

**Fourteenth meeting of the Standing Committee on Finance
Bonn, Germany, 3–5 October 2016**

**Background paper on the draft guidance to the
operating entities of the Financial Mechanism**

Expected actions by the Standing Committee on Finance

The Standing Committee on Finance (SCF) will be invited to:

- Agree on the draft guidance to the operating entities of the Financial Mechanism to be recommended to COP22;
- Identify an approach to be taken by the SCF on the issue of complementarity and coherence, based on the discussions with the co-chairs of the Green Climate Fund (GCF) Board and its secretariat;
- Prepare its recommendation to COP 22 on the frequency of guidance to the Global Environment Facility.

I. Options for consideration by the Standing Committee on Finance

Draft guidance to the operating entities of the Financial Mechanism

1. The co-facilitators of the working group on draft guidance to the operating entities will prepare two draft decisions in advance of the meeting to facilitate the SCF's discussions on this subject matter, which the SCF may wish to use as basis for its deliberations.
2. In its deliberations, the SCF may wish to take into consideration the following:
 - a. The reports of the GCF¹ and the GEF and the addenda that are currently available;²
 - b. The submissions from SCF members, as contained in annex I;
 - c. The submissions from the Parties, as contained in annex II;³
 - d. The inputs received from the Adaptation Committee (AC) and the Technology Executive Committee (TEC), as contained in annex III and IV, respectively.

Complementarity and coherence between the GCF and other institutions, including the SCF

3. The SCF may wish to consider the discussions between the SCF co-chairs and with the co-chairs of the Green Climate Fund Board and its secretariat on the issue of complementarity and coherence. The GCF co-chairs provided the following information to the SCF co-chairs:
 - a. The first annual meeting between the GCF and the thematic bodies on enhancing cooperation and coherence of engagement, which is tentatively scheduled on the first week of the 22nd session of the Conference of the Parties (COP);
 - b. Operational framework of the GCF on complementarity and coherence, which will be considered by the GCF Board at its 15th meeting (December 2016) and as a basis for the cooperation of the GCF Board with the SCF;
 - c. An annual dialogue with climate finance delivery channels and other funds, which will be initiated at the 15th meeting of the GCF Board, which is currently being developed.

¹ FCCC/CP/2016/7.

² FCCC/CP/2016/6 and FCCC/CP/2016/6/Add.1.

³ Latest submissions from Parties can be found in the UNFCCC Submission Portal: <

<http://www4.unfccc.int/submissions/SitePages/sessions.aspx?showOnlyCurrentCalls=1&populateData=1&expectedsubmissionfrom=Parties&focalBodies=COP>>.



4. In light of this update, the SCF may wish to provide its views, and guidance to the co-chairs as appropriate. Options include:
 - a. Invite the representative of the GCF at SCF 14 meeting to provide the Committee with up-to-date information on the elements listed in paragraph 3 above;
 - b. Discuss inputs that can be provided by the SCF on:
 - i. The first annual meeting between the GCF and the thematic bodies on enhancing cooperation and coherence of engagement and;
 - ii. The discussions on the operational framework on complementarity and coherence to be discussed at the 15th meeting of the GCF Board.

Frequency of guidance to the Global Environment Facility

5. The SCF may wish to continue its discussion from its previous meeting⁴ on the frequency of guidance to the Global Environment Facility, with a view to preparing its recommendations to COP 22. In doing so, the SCF may wish to consider the options that it identified at its 11th meeting.⁵

