



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

Third session

Glasgow, 31 October to 12 November 2021

Agenda item 8(c)

Matters relating to finance

Guidance to the Global Environment Facility

Matters relating to finance

Proposal by the President

Draft decision -/CMA.3

Guidance to the Global Environment Facility

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

Recalling decision 7/CMA.2,

Noting paragraph 9(b) of the Instrument for the Establishment of the Restructured Global Environment Facility,¹

1. *Recommends* that the Conference of the Parties at its twenty-sixth session transmit to the Global Environment Facility the guidance contained in paragraphs 2–10 below;²
2. *Calls upon* developed country Parties to make financial contributions to the Global Environment Facility to contribute to a robust eighth replenishment of the Global Environment Facility to support developing countries in implementing the Paris Agreement and *encourages* additional voluntary financial contributions to the eighth replenishment of the Global Environment Facility;
3. *Welcomes* the actions taken by the Global Environment Facility to provide support to developing country Parties in accordance with Article 13, paragraphs 14–15, of the Paris Agreement for preparing their biennial transparency reports and building their institutional and technical capacity for the enhanced transparency framework under the Paris Agreement;
4. *Also welcomes* that the Capacity-building Initiative for Transparency, established pursuant to decision 1/CP.21, paragraph 84, will continue to support developing country Parties, upon their request, in building their institutional and technical capacity for the enhanced transparency framework and *encourages* the Global Environment Facility, Parties

¹ Global Environment Facility. 2019. *Instrument for the Establishment of the Restructured Global Environment Facility*. Washington, D.C.: Global Environment Facility. Available at <https://www.thegef.org/documents/instrument-establishment-restructured-gef>.

² In accordance with decision 1/CP.21, para. 61.



and implementing agencies to work collaboratively to ensure that this support is delivered in a timely manner;

5. *Requests* the Global Environment Facility to continue to facilitate improved access to the Capacity-building Initiative for Transparency by developing country Parties;

6. *Also requests* the Global Environment Facility to consider increasing its support for the enhanced transparency framework as part of its eighth replenishment process;

7. *Further requests* the Global Environment Facility to contribute to the review referred to in paragraph 38 of decision -/CMA.3³ by:

(a) Estimating the cost to developing countries of implementing the enhanced transparency framework, which includes establishing and enhancing a reporting system, as well as the full agreed cost of reporting and the cost of capacity-building for reporting;

(b) Considering how to adequately incorporate the costs referred to in paragraph 7(a) above into the set-aside of the eighth replenishment process of the Global Environment Facility, while taking the necessary measures to ensure, as appropriate, that the set-aside does not impact the allocation of resources to developing countries under the System for Transparent Allocation of Resources;

(c) Reporting to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session (November 2022) on any actions taken to implement the guidance contained in paragraph 7(a–b) above and any changes to the estimated costs referred to in paragraph 7(a) above;

(d) Reporting to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement on activities and provision of support under the Capacity-building Initiative for Transparency and on the provision of support for reporting under the Paris Agreement, as well as monitoring and reporting on the timeliness of project review, approval and preparation, including disaggregated tracking of each element of project development (from project identification form approval to submission of chief executive officer approval request and disbursement through implementing agencies);

8. *Requests* the Global Environment Facility to consider combining the application processes for support for producing biennial transparency reports, including by considering raising the funding ceiling of expedited enabling activity projects, and for Capacity-building Initiative for Transparency projects, as appropriate, and by developing an expedited process for projects related to preparing biennial transparency reports;

9. *Encourages* the Global Environment Facility, Parties and implementing agencies to work collaboratively to ensure that financing for national inventory reports and biennial transparency reports is delivered in a timely manner, including through utilizing the bundled application modality and expedited procedures for enabling activities, and *requests* the Global Environment Facility to monitor the timeliness of project review, approval and preparation, including disaggregated tracking of each phase of project development (from project identification form approval to submission of chief executive officer approval request and disbursement through implementing agencies) and report to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session on the actions taken to implement the guidance contained in this paragraph;

10. *Requests* the Global Environment Facility to consider raising the funding ceiling for expedited enabling activities.

³ Draft decision entitled “Further operational guidance for the enhanced transparency framework referred to in Article 13 of the Paris Agreement” proposed under agenda item 5 of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its third session.