



SUBMISSION BY SPAIN AND THE EUROPEAN COMMISSION ON BEHALF OF THE EUROPEAN UNION AND ITS MEMBER STATES

Madrid, 21st September 2023

Subject: **Annotated inputs for the draft guidance to the Green Climate Fund (GCF)**

<i>Elements</i>	<i>Sub-elements</i>	<i>Proposed inputs</i>	<i>To be considered:</i> <i>(1) Commonly by the COP and the CMA or;</i> <i>(2) Specifically by the CMA.</i>	<i>Rationale for the inputs</i>	<i>Source of information / reference</i>
Policies	Updated Strategic Plan	<ul style="list-style-type: none"> - Welcome the adoption of the Updated Strategic Plan, underscoring the GCF's critical importance as the world's largest dedicated climate fund for providing support to developing countries to limit or reduce greenhouse gas emissions and to adapt to the impacts of climate change. - Request the GCF to ensure an ambitious, rapid and full-scale implementation of the Updated Strategic Plan in the 2024-2027 period, thereby exceeding the Fund's portfolio-level mitigation and adaptation results compared to the GCF-1 period and, as a result, further increase the Fund's impact 	COP and CMA		

Elements	Sub-elements	Proposed inputs	To be considered: (1) Commonly by the COP and the CMA or; (2) Specifically by the CMA.	Rationale for the inputs	Source of information / reference
		<p>and support for developing countries.</p> <ul style="list-style-type: none"> - In this context and through the implementation of the Updated Strategic Plan, urge the GCF to continue accelerating climate-resilient development in developing countries and to contribute to reducing global greenhouse gas emissions by 43 per cent by 2030 relative to the 2019 level, thereby keeping the 1.5°C limit within reach. 			
	Access	<ul style="list-style-type: none"> - Welcome GCF's considerable progress on improving access, recognizing that project approval and disbursement processes have been accelerated significantly. In this context, welcome the GCF's reform efforts to further facilitate and simplify access, especially direct access, including through the launch of the Project Specific Assessment Approach and through defining improved access as the key operational priority in the Updated Strategic Plan. - Building on the GCF's progress, encourage the GCF to further strengthen access, especially direct access, including by reducing bureaucratic burden in project and 	COP and CMA		

Elements	Sub-elements	Proposed inputs	To be considered: (1) Commonly by the COP and the CMA or; (2) Specifically by the CMA.	Rationale for the inputs	Source of information / reference
		<p>accreditation procedures, further enhancing coherence with other climate funds, expediting the deployment of the Project Specific Assessment Approach and the Simplified Approval Process, and enabling AEs to apply their own policies in (re-)accreditation processes, while maintaining best practice and substantial equivalence to GCF policies.</p>			
	Regional Presence	<ul style="list-style-type: none"> - Request the GCF to expedite its ongoing consideration on establishing a GCF regional presence, emphasizing the value of enhancing the GCF's proximity to its strategic partners, including the countries, communities and accredited entities it serves, while ensuring full consideration of costs and organizational efficiency. 	COP and CMA		
	Accreditation	<ul style="list-style-type: none"> - Welcome the GCF's ongoing efforts to streamline accreditation procedures, including through the accreditation strategy. Note that a number of strategic matters relating to accreditation have not been addressed in the accreditation strategy and require further Board consideration, in line with Decision B.34/19. 	COP and CMA		

Elements	Sub-elements	Proposed inputs	To be considered: (1) Commonly by the COP and the CMA or; (2) Specifically by the CMA.	Rationale for the inputs	Source of information / reference
		<ul style="list-style-type: none"> - In this context, request the GCF to address the strategic accreditation matters not covered by the accreditation strategy as soon as possible, in line with Decision B.34/19. 			
Programme priorities	Art. 2.1c PA	<ul style="list-style-type: none"> - Request the GCF to increase its support to developing countries with regard to the goal of the Paris Agreement to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development, thereby supporting developing countries to, inter alia, set up green financial systems, expand their access to green finance, and help national and regional financial institutions, public and private, from developing countries to align their operations with the goals of the Paris Agreement, including by mainstreaming climate considerations into investment operations. 	CMA		
	Balance Mitigation/Adaptation	<ul style="list-style-type: none"> - Welcome that GCF continues to achieve a 50:50 balance between mitigation and adaptation investments over time, calculated in grant equivalence, and, with regard to its adaptation activities, encourage the GCF to maintain a special focus on developing 	COP and CMA		

Elements	Sub-elements	Proposed inputs	To be considered: (1) Commonly by the COP and the CMA or; (2) Specifically by the CMA.	Rationale for the inputs	Source of information / reference
		countries that are particularly vulnerable to adverse effects of climate change including LDCs, SIDS and African States.			
	Project Pipeline Prioritization	<ul style="list-style-type: none"> - Given the urgency of ambitious climate action, encourage the GCF to continue strengthening the impact of its project portfolio and, in this context, urge the GCF to prioritize adopting high-quality funding proposals that add maximum impact. - Encourage GCF to provide further transparency and information regarding projects under implementation. 	COP and CMA		
	Private sector	<ul style="list-style-type: none"> - Welcome the GCF's important role in shifting and catalysing financial flows managed by the private sector into low-emission and climate-resilient investments in developing countries. - Urge the GCF to further accelerate its efforts to de-risk private climate investments in developing countries, including by supporting developing countries to set up enabling environments for private investments in mitigation and adaptation projects. - In this context, request the GCF to increase the share of funding 	COP and CMA		