II. Background

Draft guidance to the operating entities of the Financial Mechanism

6. The SCF agreed to adopt and enhance the approach used last year in preparing the draft guidance to the operating entities of the Financial Mechanism, by collaborating with and reaching out to other thematic bodies of the Convention.⁶ During the inter-sessional period, the co-facilitators attended the AC 10⁷ and the TEC 13⁸ meetings virtually and engaged with the two bodies on their inputs on the draft guidance to the operating entities. The co-facilitators prepared a compiled draft decision text for consideration at SCF 14, incorporating inputs received from the SCF members, the Parties, as well as the AC and the TEC.
7. The SCF also agreed to be more ambitious this year in developing the guidance to the operating entities of a more strategic nature and considered the following elements that could form the basis of the guidance:⁹
 - a. The next replenishment cycle of the GEF and synchronizing the replenishment cycles between the operating entities;
 - b. Actions to be undertaken on the outcomes of the reviews of the Financial Mechanism, particularly regarding complementarity between the operating entities;
 - c. Parties could consider development of one common country strategy/planning (may be Nationally Determined Contributions) that would reflect national needs and priorities. This could be one planning document for the Financial Mechanism, drawing example from experiences with National Biodiversity Strategies and Action Plans (NBSAP) for Convention on Biological Diversity and National Action Programmes (NAPs) for United Nations Convention to Combat Desertification (UNCCD), Country Programming (CP) for development banks, etc.;
 - d. Explore how the operating entities can use the common country strategy/planning to guide their support countries in the implementation of the Convention and the Paris Agreement;
 - e. Further guidance to the development and implementation of the Capacity Building Initiative for Transparency.

⁴ Discussions on this issue from the 13th SCF meeting can be found in document SCF/2016/13/8, annex III, paragraph 9.

⁵ The three options that the SCF developed can be found in document SCF/2015/11/5, section III.

⁶ SCF/2016/12/10, paragraph 33.

⁷ More information is available at: <<http://unfccc.int/9653>>.

⁸ More information is available at: <http://unfccc.int/ttclear/pages/ttclear/templates/render cms_page?TEC_meetings>.

⁹ SCF/2016/12/10, paragraph 33.

Complementarity and coherence between the GCF and other institutions, including the SCF

8. On 11 August 2016, the SCF co-chairs participated in a conference call with the GCF co-chairs to discuss the complementarity and coherence between the GCF and other institutions, including the SCF and other thematic bodies.
9. As provided for in paragraphs 33 and 34 of the governing instrument of the GCF and reiterated in decision 7/CP.21 paragraph 26, the COP encouraged the GCF Board to improve complementarity and coherence with other institutions, including by engaging with relevant bodies of the Convention, such as the SCF. In response, the GCF Board by its decision B.13/11,¹⁰ decided to hold an annual meeting with the thematic bodies, in accordance with paragraph 70 of the Governing Instrument of the GCF, in order to enhance cooperation and coherence of engagement between the GCF and the thematic bodies.
10. The first annual meeting on enhancing cooperation and coherence of engagement between the co-chairs of the GCF Board and the co-chairs of thematic bodies is scheduled to take place during the first week of COP 22 and will be facilitated by co-chairs of the GCF Board. This meeting will be open to all members of the thematic bodies and the GCF Board. A draft agenda will be prepared by the co-chairs of the GCF Board in consultation with the GCF Board and co-chairs of the thematic bodies. The outcomes of the meeting will be included in the annual report of the GCF to the COP in subsequent year.
11. Furthermore, the GCF Board by its decision B.13/12,¹¹ decided to prepare, with the support of the GCF secretariat, an operational framework on complementarity and coherence to be considered by the GCF Board at its 15th meeting (December 2016), and as a basis for the cooperation of the GCF Board with the SCF. In addition, the GCF Board decided to initiate an annual dialogue with climate finance delivery channels, commencing at and in conjunction with the 15th meeting of the GCF Board and thereafter organized annually and in conjunction with a GCF Board meeting, with other funds in order to enhance complementarity at the activity level.¹²

Frequency of guidance to the Global Environment Facility

12. At its thirteen meeting, the SCF reiterated the purpose of considering the issue of frequency of guidance to the Global Environment Facility, which includes allowing adequate time for the operating entities to operationalize the guidance received and to demonstrate results, as well as to streamline the guidance and reporting requirements.
13. With regards to the GCF, the SCF decided to recommend to the COP that it continues to provide guidance on an annual basis, in light of the early stage of operationalization of the GCF and in order to provide guidance that is most responsive to new developments under the Convention and the GCF.
14. With regard to the GEF, discussions included less frequent guidance provided by other Rio Conventions and its impact on the quality of projects and programmes. The SCF discussed about the possibility of identifying thematic areas along which the GEF can focus its annual report, so that guidance can be provided annually but on certain thematic areas. However, no conclusion was reached on the frequency of guidance to the GEF.

