

Switzerland Submission of draft guidance elements to the GCF and the GEF

On behalf of Switzerland and pursuant to paragraph 21 of decision 16/CP.27 and paragraph 18 of decision 17/CP.27 we would like to submit the following elements of guidance for the GCF and the GEF.

Annotated inputs for the draft guidance to the Green Climate Fund (GCF)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: (1) Commonly by the COP and the CMA or; (2) Specifically by the CMA.</i>	<i>Rationale for the inputs</i>	<i>Source of information / reference</i>
Policies	Strategic Plan and Replenishment 2024-2027	Welcomes with appreciation the adoption of the Strategic Plan 2024-2027 and the successful conclusion of the GCF-2 replenishment of xx USD and <i>urges</i> the GCF to pursue efforts to broaden its contributor base to high-income countries and major emitters;	COP/CMA	Appreciate contributions from all contributors to the GCF-2 replenishment.	GCF Replenishment outcomes
Programme priorities	Results-orientation	<i>Calls on</i> the GCF to prioritize funding proposals with the highest climate impact per dollar invested in terms of emission reductions and increased adaptation, based on IRMF core indicators, and with high potential for replication and scalability;	COP/CMA	Based on the Governing Instrument, the GCF strives to maximize the impact of its funding for mitigation and adaptation. This can be achieved by prioritizing projects with highest expected impacts based on the IRMF indicators, which were approved by the Board in decision B.29/01.	Art. 3 GCF GI, Objectives and guiding principles; decision GCF/B.29/01.
Programme priorities	Aligning financial flows / 2.1(c)	<i>Requests</i> the GCF to enhance its contribution to Art. 2.1(c) of the Paris Agreement and greening financial systems, and to continue supporting local financial institutions and accredited entities in greening their portfolio;	CMA	The GCF serves the Paris Agreement and plays a role in greening the financial sector, which contributes to Art. 2.1(c).	
Programme priorities	Balance Mitigation-Adaptation	<i>Reiterates</i> the request to the GCF to maintain the balance in the allocation of resources between adaptation and mitigation in grant equivalent terms, and <i>calls on</i> the GCF to increase its efforts for supporting the decarbonization of carbon intensive sector, consistent with limiting the temperature increase to 1.5°C above pre-industrial levels;	CMA	According to the latest report of the IPCC, limiting human-caused global warming requires net zero CO2 emissions. ... and the level of greenhouse gas emission reductions this decade largely determine whether warming can be limited to 1.5°C or 2°C (high confidence).	IPCC AR6 Synthesis Report.
Programme priorities	Enabling Environments	<i>Requests</i> the GCF to enhance its focus on improving policy and regulatory frameworks for climate and to mainstream work on enabling environments in readiness activities and funding proposals;	COP/CMA	The Strategic Plan 2024-2027 underlines that the GCF can help developing countries create the conditions to make finance flows consistent with a pathway towards low-emissions and climate resilient development pathways.	GCF Strategic Plan 2024-2017

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Programme priorities	Climate-Nature Nexus / Nature-based solutions	<i>Calls</i> on the GCF to scale up its support to projects and programmes that address the climate – biodiversity nexus by exploiting synergies, for example through the integration of nature-based solutions;	COP/CMA	The Strategic Plan 2024-2027 calls on the GCF to pursuing synergetic programming to address the climate biodiversity nexus. However, as the results from other climate funds show there potential for co-benefits is enormous and the GCF is far from fully exploiting it.	
Programme priorities	Gender	<i>Urges</i> the GCF to improve the implementation of its Gender Policy in funding proposals, to strive to be gender transformative in its intervention, and <i>requests</i> the Board to improve gender balance in the GCF Board membership and its committees, panels and groups;	COP/CMA	The Second Performance Review found that “while gender-policy compliance is high in terms of preparing the required documents, this has not automatically translated into meaningful influence or action on the ground”, and that more than two thirds of respondents to a survey by the Independent Evaluation Unit found the gender balance in the GCF Board and its committees, panels and groups inadequate.	GCF Second Performance Review, pp.116-122.
Policies	Simplification of processes	<i>Requests</i> the GCF to undertake a review of existing processes in view of further simplifying them and improving their efficiency, predictability and speed, building on the recommendations of the Second Performance Review;	COP/CMA	According to the Independent Evaluation Unit’s Second Performance Review, “operational processes continue to be protracted, to the point of harming the GCF’s reputation”.	GCF Second Performance Review, p. xviii
Policies	Vulnerable Groups / Fragility, Conflict and Violence	<i>Calls</i> on the GCF to maximise the co-benefits of its projects and programmes by better serving the most vulnerable communities in adaptation and mitigation, including in fragile and conflict-affected states and regions, through appropriate involvement of local stakeholders, and to improve conflict-sensitivity in project management;	COP/CMA	Evidence on maladaptation and mitigation projects devised without adequate community participation increasingly shows that failure to take account of local, people-centered perspectives not only reduces the impact on environment, but actually prevents them and creates new vulnerabilities. The GCF is active in many fragile contexts but is missing a policy on fragility, conflict and violence.	
Policies	Partnerships, Coherence and Complementarity	<i>Requests</i> the GCF to enhance partnerships, coherence and complementarity with other climate finance providers, with a view to enhancing the impact and effectiveness of its work and decreasing transaction costs for recipient countries, by harmonizing, where feasible and to the extent possible, its procedures and guidelines with those of other climate finance support providers, in particular other	COP/CMA	Coherence and complementarity of GCF must go beyond other climate funds, reflecting the increasingly populated climate finance landscape. Harmonizing procedures and guidelines between providers, starting with climate funds, would significantly decrease transaction costs and thus increase access by developing countries.	Updated from para. 12, Decision 6/CP.26

