Steering Committee members to make suggestions for pioneer countries and invite countries to submit interest. Membership of the Taskforce Steering Committee will not bias selection as a pioneer country. On process, Steering Committee members emphasised the importance of showcasing the call for pioneer countries on a sufficiently public platform to enable interested countries to express interest. Vel Gnanendran explained that the current proposal was to use the COP26 website and channels such as through Permanent Missions to the UN in New York to seek nominations. The Secretariat will then prepare a list of nominated countries, along with a suggested longlist based on the selection criteria, for agreement by the Steering Committee before formal approaches to pioneer countries are made. The co-chairs invited Steering Committee members to provide further feedback on the criteria for selecting pioneer countries after the meeting.

**Next steps and timeline to COP26**

Vineil Narayan outlined next steps to COP26 for the Taskforce, including key points of engagement and major events, as set out in the revised concept note. The next Steering Committee meeting is scheduled to take place in September in advance of the United Nations General Assembly (UNGA), where there may be an opportunity for the Taskforce to present initial thinking on principles at a Climate and Development Ministerial stocktake, specifically a high-level summary outlining approach, methodology and next steps. UNGA presents an opportunity to socialise
the principles with developing countries, as well as donors and banks, to give a sense of the direction of travel and timeline to COP26. The October Steering Committee meeting is scheduled to take place in advance of the World Bank Annuals, where a more refined version of the principles and recommendations could be shared, with greater emphasis on what has been achieved so far and a summary of key findings. For COP26 itself, an initial two-week programme has now been released. Finance Day, which the Taskforce will form part of, is on the first Wednesday (3 November). It will be important for the Steering Committee to decide how best to approach these upcoming major events.

Conclusions

The co-chairs thanked participants and gave a brief summary of the meeting, including key actions ahead of the next Steering Committee meeting, which is scheduled to take place the week commencing 13 September.