¹⁰ Available at: <http://www.greenclimate.fund/documents/20182/226888/GCF_B.13_32_Rev.01_-_Decisions_of_the_Board_thirteenth_meeting_of_the_Board_28-30_June_2016.pdf/c93a0291-28c1-4bfc-bc22-cf4c590c3c83#page=11>.

¹¹ Available at: <http://www.greenclimate.fund/documents/20182/226888/GCF_B.13_32_Rev.01_-_Decisions_of_the_Board_thirteenth_meeting_of_the_Board_28-30_June_2016.pdf/c93a0291-28c1-4bfc-bc22-cf4c590c3c83#page=12>.

The SCF may wish to take note of the GCF background document titled "Complementarity and coherence with other funds", which was considered by the GCF Board in adopting this decision. The document can be accessed at:

<https://www.greenclimate.fund/documents/20182/226888/GCF_B.13_08_-_Complementarity_and_coherence_with_other_funds.pdf/ba069fd3-2fca-4316-a99f-2cb62f1a2041>.

¹² Available at: <http://www.greenclimate.fund/documents/20182/226888/GCF_B.13_32_Rev.01_-_Decisions_of_the_Board_thirteenth_meeting_of_the_Board_28-30_June_2016.pdf/c93a0291-28c1-4bfc-bc22-cf4c590c3c83#page=13>.

Annex I

Submissions received from SCF members on draft guidance to the operating entities

Inputs from Mr. Randy Caruso

Annotated suggestions for elements of draft guidance to the Global Environment Facility

<i>Elements</i>	<i>Sub-elements</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>	<i>Comments by SCF members</i>
Policies	Accreditation	GEF Council Document GEF/C.50/07 and GEF/ME/C.50/06	Welcomes the initial assessment of the accreditation pilot presented by the GEF Secretariat and notes its conclusions that no thematic or geographic gaps exist in the GEF Partnership.	We would like to commend the GEF for assembling a group of agencies that fully meet the needs of recipient countries, in terms of geography and technical competencies.
	Results Based Management Plan	GEF Council Document GEF/C.50/03	Encourages further work to track GEF climate mitigation project results with a focus on accuracy, efficiency, and relevance. Requests the GEF to report on such efforts and the results of such activities in its report to COP-23.	The GEF's Results Based Management team is still in the early stages of aggregating quantitative and qualitative data from project tracking tools, mid-term reviews, and terminal evaluations to identify lessons learned on data quality and consistency. High quality lessons learned from past projects should be shared with the Parties and relevant stakeholders.
	Monitoring and Evaluation	LDCF Council discussion and IEO Program Evaluation GEF/LDCF.SCCF.20/ME/01	Encourage the GEF to track, review, and report on the sustainability of results from the LDCF.	The IEO Program Evaluation found that it was too early to draw conclusions on the sustainability of results from the LDCF Program of projects. The GEF Secretariat should report this as evidence of concrete climate change activities.
Programme priorities	CBIT	GEF Council Document GEF/C.50/05, GEF/C.50/06, and Report to COP-22	Welcomes the GEF Council's decisions to establish the CBIT Trust Fund and the approval of the CBIT Programing Directions.	While the Council has approved the establishment of the trust fund and decided its programming directions, the trust fund itself has not been established and cannot currently accept contributions.
	PSP	Report to COP-22	Supports the GEF's continued engagement and coordination with the CTCN through the Poznan Strategic Program and the regional technology transfer and financing centres, and urges the Secretariat, the CTCN, and recipient countries to explore ways to	There have been several successful meetings between the GEF, MDBs, TEC, UNFCCC Secretariat, and CTCN to increase coordination on climate technology related programming, such efforts

<i>Elements</i>	<i>Sub-elements</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>	<i>Comments by SCF members</i>
			support projects through GEF-6 country allocations.	should continue.
	Climate Mainstreaming	Report to COP-22	Encourages the GEF to mainstream climate considerations across its focal areas to foster climate resilient development.	Mainstreaming climate change within national strategies and throughout other GEF focal areas will insure all investments are resilient and sustainable.

