

Annotated suggestions for elements of draft decisions on the 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		GEF Minimum Fiduciary Standards	<i>Welcomes</i> the GEF Secretariat's ongoing efforts to verify the extent of agency implementation and compliance with the GEF Minimum Fiduciary Standards, ¹ including through the ongoing Independent Third Party Review of UNDP.	This element looks forward to the final report on UNDP's remedial efforts to address its fiduciary shortcomings, the expedited UNDP Independent Third Party Review, as well as to the wider third-party review of GEF Agencies' compliance with the GEF Minimum Fiduciary Standards.
Program priorities			<i>Welcomes</i> the GEF Secretariat's continued efforts in relation to the provision of adequate financing for the biennial transparency reports.	This element voices support for the GEF Secretariat's financing of biennial transparency reports including associated modalities and streamlined process.
			<i>Welcomes</i> the GEF's efforts to enhance long-term complementarity, coherence, and collaboration with the Green Climate Fund (GCF), including the annual joint progress report to be submitted to the GEF Council and the GCF Board.	This element expresses support for efforts to enhance complementarity between the GEF and GCF.
			<i>Welcomes</i> the GEF's continued efforts to mainstream climate programming throughout its portfolio through the ongoing use of integrated programming.	This element expresses support for the GEF's efforts to continue its integrated programming approach.

¹ [GEF Minimum Fiduciary Standards](#)

Program Priorities (Cont'd)			<p>Welcomes the GEF's continued efforts to minimize the time between the approval of project concepts, the development and approval of the related projects, and the disbursement of funds by its implementing/executing agencies to the recipient countries of those projects, including for the biennial transparency reports.</p>	<p>This element builds on the invitation in 13/CP.25 to enhance efforts to streamline the project and program cycle process.</p>
		<p>GEF Private Sector Engagement Strategy, Report of the GEF Working Group on Governance</p>	<p>Welcomes the work undertaken by the GEF during its reporting period (1 July 2020 to 30 June 2021), including:</p> <ul style="list-style-type: none"> (a) The approval of climate change projects and programmes approved during the reporting period under the Global Environment Facility Trust Fund, the Least Developed Countries Fund, and the Special Climate Change Fund; (b) The continued support of projects under the Capacity Building Initiative on Transparency; (c) The endorsement and implementation of the Private Sector Engagement Strategy²; (d) The implementation of recommendations from the Working Group on Governance³; (e) The approval of the Long-Term Vision on Complementarity, Coherence, 	<p>This element welcomes GEF activities undertaken in the current reporting period.</p>

² [GEF Private Sector Engagement Strategy](#)

³ [Report of the GEF Working Group on Governance](#)

			and Collaboration between the Green Climate Fund and the Global Environment Facility ⁴ ;	
Program Priorities (Cont'd)			<i>Requests</i> the GEF to update the GEF Policy on Gender Equality ⁵ to include LGBTQIA+ people.	This element expresses support for the explicit inclusion of LGBTQIA+ people in the GEF's gender equity and gender mainstreaming efforts.
			<i>Welcomes</i> the GEF's continued efforts to evaluate the effectiveness of the GEF Integrated Approach to address the drivers of environmental degradation. ⁶	This element welcomes continued efforts to quantify the effectiveness of the GEF Integrated Approach.
Eligibility criteria	Funding Proposals		<i>Requests</i> the GEF to take appropriate measures to ensure that its policies and procedures related to the consideration and review of funding proposals are duly followed in an efficient manner.	This element is important to many Parties to signal the importance of the GEF following its policies and procedures.

