

Eleventh meeting of the Technology Executive Committee

AHH, Bonn, Germany
7-11 September 2015

Background note

Elements for draft guidance to the operating entities of the Financial Mechanism

I. Introduction

A. Background

1. One of the functions of the Standing Committee on Finance (SCF) is to provide to the Conference of the Parties (COP) draft guidance to the operating entities of the Financial Mechanism of the Convention, with a view to improving the consistency and practicality of such guidance, taking into account the annual reports of the operating entities as well as relevant submissions from Parties.
2. The SCF has invited the Technology Executive Committee (TEC) to provide inputs to the SCF with regards to the draft guidance of the operating entities of the Financial Mechanism to be provided to COP 21. This activity has been reflected in the updated rolling workplan of the TEC for 2014-2015 (activity 3.2 of the workplan).
3. At its 10th meeting (TEC 10), the TEC requested its task force on linkages between the Technology Mechanism and the Financial Mechanism (task force on finance) to prepare elements for draft guidance to the operating entities of the Financial Mechanism for consideration at TEC 11.

B. Scope of the note

4. This background note provides elements for draft guidance to the operating entities of the Financial Mechanism, prepared by the TEC task force on finance.

C. Possible action by the Technology Executive Committee

5. The TEC will be invited to agree on inputs to the SCF for draft guidance to the operating entities of the Financial Mechanism.

II. Process for preparing draft guidance to the operating entities of the Financial Mechanism

6. In its invitation to the TEC, the SCF provided the following information regarding the scope, format, timing of the inputs for the draft guidance, and how these will be processed:
 - (a) Scope: the annual reports of the operating entities should form the basis for the inputs provided;
 - (b) Format: the thematic bodies are invited to provide inputs making use of the template which was also used last year (see Annex II);



(c) Timing: the SCF has tentatively scheduled its last meeting in 2015 to take place after the last meeting of the thematic bodies in order to give the thematic bodies sufficient time to provide the SCF with concrete inputs; it is expected that the report of the Global Environment Facility (GEF) will become available in August; the Green Climate Fund (GCF) is currently planning to align its reporting cycle with the need for early issuance of the reports of the operating entities;

(d) Processing of inputs received: the SCF will strive to provide COP 21 with a draft decision containing draft guidance to the operating entities, which would also take into considerations the inputs received from the TEC.

7. The report of the GEF to the COP has not been made available at the moment of writing this note. The GCF has made available a draft report for the tenth meeting of the GCF Board and plans to issue an update, taking into consideration the outcomes of the tenth meeting of the Board. The GCF further plans to issue an addendum to the Fourth report after the eleventh meeting of the Board.

III. Compilation and syntheses of past guidance provided to the operating entities of the Financial Mechanism

8. In preparing possible elements for draft guidance to the operating entities of the Financial Mechanism, the following documents were taken into account:

(a) United Nations Framework Convention on Climate Change: guidance from the Conference of the Parties and responses by the Global Environment Facility 20 years;¹

(b) Inputs from the Adaptation Committee and the Technology Executive Committee with regard to draft guidance to the operating entities, as contained in the report of the Standing Committee on Finance to COP 20, Annex VI;²

(c) Fourth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change.³

Compilation and synthesis of past guidance provided to the GEF

9. Annex I provides a synthesis of past guidance to the GEF since COP 13, drawing upon the document referred to in paragraph 8 (a) above.

10. An analysis of the elements of past guidance to the GEF since COP 13 revealed that the past guidance to the GEF focused on the following elements:

(a) Support operationalization and activities of the CTCN;

(b) Align support for climate technology centres and a climate technology network with operationalization and activities of CTCN;

(c) Provide financial support to NAI Parties to conduct or update TNAs;

(d) Support implementation of country-driven projects identified in TNAs;

(e) Expedite process for the implementation and completion of technology transfer pilot projects under PSP;

(f) Enhance balance between adaptation and mitigation projects in the long-term implementation of PSP;

(g) Raise awareness of the long-term programme on technology transfer;

¹ <https://www.thegef.org/gef/sites/thegef.org/files/publication/GEF_UNFCCC%20COP%20Guidance2014-112414-C_web.pdf>.

² <<http://unfccc.int/resource/docs/2014/cop20/eng/05.pdf>>.