**Inputs from Mr. Randy Caruso
Annotated suggestions for elements of draft guidance to the Green Climate Fund**

<i>Elements</i>	<i>Sub-elements</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>	<i>Comments by SCF members</i>
Policies	AML/CFT/Prohibited Practices	Decisions B.10/06, B.12/31	Encourages the GCF to further develop as a matter of urgency full policies on prohibited practices, including policies addressing anti-money laundering and countering the financing of terrorism, and integrate them into the accreditation process.	This policy is a critical gap in the institutional architecture of the GCF that exposes the institution to significant reputational and financial risk, and so it should be dealt with urgently.
	Risk Guidelines	Decision B.13/36	Encourages the GCF to urgently develop its capacity to assess and manage financial risks, in order to facilitate the paradigm-shifting objectives of the Fund.	To reach its paradigm shifting aim, the GCF needs to be a risk taking institution, but it first requires the right policies and resources in place to do so.
	Monitoring and Evaluation	4/CP.20 paragraphs 4-5, AC report to COP 21	Encourage the GCF Board to prioritize the adoption of performance measurement frameworks as soon as possible.	While the board's 2016 work plan has the Secretariat's indicators for the performance measurement framework, it is unclear when they will be fully implemented. It is important that they do this as soon as possible, so that projects may incorporate them as they are being designed and launched.
	Accountability Units	Decision B.13/16	Welcomes the appointment of the heads of the independent accountability units and urges the GCF to develop policies for these units in a timely manner.	Evaluation, integrity, and, in particular, redress are functions that the COP as commented on in the past. These functions should be fully established at the GCF promptly as the Fund scales up operations.

<i>Elements</i>	<i>Sub-elements</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>	<i>Comments by SCF members</i>
Programme priorities	Private Sector	Decision B.12/20, Annex I	Encourages the GCF to strengthen its engagement with the private sector beyond the current accredited entities.	Barriers to private sector engagement with the GCF persist, as we have heard from the Secretariat, Active PSOs, and other stakeholders. Additionally, the PSAG has not met or provided advice to the Board in some time. Maximising private sector engagement is a key objective of the GCF's Strategic Plan, yet it is not being acted on like the other objectives are.
	Programmatic Approaches	GCF Governing Instrument paragraph 36; B.07/03, paragraph (e)	Encourages the GCF to promote the use of programmatic approaches, including national, regional, global, and cross-sectoral programs.	Greater use of programmes is needed to allow GCF to reach the scale of operations it needs to tackle the climate challenge, yet policy and institutional barriers still exist.
	Technology Needs	Report to COP	Welcomes the increased cooperation between the GCF and the CTCN to address the needs of developing countries to mitigate and adapt to climate change, and encourages both Secretariats to continue coordinating efforts.	Coordination between the GCF and CTCN over the past year has yielded viable funding options; we would like to see this effort continue.
Eligibility criteria				
Others	Funding Approvals	Report to COP	Welcomes with appreciation the significant scaling up of GCF operations so far in 2016, noting the \$XXXB committed to specific projects and programs, and the issuance of requests for proposals worth up to \$XXXM.	The COP should note and indicate appreciation for the efforts to the GCF Board and Secretariat to scale up operations in 2016. (Dollar figures to be updated after the October GCF Board Meeting.)

Annex II

Submissions received from the Parties on draft guidance to the operating entities¹³

Submission from Japan

Japan welcomes the opportunity to submit its views and recommendations on the elements to be taken into account in developing guidance to the Green Climate Fund (GCF) in accordance with Decision 7/CP.21, paragraph 29.

