

Report-back on agenda item 4: draft guidance to the operating entities of the Financial Mechanism

Draft guidance to the GCF and the GEF

- The SCF recommends to the COP two draft decisions on the guidance to the GCF/GEF and invites the COP to consider them as the basis for negotiations. Each draft decision contains an appendix, which contains other inputs considered by the SCF during the meeting.

Frequency of guidance to the GEF

- The SCF recalled its agreement made at its 15th meeting to recommend to the COP that guidance to the GEF should continue to be provided annually. This is to provide timely guidance to the GEF over the next few years on any new development relating to the Convention and the Paris Agreement.

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Draft set of core guidance

- The SCF notes the progress made in deliberating on the issue of draft core guidance, as follows:
 - a) (*Objective*)** The objective of draft core guidance would be to consolidate previous guidance to the operating entities of the Financial Mechanism that remain ongoing and relevant to the operations of the operating entities and serve as standing guidance for the operating entities;
 - b) (*Its intended use*)** In preparing the annual draft guidance to the operating entities, the SCF would assess its annual draft guidance against the core guidance, to determine whether additional guidance is needed or whether the core guidance is sufficient;
 - c) (*Process to update*)** The core guidance, once developed by the SCF and endorsed by the COP, would be updated and reviewed by the SCF periodically, with a view to informing the existing and future replenishment discussions of the operating entities.

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Engagement at the annual meeting with the GCF and other constituted bodies at COP 23

- The SCF agrees to respond positively to the invitation to the annual meeting. The SCF will be represented by its co-chairs and other representatives as needed. The SCF will draw relevant information from its previous work and prepare its inputs to the meeting, which will be circulated to the SCF prior to the meeting, on a non-objection basis.