³ <http://www.gcfund.org/fileadmin/00_customer/documents/MOB201507-10th/08_-_Report_to_the_Conference_of_the_Parties_20150626_fin.pdf>.

- (h) Enhance support to developing countries in applying and diffusing technologies, practices and processes for mitigation;
- (i) Provide financial support for the technology transfer framework;
- (j) Elaborate a strategic programme to scale up the level of investment for technology transfer.

Inputs from the Adaptation Committee and the Technology Executive Committee with regard to draft guidance to the operating entities provided to COP 20

11. In response to an invitation from the SCF in 2014, the TEC provided its inputs to the draft guidance for the operating entities of the Financial Mechanism. In doing so, the TEC draw upon its key messages to COP 18, COP 19 and COP 20 of relevance to the operating entities of the Financial Mechanism (see Annex II).

12. An analysis of the inputs of the TEC to the draft guidance to the operating entities of the Financial Mechanism to COP 20 revealed that its guidance focused on the following elements:

- (a) Climate technology financing;
- (b) Enabling environments and barriers to technology development and transfer;
- (c) Technology needs assessments;
- (d) Technologies for adaptation;
- (e) Technology roadmaps.

Fourth Report of the Green Climate Fund to the Conference of the Parties to the UNFCCC

13. The governing instrument for the Green Climate Fund (GCF) provides, inter alia, that annual reports of the GCF Board will be submitted to the COP for its consideration. The arrangements between the COP and the GCF provide that the annual reports of the GCF shall include information on the implementation of policies, programme priorities and eligibility criteria provided by the COP, including information on the extent to which COP guidance has been adhered to by the Board of the GCF.

14. The fourth report of the GCF to the UNFCCC was issued before the tenth meeting of the GCF Board. The report includes an overview of guidance from the COP to the GCF and its response. Table below provides an overview of guidance from the COP at its twentieth and previous sessions to the GCF in relation to technology and actions taken by the Fund.

Table: Overview of actions taken by the GCF pursuant to guidance from the COP.

#	Guidance received from the COP	Relevant action taken
1	Requests the Board of the GCF to accelerate the operationalization of the adaptation and mitigation windows, and to ensure adequate resources for capacity-building and technology development and transfer, consistent with paragraph 38 of the Governing Instrument (Annex to decision 3/CP.17). Decision 7/CP.20, paragraph 8	With regard to operationalizing the Fund's adaptation and mitigation windows, the Board aims to start taking decisions on project and programme proposals at its third meeting in 2015. The Fund's initial approval process takes into consideration capacity building and technology development in its assessment of funding proposals. In addition, the Fund's Readiness and Preparatory Support Programme which is dedicated to supporting activities that build the capacity of countries in enabling them to access and utilize the Fund's resources for mitigation and adaptation activities is already under way.
2	To initiate a process to collaborate with the Adaptation Committee and the Technology Executive Committee, as well as other relevant thematic bodies under the Convention, to define linkages between the	The Co-Chairs of the Board of the Fund have collaborated with the Co-Chairs of the Adaptation Committee and representatives of the Chairperson of the Least Developed Countries Expert Group (LEG) to discuss the implementation of decision 3/CP.20. The Co-Chairs have also engaged with the Co-Chairs of the

	<p>Fund and these bodies, as appropriate.</p> <p>Decision 6/CP.18, paragraph 7 (f)</p> <p>Linked with: Decision 3/CP.17, paragraph 17</p>	<p>Technology Executive Committee (TEC) to discuss possibilities for continued engagement of the bodies as the financial and technical mechanisms of the Convention. The Co-Chairs and representatives of the Secretariat have also participated in meetings and events of the thematic bodies of the Convention and other climate funds. These include the SCF; AC; LEG; TEC; ADP; GEF; AF; CIFs and the Multilateral Fund. Further details on the engagement of the Fund with relevant thematic bodies of the Convention and other climate funds are outlined in the responses to decisions 5/CP.19, par. 15 and 7/CP.20, par. 16.</p>
3	<p>Agrees to further elaborate, at its twentieth session, the linkages between the Technology Mechanism and the financial mechanism of the Convention, taking into consideration the recommendations of the Board of the Green Climate Fund, developed in accordance with decision 3/CP.17, par 17, and of the Technology Executive Committee, developed in accordance with decision 4/CP.17, par 6.</p> <p>Decision: 1/CP.18 paragraph 62</p> <p>Linked with: Decision 3/CP.17, paragraph 17</p>	<p>The item on engagement of the Fund with the UNFCCC thematic bodies is in the pipeline for consideration by the Board. The Fund recognizes the importance of the engagement with the technology mechanism and initial exchanges between the two bodies have taken place.</p>

