

DRAFT TEXT
on
CMA 5 item 10(c)
Matters relating to finance
Guidance to the Global Environment Facility
8/12/2023

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 2–20 below;
2. *Welcomes* the support provided by the Global Environment Facility to developing countries in relation to implementing the enhanced transparency framework under Article 13 of the Paris Agreement during the reporting period, including support for:
 - (a) Preparing biennial transparency reports, including through the combined application process for preparing multiple biennial transparency reports and the expedited process for projects related to biennial transparency reports;
 - (b) Implementing 89 projects under the Capacity-building Initiative for Transparency 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. *Encourages* the Global Environment Facility to continue efforts to, in an expeditious manner, provide adequate, predictable and timely financial support to developing countries for preparing biennial transparency reports;
5. *Requests* the Global Environment Facility to continue taking necessary measures to ensure, as appropriate, that the set-aside of the eighth replenishment of the Global Environment Facility does not impact the allocation of resources to developing countries under the System for Transparent Allocation of Resources, as per decision 12/CMA.3, paragraph 7(b);
6. *Encourages* the Global Environment Facility to communicate with countries that have not yet applied for funding for their first biennial transparency report in order to explore their needs and the challenges they face in this regard and, as applicable, to encourage them to apply;
7. *Calls* for the financial resources allocated for preparing biennial transparency reports to be at least doubled in the ninth replenishment of the Global Environment Facility compared with the level allocated in the eighth replenishment;
8. *Encourages* the Global Environment Facility to enhance collaboration with Parties and implementing agencies to promote timely delivery of support for implementing the enhanced transparency framework;

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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 Global Environment Facility, with a view to securing adequate, sufficient and timely financial resources to enable developing countries to comply with reporting requirement under the enhanced transparency framework;
 10. *Requests* the Global Environment Facility to continue providing support for addressing the needs of and challenges faced by developing countries in fulfilling their reporting requirements, including by considering ways to better serve countries in different regions, in accordance with the Paris Agreement and its existing mandate;
 11. *Further requests* the Global Environment Facility to take measures to ensure that developing countries are able to access its resources without restrictions;
 12. *Looks forward* to additional steps by the Global Environment Facility, in the context of its sustainable bond strategy, to ensure that asset management by its trustee is aligned with the goals of the Paris Agreement, the 2030 Agenda for Sustainable Development and the Kunming-Montreal Global Biodiversity Framework;
 13. *Requests* the Global Environment Facility to take into account, in the context of its adaptation strategy, the global goal on adaptation, adopted through decision XX/CMA.5 and to explore ways to support Parties in achieving the Goal;
 14. *Also requests* the Global Environment Facility to include in its annual report to the Conference of the Parties information on the stages of the technology cycle supported by its projects with a technology component and in doing so, consult with the Technology Executive Committee to specify the stages of the technology cycle;
 15. *Further requests* to continue exploring ways to support developing countries in assessing their needs, including technology and capacity-building needs, and priorities in a country-driven manner, and in translating climate finance needs into action;
 16. *Encourages* the Global Environment Facility to further strengthen its approach to mobilizing private finance, including through blended finance, with a view to de-risking scalable projects in developing countries and contributing to achieving the goals of the Paris Agreement;
 17. *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.
 18. *Requests* the secretariat in collaboration with the Global Environment Facility to organize, subject to the availability of financial resources, a workshop on how the financial support to developing countries for preparing biennial transparency reports can best foster the building of sustainable institutional capacity in developing countries' governments;

¹ Decision -/CP.28, Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility.

19. *Requests* the Global Environment Facility to provide information to developing countries on arrangements needed to facilitate their use of the available financial support for preparing biennial transparency reports, with a view to building and maintaining institutional capacity in developing countries;

20. *Requests* the secretariat in collaboration with the Global Environment Facility to conduct an informal consultation with developing countries prior to the sixtieth session of the Subsidiary Body for Implementation (June 2024) on the costs and support requirements of developing countries for preparing biennial transparency reports under the eighth replenishment of the Global Environment Facility;