

Report back agenda item 6: Draft guidance to the operating entities of the Financial Mechanism

A. Preparation of draft core guidance

Discussion points:

- Usefulness of the C&A highlighted for specific client groups including the operating entities and their accredited institutions, the thematic bodies, other specialized groups, such as those working on gender and social issues.
- Suggestions that it could be useful for the OEs to adjust reports to COP in a way that facilitates the updating of the C&A.

Proposed intersessional work prior to COP 22

- The C&A to be sent to the OEs to exchange feedback and further identify practical areas of use.
- Thematic bodies to be invited by the SCF to use the C&A as a basis for developing guidance as well as provide feedback on its uses and contents.
- Issue a call to SCF members, Parties, observers and the thematic bodies for inputs and feedback.
- The C&A to be uploaded on the website prior to COP 22 including adjustments based on comments.

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A. Preparation of draft core guidance

The group proposes that the SCF recommends that COP 22:

- Take note of the progress made in 2016, including the work on C&A and outreach to other thematic bodies for enhanced transparency and coordination
- Note that the SCF will annually update the C&A and maintain it on the SCF website
- Invite the OEs to consider how their reporting can be adjusted to facilitate the updating of the C&A
- Note that the SCF will undertake further work in 2017, with a view to finalizing its recommendations on the draft set of core guidance by COP 23

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B. Frequency of guidance

Summary and proposed next steps

- The group reiterated the purpose and need to continue on this issue, including: to allow adequate time for the operating entities to implement the guidance received and demonstrate the results, facilitate the intergovernmental process and simplify the reporting requirements.
- **For the GCF**, the group generally agreed that guidance should be provided annually, in light of the early stage of operationalization and in order to provide guidance that is most responsive to any new development
- **For the GEF**, some participants in the breakout group proposed that the SCF could prepare thematic areas along which the GEF can focus its annual report, so that guidance can be provided annually but on certain thematic areas. The breakout group could not reach a conclusion on the frequency of guidance to the GEF and proposed to continue its discussion.

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B. Frequency of guidance

The group proposes that the SCF recommends to COP 22:

- That annual guidance continues to be the appropriate frequency of guidance to the GCF in light of the early stage of operationalization of the GCF

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C. Draft guidance to the operating entities in 2016

Summary and proposed next steps

- The group initiated discussions, taking note of the elements of strategic guidance that they started to discuss and latest draft annual report of the GCF
- Representative of the OEs briefed the breakout group with their respective latest developments
- The group elaborated the areas that could be considered by the SCF in preparing the textual inputs to the the draft guidance, including: funding for BURs, funding for NAPs, country ownership, programmatic approaches, funding for technology, REDD-plus finance, replenishment cycle, accreditation and direct access.
- The co-facilitators encouraged the SCF members to utilize the C&A to prepare their inputs on developing draft guidance by the SCF at that meetings.

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D. TIMELINE FOR NEXT STEPS

DRAFT GUIDANCE TO THE OEs IN 2016			
	August	September	COP 22
Deadline for Parties' input on the elements to be taken into account in developing guidance to the OEs	29 (10 wks prior to COP 22)		
Deadline for inputs from the SCF members for textual inputs		2 weeks prior to SCF 14	
Deadline for inputs from the thematic bodies for their inputs		After the final meetings of AC/TEC TEC: 6–9 Sept AC: 13–15 Sept	
Compilation of inputs		to be distributed at SCF 14	
Prepare draft decision text and report to COP 22		SCF 14	X

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D. TIMELINE FOR NEXT STEPS

DRAFT SET OF CORE GUIDANCE					
	2016		2017		
	September	COP 22	SCF 15	SCF 16, SCF 17	COP 23
Deadline for inputs and feedbacks from the SCF members, Parties, observers and the thematic bodies on the C&A	end of September				
Revise, update and upload the C&A, based on the received inputs and feedback	mid October				
Update the C&A based on the latest guidance from COP 22 and identify elements that could serve as a basis for draft set of core guidance			X		
Resume discussion on the draft set of core guidance			X	X	
Report to COP 23 recommendation of the SCF on the draft core guidance					X