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		climate funds, with a view to simplify access by developing countries;			
Policies	Accreditation Strategy	<i>Urges</i> the GCF to complete its work on the accreditation strategy by addressing matters in annex IX of the strategy that require further Board consideration, including clear strategic guidance and prioritization, with a view to facilitate efficient accreditation procedures and taking into account recipient country priorities and needs;	COP/CMA	The approval of the accreditation strategy has been delayed for many years, but its approval would be critical to have a more strategic approach to accreditation and ensure more efficient procedures	
Programme priorities	Private Sector	<i>Welcomes</i> the GCF's efforts on working with the private sector and <i>encourages</i> the GCF to further increase this engagement in line with its private sector strategy, including its mobilization efforts and enhanced engagement with the local private sector, by raising the allocation to the Private Sector Facility to 30%;	COP/CMA	This is an acknowledgement of GCF progress in its work with the private sector and further encouragement in this regard, also comprising the local private sector (see para. 15, Decision 6/CP.26).	
Others	Efficiency, effectiveness and one board spirit	<i>Encourages</i> the Board to improve its governance efficiency, effectiveness and collegial spirit, and to support trust-building among Board members;	COP/CMA	The Board operations have been challenging in the past, which is why the COP and the CMA should encourage the Board to speed up its work and improve its working spirit	
Policies	Avert minimize and address loss and damage	[Placeholder for recommendation from the transitional committee]			

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

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Programme priorities	GEF-8 / Integrated Programs	<i>Welcomes</i> the successful start of the implementation of GEF-8 including the 11 Integrated Programs and <i>requests</i> the GEF to maximize global environmental benefits while maintaining manageable programming complexity and ensure accountability of the selected lead agencies.	COP/CMA	Approval of largest ever Work Program at the 64 th Council Meeting in June 2023	
Policies	Implementing Agencies	<i>Requests</i> the GEF to continue to foster greater diversity between implementing agencies, building on the comparative advantages of the various agencies and taking into account recipient country priorities.	COP/CMA	Identical to the Guidance from COP27. While long term trend points to a decrease in agency concentration (GCF/C.64/10), the three dominant agency (UNDP, UNEP and WB) with >60% of portfolio are also (co) lead agency of 8 of the 11 integrated programs (GEF/C.63/07), thus maintaining their prevalent role.	
Policies	Project Cycle	<i>Request</i> the GEF to consider further ways to simplify the project cycle based on the experience in the context of the newly established Global Biodiversity Framework Fund (GBFF).	COP/CMA	The document GEF/C.66/xx will propose different options for project cycle simplification in the GEF. It draws on the project cycle simplification proposed for the GBFF (as spelled out in the Programming Directions for the GBFF (GEF/C.64/06/Rev.01))	
Policies	Coherence and Complementarity	<i>Requests</i> the GEF to enhance coherence and complementarity with other climate finance support providers, with a view to enhancing the impact and effectiveness of its work and decreasing transaction costs for recipient countries, by harmonizing, where feasible and to the extent possible, its procedures and guidelines including safeguard policies with those of other climate finance support providers, in particular other climate funds, with a view to simplify access by developing countries.	COP/CMA	Procedures and guidelines, in particular related to application procedures and safeguards, should be harmonized as far as possible between the various climate finance support providers, not just the GEF and the GCF, because it would make it significantly easier to access funds for recipient countries	

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Policies	Risk and innovation	<i>Request</i> the GEF to further exploit risk taking and to foster innovation in the context of its programming in order to use its concessional financing more effectively and mobilize additional private funds.	COP/CMA	While GEF-8 introduced an innovation window, it represents only 0.2% of all GEF-8 resources. Also, the non-grant instrument window remained almost the same in GEF-8 compared to GEF-7. (GEF/C.62/03 and GEF/C.54/19/Rev.3)	
Policies	LDCF/SCCF	Commends the LDCF and SCCF for their continued, renewed respectively support to developing and in particular least developing countries and small island developing states for addressing the negative impacts of climate change.	COP/CMA	The LDCF/SCCF approved a Work Program of a total USD 10.53 million in December 2022 (GEF/LDCF.SCCF.33/03) and USD 63.94 million in June 2023 (GEF/LDCF.SCCF.34/03)	
Policies	Avert minimize and address loss and damage	[Placeholder for recommendation from the transitional committee]			