Elements	Sub-elements	Proposed inputs	To be considered: (1) Commonly by the COP and the CMA or; (2) Specifically by the CMA.	Rationale for the inputs	Source of information / reference
		<p>allocated through the Private Sector Facility compared to the GCF-1 period, with a view to increase the share of private sector funding in the GCF's overall project portfolio.</p> <ul style="list-style-type: none"> - Encourage the GCF to intensify its collaboration with the local private sector, MSMEs and national and regional financial institutions from developing countries and to develop innovative ways to attract more private sector investments in adaptation projects. 			
	Financial instruments diversification	<ul style="list-style-type: none"> - Invite the GCF to continue taking strategic and calculated risk in its investment operations and, in this context, encourage the GCF to deploy the full range of its financial instruments, including equity and guarantees, to mobilize climate financing at scale from other sources, including the private sector. 	COP and CMA		
	Technology	<ul style="list-style-type: none"> - Welcome the information provided by the GCF on support for technology, including collaborative research and development and through projects and programmes, and the improved tracking of technology investments and reporting of technology-related activities, through the revised 	COP and CMA		

Elements	Sub-elements	Proposed inputs	To be considered: (1) Commonly by the COP and the CMA or; (2) Specifically by the CMA.	Rationale for the inputs	Source of information / reference
		<p>funding proposal template and manual. Looks forward to continued updates by GCF to the COP on the progress of the analysis of its technology-related portfolio and this tracking approach, and on GCF's work with the Technology Mechanism to support developing countries.</p> <ul style="list-style-type: none"> - Welcome the recommendations made by the GCF to enhance collaboration between GCF and CTCN, including assessing the CTCN readiness portfolio, fostering collaboration between national designated entities under the Technology Mechanism and NDAs, and exploring a multi-country readiness approach, and encourage the GCF to further explore such collaboration with the CTCN. 			
Eligibility criteria					
Others	1.5°C/Systemic responses	<ul style="list-style-type: none"> - Encourage the GCF to continue promoting the paradigm-shift towards low-emission and climate-resilient development in developing countries and, in this context, be guided by the goals of the Paris 	COP and CMA		

<i>Elements</i>	<i>Sub-elements</i>	<i>Proposed inputs</i>	<i>To be considered:</i> <i>(1) Commonly by the COP and the CMA or;</i> <i>(2) Specifically by the CMA.</i>	<i>Rationale for the inputs</i>	<i>Source of information / reference</i>
		<p>Agreement, thereby contributing to reducing global greenhouse gas emissions by 43 per cent by 2030 relative to the 2019 level and keeping the 1.5°C limit within reach.</p> <ul style="list-style-type: none"> - In this context, urge the GCF to support developing countries in system transitions across sectors, noting the need to shift from incremental to systemic responses to climate change. 			
	Selection of Executive Director	<ul style="list-style-type: none"> - Welcome the selection of Mafalda Duarte as new Executive Director of the GCF and encourage the Executive Director to further strengthen the Fund's governance and the Fund's attractiveness as an employer. 	COP and CMA		
	Second Replenishment	<ul style="list-style-type: none"> - Welcome the ongoing second replenishment of the GCF and strongly encourage all Parties in a position to do so to provide ambitious contributions to the second replenishment, thereby increasing the Fund's impact and ambition. 	COP and CMA		
	Governance/Gender	<ul style="list-style-type: none"> - Encourage the Board to further advance a joint approach across its Board ("One Board" approach) to improve the efficiency, inclusiveness and effectiveness of its decision-making, with a view to 	COP and CMA		



<i>Elements</i>	<i>Sub-elements</i>	<i>Proposed inputs</i>	<i>To be considered:</i> <i>(1) Commonly by the COP and the CMA or;</i> <i>(2) Specifically by the CMA.</i>	<i>Rationale for the inputs</i>	<i>Source of information / reference</i>
		<p>facilitate work across constituencies.</p> <ul style="list-style-type: none"> - Invite the GCF to further increase the efficiency, transparency and predictability of GCF-internal decision-making procedures, including through stronger delegated authority for the Secretariat, to improve the overall governance of the Fund. - Recall the critical importance of the GCF's Gender Policy and Gender Action Plan, encourage the GCF to closely monitor the implementation of this action plan, and urge the Fund to enhance the Plan's ambition in its next version to be adopted for the 2024-27 programming period. 			

Annotated inputs for the draft guidance to the Global Environment Facility (GEF)

<i>Elements</i>	<i>Sub-elements</i>	<i>Proposed inputs</i>	<i>To be considered:</i> (1) <i>Commonly by the COP and the CMA or;</i> (1) <i>Specifically by the CMA.</i>	<i>Rationale for the inputs</i>	<i>Source of information / reference</i>
Policies					
Programme priorities					
Eligibility criteria					
Others					