1. General views

Japan welcomes that the GCF has made various progress relating to its operation. For example, approximately USD 10.3 billion has been pledged to date and the total of signed contribution agreements and arrangements has reached a valued of USD 9.9 billion. 9 projects were approved at the thirteenth meeting of the Board, committing USD 256.6 million from GCF funding. Readiness support proposals were approved for 49 countries. 33 entities were approved as accredited entities by the Board. The Board adopted the initial Strategic Plan at its twelfth meeting. These kinds of positive progress relating to the GCF's operation should be featured in the guidance of the COP to the GCF to encourage further progress of the GCF. Furthermore, the COP should give essential guidance to the GCF on its activities, giving orientation toward its solid operation.

2. Recommendations

Japan recommends the following elements to be taken into account in the guidance to the GCF.

(1) The COP should welcome the contribution to the GCF:

approximately USD 10.3 billion has been pledged by 48 countries, regions and cities to date, and 38 of them have signed contribution agreements or arrangements, amounting to a value of USD 9.9 billion which represents over 96 per cent of the pledged resources.

Rationale: The COP should acknowledge that 96 per cent of the total amount pledged has been confirmed to date.

(2) The COP should welcome the following progress of the GCF:

a) the Board of the GCF approved [x] projects worth USD [x] from the GCF at its

¹³ Latest submissions from Parties can be found in the UNFCCC Submission Portal: <
<http://www4.unfccc.int/submissions/SitePages/sessions.aspx?showOnlyCurrentCalls=1&populateData=1&expectedsubmissionfrom=Parties&focalBodies=COP>>.



thirteenth and fourteenth meeting:

Rationale: The COP should acknowledge that the Board steadily approved projects this year following the previous year.

b) the readiness support proposals for [x] countries have been approved to date:

Rationale: The COP should acknowledge that readiness support proposals have steadily been approved.

c) the Board of the GCF has approved [x] entities as accredited entities and [x] accredited entities have signed the Accreditation Master Agreement to date:

Rationale: The COP should acknowledge that a significant number of entities have been approved as accredited entities which are indispensable in implementing projects and programmes.

d) the Board of the GCF adopted the initial Strategic Plan at its twelfth meeting.

Rationale: The COP should acknowledge that the Board adopted the initial Strategic Plan which guides the GCF's basic operation.

(3) The COP should request the following to the Board of the GCF:

to conduct the activities in the Work Plan of the Board for 2016 in a timely manner, including those which were deferred to be considered to the future meetings:

Rationale: The Board approved the Work Plan of the Board for 2016 at its twelfth meeting. The Board decided to defer the consideration of some items of the Work Plan, such as the review of the independent technical advisory panel, indicative minimum benchmarks and the independent evaluation of the Fund's Readiness and Preparatory Support Programme.

(4) The COP should request the following to the Secretariat of the GCF, with regard to implementation of the projects which have been already approved at the Board:

to sign Accreditation Master Agreement with accredited entities so that such entities can undertake the already approved projects as soon as possible.

Rational: Since the AMA is indispensable for implementation of the projects, the Secretariat should further strive for signing the AMA with accredited entities, taking note that the limited number of the AMA has been signed between the GCF and accredited entities so far.

(5) The guidance should mention the following related to the linkages between the Technology Mechanism and the Financial Mechanism:

- a) The COP should welcome the in-session workshop on linkages between the Technology Mechanism and the Financial Mechanism was held at the forty-fourth session of the Subsidiary Bodies in May 2016:

Rationale: The COP should acknowledge that an in-session workshop on linkages between the Technology Mechanism and the Financial Mechanism was held at the SB44 in accordance with the Decision 13/CP.21, paragraph 8.

- b) The COP should request the Board of the GCF to continue to consult with the Technology Executive Committee and the Climate Technology Centre and Network and further elaborate the linkages between the Technology Mechanism and the Financial Mechanism, recalling the Decision 13/CP.21.

Rationale: The GCF participated in the in-session workshop held on linkages between the Technology Mechanism and the Financial Mechanism during the forty-fourth session of the Subsidiary Bodies in May. The GCF Board will invite the Chair of the Technology Executive Committee and the Chair of the Advisory Board of the Climate Technology Centre and Network to the fourteenth meeting of the Board to be held in October. Such collaboration should be continued and further elaborated between the GCF, the TEC and the CTCN.

