

DRAFT TEXT

on

**CMA 5 item 10(c)
Matters relating to finance
Guidance to the Global Environment Facility**

Version 5/12/2023

Guidance to the Global Environment Facility

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

Recalling Article 13, paragraphs 14–15, of the Paris Agreement,

1. *Recommends* that the Conference of the Parties at its twenty-eighth session transmit to the Global Environment Facility the guidance contained in paragraphs X–Y below;
2. *Welcomes* the Global Environment Facility’s support provided for the enhanced transparency framework during the reporting period, including:
 - (a) **Support for preparing biennial transparency reports, including the combined application process for preparing multiple biennial transparency reports and the expedited process for projects related to biennial transparency reports;**
 - (b) **89 capacity-building initiative for transparency projects provided in 87 countries aimed at building national capacity to implement the enhanced transparency framework;**
3. *Underlines* the importance of providing adequate and predictable support to developing countries for preparing biennial transparency reports;
4. *Invites* the Global Environment Facility to assess how the financial support provided to developing countries for preparing biennial transparency reports can best support the building of sustainable institutional capacity in their governments;
- 4 bis. *Requests* the Global Environment Facility to consider current transparency-related institutional arrangements within developing countries with respect to paragraph 3, and to organize a workshop in collaboration with the UNFCCC Secretariat on how the financial support to developing countries for preparing biennial transparency reports can best support the building of sustainable institutional capacity in developing countries’ governments;
- 4 ter. *Requests* the Global Environment Facility to provide, on an expedited basis, written guidance to Parties on what arrangements need to be put in place by developing country Parties to facilitate the use of the financial support for the reporting provided by the Global Environment Facility to build and maintain reporting capacity in developing countries’ governments on a continuous basis;
5. *Encourages* the GEF to interact with 52 countries that are eligible but have not yet applied for Global Environment Facility funding for their first biennial transparency report;

6. *Encourages* the Global Environment Facility to continue its efforts to provide adequate, predictable and timely financial support for biennial transparency reports, including through the expedited process for projects related to preparing the biennial transparency reports and by providing comprehensive support to developing countries, including through capacity building, to enable them to prepare the reports in a timely manner;
- 6 bis. *Encourages* the Global Environment Facility to continue its efforts to provide adequate, predictable, and timely financial support for biennial transparency reports, including through exploring alternative programming modalities, procedures and processes for facilitating and expediting access to financial resources and by providing comprehensive support to developing countries, including through capacity building, to enable them to prepare the reports in a timely manner;
- 6 ter. *Invites* the Global Environment Facility to assess the feasibility of streamlining processes to enable Parties that wish to do so to supplement their funding for biennial transparency reports from their system for transparent allocation of resources allocation;
7. *Encourages* the Global Environment Facility to enhance collaboration with its implementing agencies and recipient countries to promote timely delivery of support for the enhanced transparency framework;
8. *Calls* for an increase to at least double the financial resources allocated to preparing the biennial transparency reports in the ninth replenishment of the Global Environment Facility;
9. *Invites* the Global Environment Facility to prepare an information note on the update of the cost structure for financing biennial transparency reports to inform the negotiations for the ninth replenishment of the GEF, to secure adequate, sufficient and timely financial resources for developing countries to comply with the enhanced transparency framework under Article 13 of the Paris Agreement;
10. *Requests* the Global Environment Facility to conduct an informal consultation prior to the sixtieth session of the Subsidiary Body for Implementation (June 2024) on the costs and support requirement of developing countries to prepare biennial transparency reports under the eight replenishment;
11. *Requests* the Global Environment Facility to continue its support to address the needs and challenges of developing countries to fulfil the reporting requirements, including by considering ways to better serve different regions, in accordance with the Paris Agreement and its existing mandate;
12. *Requests* the Global Environment Facility to take measures to ensure that developing country Parties are able to access resources from the Facility without restrictions;
13. *Looks forward* to additional steps by the Global Environment Facility, in the context of its sustainable bond strategy, to ensure that the asset management by the trustee is aligned with the goals set in the Paris Agreement and the 2030 Sustainable Development Agenda and the Global Biodiversity Framework;

14. *Requests* the Global Environment Facility, in the context of its adaptation strategy, to take into account the Global Goal on Adaptation adopted through decision XX/CMA.5 and to explore ways to support Parties to implement the Goal;
 15. *Requests* the Global Environment Facility to include in its annual report to the Conference of the Parties the stage of the technology cycle supported by its projects with a technology component and invite consultation with the Technology Executive Committee on the specification of the stages of the technology cycle;
 16. *Requests* to further explore ways to provide support to developing country Parties for assessing their needs and priorities in a country driven manner, including technology and capacity-building needs, and for translating climate finance needs into action;
 17. *Encourages* the Global Environment Facility to further strengthen its approach to mobilising private finance, including through blended finance, with a view to de-risking scalable projects in developing countries and to contribute towards achieving the objectives of the Paris Agreement;
 18. *Notes* the decision by the Conference of the Parties as contained in decision -/CP.28, paragraph X,¹ and *confirms* that it will provide its next guidance to the Global Environment Facility at its seventh session (November 2025) and biennially thereafter.
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¹ Decision -/CP.28, Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility.