



Conference of the Parties

Twenty-ninth session

Baku, 11–22 November 2024

Agenda item 8(d)

Matters relating to finance

Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility

Matters relating to finance

Proposal by the President

Draft decision -/CP.29

Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility

The Conference of the Parties

1. *Notes* the report of the Global Environment Facility to the Conference of the Parties at its twenty-ninth session,¹ including the responses of the Global Environment Facility to previous guidance received from the Conference of the Parties, and *welcomes* the approval by the Council of the Global Environment Facility of several work programmes;
2. *Invites* the Global Environment Facility, in the context of programming for the climate change focal area under its ninth replenishment, to consider, inter alia:
 - (a) Working with developing countries on ways of incorporating just transition elements into national climate plans and programmes;
 - (b) Working with developing countries on establishing nationally determined mechanisms to facilitate coordination of support received;
 - (c) Ways of increasing the contribution of the Global Environment Facility project portfolio to adaptation, as appropriate, in line with its mandate;
 - (d) Supporting the development of pipelines of projects in line with national plans and strategies;
 - (e) Ways of supporting developing countries in their efforts to strengthen institutional capacity and/or arrangements, as appropriate, for climate action, in line with needs and priorities of developing country Parties;
 - (f) Consulting with the Technology Executive Committee and the Climate Technology Centre and Network on technology-related elements of the programming;

¹ FCCC/CP/2024/8 and Add.1.



(g) Continuing to provide technical support for developing country Parties for their preparation of national communications, recognizing that such support is based on technical considerations and should enhance the technical capacity of countries;

3. *Welcomes* the ongoing efforts undertaken by the Global Environment Facility, in collaboration with the Green Climate Fund, the Adaptation Fund and the Climate Investment Funds, with a view to enhancing developing countries' access to climate finance, scaling up successful projects, maximizing the impact of climate finance and strengthening coherence and *invites* the Global Environment Facility to ensure that efforts to enhance coherence and complementarity among climate funds do not restrict the access of developing countries to resources or reduce the finance available to them;

4. *Requests* the Global Environment Facility, in administering the Least Developed Countries Fund and the Special Climate Change Fund, to contribute to improving the coherence of and coordination across the funding arrangements for responding to loss and damage in line with decisions 1/CP.28 and 5/CMA.5;

5. *Also requests* the Global Environment Facility to continue ensuring that its efforts to enhance coherence and complementarity with other climate funds do not result in restricted access to resources by developing countries or reduced availability of finance for them;

6. *Urges* the Global Environment Facility to ensure that a broad range of implementing agencies are engaged in its programming in order to reduce concentration of projects among few implementing agencies and *also urges* the Global Environment Facility, in the context of its review of the Global Environment Facility partnership, to consider national and regional entities in developing countries in all regions, with a focus on underserved regions, when expanding the number of implementing agencies;

7. *Further urges* the Global Environment Facility to consider ways of strengthening local capacities and country ownership in its provision of support;

8. *Notes with concern* the absence of a pledging session for the Least Developed Countries Fund and the Special Climate Change Fund at this session of the Conference of the Parties owing to the small number of pledges, highlighting the importance of increased support for both Funds, and recalling paragraph 8 of decision 17/CP.27, while acknowledging approval of the largest ever Least Developed Countries Fund and Special Climate Change Fund work programme in fiscal year 2024, with USD 382.32 million allocated to 31 projects and programmes under the Least Developed Countries Fund and USD 24.87 million to five projects under the Special Climate Change Fund, totalling USD 407.19 million across 36 projects and programmes;

9. *Requests* the Global Environment Facility to further streamline the processes of the Least Developed Countries Fund and the Special Climate Change Fund to simplify access for eligible countries, as appropriate;

10. *Welcomes* the ongoing collaboration of the Global Environment Facility with the Technology Executive Committee and the Climate Technology Centre and Network and *encourages* the Global Environment Facility to consider opportunities for scaling up programmes focused on technology and innovation;

11. *Invites* the Global Environment Facility to consider areas for improvement in the context of the gender-responsiveness of its work, taking into account relevant insights, including the summary report of the 2024 Forum of the Standing Committee on Finance on accelerating climate action and resilience through gender-responsive finance;²

12. *Encourages* the Global Environment Facility to work to ensure that all its implementing agencies fully comply with its policy on gender equality³ in implementing climate projects funded by the Global Environment Facility in order to help ensure equal opportunities for women and men in terms of participating in, contributing to and benefiting from activities financed by the Global Environment Facility;

² FCCC/CP/2024/6/Add.5–FCCC/PA/CMA/2024/8/Add.5.

³ Global Environment Facility document SD/PL/02.

13. *Also encourages* the Global Environment Facility to clearly outline in its work programmes how Indigenous Peoples as well as local communities can meaningfully engage in the development of Global Environment Facility programmes and projects and benefit therefrom;

14. *Requests* the Global Environment Facility, in administering the Least Developed Countries Fund, to continue facilitating the smooth transition of developing countries graduating from least developed country status by continuing to provide approved funding through the Fund until the completion of projects approved by the Least Developed Countries Fund Council prior to those countries' graduation from least developed country status and *also requests* the Global Environment Facility to consider developing further measures to help ensure this smooth transition for recently graduated least developed countries;

15. *Further requests* the Global Environment Facility to continue to support the strengthening of institutional arrangements and the building of capacity in developing countries with a view to facilitating improved access to and use of Global Environment Facility resources, facilitating knowledge-sharing and South–South learning on Global Environment Facility projects and exploring areas for further collaboration;

16. *Decides* to modify the memorandum of understanding between the Conference of the Parties and the Global Environment Facility,⁴ as outlined in the annex, for consideration and approval by the Council of the Global Environment Facility before the thirtieth session of the Conference of the Parties (November 2025), thereby making the revised memorandum of understanding effective upon the Council's approval, and ensuring that the subsequent guidance from the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement is provided to the Global Environment Facility annually until their thirty-first (November 2026) and eighth (November 2026) sessions respectively, and biennially thereafter, and also at sessions held in the year immediately preceding the initiation of discussions on new replenishments;

17. *Confirms* that guidance may be provided outside the biennial cycle referred to in the modification to the memorandum of understanding as outlined in the annex upon request by a Party consistent with rules 9–13 of the draft rules of procedure⁵ being applied, as well as at each session preceding the final year of each replenishment of the Global Environment Facility;

18. *Invites* Parties to submit views and recommendations on elements of guidance for the Global Environment Facility via the submission portal⁶ no later than 16 weeks prior to the thirtieth session of the Conference of the Parties;

19. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 18 above in preparing its draft guidance for the Global Environment Facility for consideration by the Conference of the Parties at its thirtieth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its seventh session (November 2025);

20. *Also requests* the Global Environment Facility to include in its annual report to the Conference of the Parties information on the steps it has taken to implement the guidance provided in this decision;

21. *Takes note* of decision -/CMA.6⁷ and *decides* to transmit to the Global Environment Facility the guidance from the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement contained in paragraphs 2–6 of that decision.⁸

⁴ Contained in decision 12/CP.2, annex.

⁵ FCCC/CP/1996/2.

⁶ <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

⁷ Draft decision entitled “Guidance to the Global Environment Facility” proposed under agenda sub-item 11(d) of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session.

⁸ In accordance with decision 1/CP.21, para. 61.

Annex

Modification to the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility

Paragraph 3

For the existing paragraph 3 *substitute*

3. The Conference of the Parties will communicate to the Council of the Global Environment Facility any policy guidance approved by the Conference of the Parties concerning the Financial Mechanism:

(a) Annually after each of its sessions, until the end of 2026, and biennially thereafter, after every other session;

(b) After each of its sessions immediately preceding the final year of each replenishment of the Global Environment Facility;

(c) Where applicable, after any session not referred to in paragraph 3(a–b) above, should the Conference of the Parties decide to do so.