Submission from the European Union

The EU and its Member States welcome the opportunity to send inputs for consideration by the Standing Committee on Finance (SCF) for developing guidance to the operating entities of the Financial Mechanism (FM). We would like to recall our submission dated 15 September 2015 on the same matter. In particular, we would like to reiterate the importance of the SCF analysis of past guidance in order to establish a distinction between more durable *core guidance* to the FM to be revised mainly on the basis of the regular reviews of the FM, and *annual* additional guidance. We believe this work is key to reducing redundancies, incoherence, and inconsistencies within the guidance provided to the operating entities. In this context we would like to commend the enhanced cooperation between the SCF and the thematic bodies under the Convention in order to improve the draft guidance. We would encourage these bodies to continue accordingly and strive for taking even further steps in this regard giving the SCF even better opportunity to compile relevant advice under the Convention.

Similarly, the EU also refers to the request by COP20 to the SCF to provide advice on the issue of the *frequency* of the guidance to the Financial Mechanism. In this context we welcome the work done thus far by the SCF and look forward to further recommendations to the COP22.

When it comes to specific annual guidance to the GEF and the GCF respectively, the EU requests the SCF to review the guidance provided by COP21 and the annual reports of the GEF and the GCF to COP22 on how this guidance has been implemented, and to consider very carefully whether any additional guidance is required at this juncture. In this context, if additional guidance is considered necessary, the EU would encourage considering complementarity and division of labour between the two operating entities of the FM and other funds under the Convention.

Finally, with respect to the GEF, the EU believes that the COP22 is well placed to give more strategic and forward looking guidance as a result of the Paris agreement, and in light of the GEF 7th replenishment negotiations starting next year. Though the replenishment negotiations are to be concluded only after COP23, early guidance relevant to climate change focal area especially on programming priorities during GEF7 (1.7.2018-31.6.2022) by the UNFCCC COP will enable better informed discussions during the GEF replenishment negotiations. In this regard we could under the UNFCCC learn some lessons from the Convention on Biological Diversity which in 2012 gave forward looking guidance for GEF-6 biodiversity strategy development.

From the EU point of view, the priority areas for climate change are supporting capacity building and enhancing enabling environments in order to support implementation of the Paris Agreement. Also sufficient resources should be targeted towards fulfilment of reporting obligations as they build the ground for monitoring progress. In this regard the EU would like to see the support for the Capacity-building Initiative for Transparency (CBIT) to become integral part of the GEF-7. Furthermore, we were pleased to read that the GEF is encouraging countries to align their GEF programming with priorities included in intended nationally determined contributions (INDCs)¹. We would also like to see this continuing in GEF-7. Additionally, as the GEF is the FM for many multilateral environmental agreements it should continue to strive for synergies across them (e.g. by continuing to use the holistic approach to sustainable forest management), and emphasize the possibility to integrate and mainstream climate considerations in a broad range of programs and projects. This work could be further strengthened and called for by the UNFCCC COP as an efficient way of achieving mutual benefits in the implementation of the Paris agreement and the MEAs concerned. The EU highly appreciates the work done so far by the SCF in providing advice to the qualitative improvement of providing guidance to the operating entities of the FM. The EU looks forward to the outcome of this work to be presented in the report of the SCF to COP22, including possible recommendations for additional guidance to the GEF and the GCF.

¹ <http://beta.thegef.org/documents/report-gef-22nd-session-cop-unfccc>

Annex III**Annotated suggestions for elements of draft guidance to the operating entities of the Financial Mechanism received from the Adaptation Committee****Annotated suggestions for elements of draft guidance to the Global Environment Facility**

<i>Elements</i>	<i>Sub-elements</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>
Policies			
Programme priorities	Adaptation: Adaptation integration/mainstreaming	Recommendation of AC members to mainstream adaptation to facilitate greater resilience of programs and operations	Requests the Global Environment Facility to take into consideration climate change risks in all of its programmes and operations, as appropriate, keeping in mind lessons learned and best practices, and to report back on a regular basis to the COP.
Eligibility criteria			

Annotated suggestions for elements of draft guidance to the Green Climate Fund from the Adaptation Committee