⁴ [Long-Term Vision on Complementarity, Coherence and Collaboration between the Green Climate Fund and the Global Environment Facility \(thegef.org\)](https://thegef.org/)

⁵ [GEF Policy on Gender Equality](#)

⁶ [GEF Independent Evaluation of the Integrated Approach for the Drivers of Environmental Degradation](#)

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

<i>Element</i>	<i>Sub-element</i>	<i>Sources of information for accountability</i>	<i>Proposed inputs and rationale</i>	<i>Comments by SCF members</i>
Policies	Policy gaps	Tenth report of the GCF to the COP, paragraphs 14 and 21 [to be finalized, current version: GCF/B.29/03]	<i>Notes with concern</i> the significant number of outstanding policy gaps, recalling that [24] policy items remain to be addressed in 2021 according to the Board's revised work plan and <i>urges</i> the GCF board to prioritize closing these policy gaps, including in particular:	As of the end of B.28, taking into account the Board's revised work plan, 24 policy items from the current workplan remained to be addressed. It is critical that the Board urgently take steps to close these outstanding gaps in order to increase effectiveness and provide clear guidance to GCF partners.
	Decision-making Process	GCF Rules of Procedure paragraph 41-44,	<i>Requests</i> the GCF Board to prioritize development of procedures for approving decisions between meetings that ensure such decisions are consistent with the guiding principles of transparency and accountability.	This policy is critical to allow the Board to take time-sensitive decisions between meetings in a consistent manner.
	Policies on financial terms and conditions	GCF decision B.19/06, paragraph (d)	<i>Urges</i> the GCF to finalize policies on the review of the financial terms and conditions of GCF instruments and concessionality, incremental costs, and co-financing.	These policies have been discussed for several Board meetings and should be finalized during 2020.
	Adaptation	GCF decision B.17/10, paragraph (c)(ii)	<i>Urges</i> the GCF to finalize guidance on the approach and scope for providing support for adaptation activities, taking into account best practices at other multilateral funds and other approaches.	B.17/10 requested guidance for consideration at B.19. This should be finalized during 2020.
	Simplified Approval Process	GCF decision B.25/08 (simplified approval process);	<i>Requests</i> the Board to complete its work streamlining and simplifying approval processes, including for readiness support and national adaptation plans.,	This is verbatim from the 2019 COP guidance. B.25/08 requested an updated simplified approval process for Board consideration by B.26.

	Accreditation	B.24/06 (project-specific assessment approach); GCF Updated Strategic Plan 2020-2023, paragraph 26(a).	<i>Requests the Board to finalize the review of its accreditation framework as soon as possible, so as not to disrupt the project and programme approval cycle during the first formal replenishment, and in view of the GCF's commitment to adopt a more strategic approach to accreditation.</i>	The review of the accreditation framework, along with approval of the project-specific assessment approach, is critical to enhancing the GCF's accreditation function; B.24/06 determined that the PSAA should be considered by the Board at B.25.
	Committee guidelines	GCF decision B.25/03 paragraph (e)	<i>Requests the Board to finalize updated general guidelines for committees.</i>	This policy will accelerate the workflow of committees, which will contribute to enhanced efficiency of the GCF.
Program me priorities	Pipeline Management	GCF Governing Instrument paragraph 3	<i>Welcomes the GCF's rapid scaling up of funding proposal approvals and encourages the GCF to develop a structure for prioritization of proposals and for maximizing the impact of its funding for adaptation and mitigation.</i>	
	Programmatic Approaches	GCF Governing Instrument paragraph 36; B.07/03, paragraph (e)	<i>Requests the GCF to promote the use of programmatic approaches, including national, regional, global, and cross-sectoral programs and to develop a programmatic approach modality to enable program development.</i>	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. The most critical to address is development of a programmatic approach modality.
Eligibilit y criteria	Private Sector Strategy	GCF Decision B.19/17	<i>Requests the GCF to finalize its Private Sector Facility Strategy to serve as a strategic road map of the Secretariat for leveraging, mobilizing, and engaging domestic and international private sector actors; and complete its review of the modalities of the Private Sector Facility.</i>	The Board requested the Private Sector Facility Strategy at B.19 and it is key to ensuring the private sector facility continues to serve private sector needs effectively. B.07/08 dictated that the GCF undertake a review of the initial modalities for the operation of the Fund's mitigation and adaptation windows and the PSF, no later than three years after the initial resource mobilization of the Fund.

	Sectoral Guidance		<i>Requests</i> the GCF to work with technical experts to finalize sectoral guidelines for GCF investments with the objective of establishing common understanding and expectations for GCF funded activities.	
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