<i>Elements</i>	<i>Sub-elements</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>
Policies	Adaptation planning and implementation	GCF Report, table 2, page 14: Guidance from the COP and response from the Board: Adaptation planning: "Invites the Board of the GCF to take into account in its programmatic priorities the Cancun Adaptation Framework, in particular the principles referred to in decision 1/CP.16, paragraph 12, and the activities referred to in decision 1/CP.16, paragraph 14" Decision 7/CP.21, paragraph 21 AC members felt that while activities were addressed, in particular the NAPs, less was done to take into account the principles	Reiterates its invitation to the Board of the GCF to review their adaptation relevant procedures and policies, including their programmatic priorities, in view of decision 1/CP.16, paragraph 12 and Article 7.5 of the Paris Agreement on Climate Change.
Programme priorities	Adaptation: Adaptation integration/mainstreaming	Recommendation of AC members to mainstream adaptation to facilitate greater resilience of programs and operations	Requests the GCF to take into consideration climate change risks in all its programmes and operations, as appropriate, keeping in mind lessons learned and best practices, and to report back on a regular basis to the COP.

<i>Elements</i>	<i>Sub-elements</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>
	Adaptation: Process to formulate and implement national adaptation plans (NAPs)	GCF Board decision B.13/09 referred to in table 2, page 5 of GCF Report under national adaptation plans	Welcomes with appreciation decision B.13.09 of the Board of the Green Climate Fund, and looks forward to its timely implementation.
	Adaptation: Process to formulate and implement national adaptation plans (NAPs)	GCF Board decision B.13/09 referred to in table 2, page 5 of GCF Report under national adaptation plans Note: The Adaptation Committee noted the request for the GCF secretariat to revise existing templates and processes and looked forward to its earliest completion.	Urges the Board of the Green Climate Fund to provide guidance on the development of readiness proposals to access the activity area for the formulation of national adaptation plans and other national adaptation planning processes.
Eligibility criteria			
Others		Recommendation of the AC to developing countries to use existing support	Invites developing countries, especially those that are particularly vulnerable to the adverse effects of climate change, to use the Project Preparation Facility and the Readiness and Preparatory Support Programme to prepare transformative adaptation projects

Annex IV**Annotated suggestions for elements of draft guidance to the operating entities of the Financial Mechanism received from the Technology Executive Committee****Annotated suggestions for elements of draft guidance to the Global Environment Facility**

<i>Elements</i>	<i>Sub-elements</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>
Policies			
Programme priorities	Poznan strategic programme on technology transfer	<p>Report of the GEF to the COP (FCCC/CP/2016/6, pp.14/15)</p> <p>Invited Parties, the CTCN and other relevant entities working on technology development and transfer to act upon the recommendations contained in the report referred to in paragraph 75 above and encouraged the GEF and other relevant financial entities to consider them.</p>	<p>Welcomes the actions taken by the GEF in response to the recommendations by the TEC following the evaluation of the Poznan strategic programme to enhance the effectiveness of the Technology Mechanism.</p>
		<p>Report of the GEF to the COP (FCCC/SBI/2015/16, pp. 26)</p> <p>Evaluation of the Poznan strategic programme on technology transfer: final report by the Technology Executive Committee - Recommendations</p>	
	Poznan strategic programme on technology transfer	Report of the GEF to the COP (FCCC/CP/2016/6, pp.39-41)	Supports the GEF's continued engagement and coordination with the CTCN through the Poznan Strategic Programme and regional technology transfer and financing centres.
Eligibility criteria			

Annotated suggestions for elements of draft guidance to the Green Climate Fund

<i>Elements</i>	<i>Sub-elements</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>
Policies			
Programme priorities	Technology Needs	Report of the GCF to the COP (FCCC/CP/2016/7, pp. 15) Joint annual report of the TEC and the CTCN for 2016 (FCCC/SB/2016/1)	Welcomes the increased cooperation between the GCF and the CTCN to address the needs of developing countries to mitigate and adapt to climate change, and encourages the GCF and CTC to continue such efforts.
Eligibility criteria			
Others			