15. At TEC 10, the TEC considered areas for possible collaboration with the GCF. Based on deliberations of a break out group at TEC 10 on identifying areas for possible collaboration with the GCF and possible follow up actions, the TEC agreed to send a letter to the GCF indicating that the TEC is ready to work with the GCF on substantive issues, as identified by the TEC. The letter which was sent to the Co-Chairs of the GCF Board highlighted the following areas for possible collaboration with the GCF:

(a) Provide inputs into the work undertaken by the Investment Committee on the Investment Framework, as it relates to definition of activity specific sub-criteria and activity specific indicators, minimum benchmarks and methodologies to assess the relative quality and innovativeness of comparable proposals.

(b) Provide inputs into the work undertaken by the Independent Technical Advisory Panel of the Board by evaluating technological aspects of projects on a need basis (potential role of the TEC as an advisory body).

(c) Financial support for technology actions, including implementation of the results of Technology Needs Assessments (Technology Action Plans and project ideas) in the context of the GCF readiness programme, project pipeline development and projects for which benefits are difficult to quantify (e.g. Research, Development and Demonstration, innovation, etc.)

(d) Knowledge and information sharing between the National Designated Entities (NDEs) of the Climate Technology Centre and Network (CTCN) of the Technology Mechanism and the National Designated Authorities (NDAs) of the GCF.

16. The letter further highlighted that the TEC stands ready to participate in a future GCF Board meeting when the issue of engagement with relevant UNFCCC thematic bodies will be considered by the GCF Board, pursuant to decision 6/CP.18.

IV. Possible elements for draft guidance to the operating entities of the Financial Mechanism

17. In preparing its input to the draft guidance for the operating entities of the Financial Mechanism, the TEC may wish to draw upon the following inputs:

- (a) Compilation and syntheses of past guidance provided to the GEF (see section V above);
 - (b) Inputs from the TEC with regard to draft guidance to the operating entities provided to COP 20 (see section V);
 - (c) Report of the GEF to COP 21 (not available at moment of writing);
 - (d) Fourth report of the GCF to the COP to the UNFCCC;
 - (e) Letter of the TEC Chair and Vice-Chair to the Co-Chairs of the GCF Board;
 - (f) Key messages of the TEC to COP 21, in particular on climate technology financing.
-

Annex I

Synthesis of previous guidance to the GEF since COP 13

#	Element	Session										
		SB42	CO20 /SB41	SB40	COP19 /SB39	COP18 /SB37	SB36	COP17 /SB35	SB34	COP16 /SB33	COP14 /SB29	COP13 /SB27
1	Support operationalization and activities of the CTCN			SBI40 conclusions, para. 139	SBI39 conclusions, para. 137	Decision 14/CP.18, para. 15 SBI37 conclusions, para.124		Decision 2/CP.17, para. 140 SBI35 conclusions, para.199				
2	Align support for climate technology centres and a climate technology network with operationalization and activities of CTCN	SBI42 conclusions, para.79	SBI41 conclusions, para.87	SBI40 conclusions, para. 141		SBI37 conclusions, para. 123	SBI36 conclusions, para. 200					
3	Provide financial support to NAI Parties to conduct or update TNAs	SBI42 conclusions, para..80				SBI conclusions, para. 122		Decision11/CP.17, para. 2.			Decision 2/CP.14, para.2	
4	Support implementation of country-driven projects identified in TNAs				Decision 6/CP.19, para. 11	Decision 13/CP.18, para. 13						
5	Expedite process for the implementation and completion of technology transfer pilot projects under PSP						SBI36 conclusions, para. 197	SBI35 conclusions, para.96			Decision 2/CP.14, para.2	
6	Enhance balance between						SBI36 conclusions,		SBI 34 conclusions,			

	adaptation and mitigation projects in the long-term implementation of PSP						para. 196		para.136			
7	Raise awareness of the long-term programme on technology transfer							SBI35 conclusions, para.97				
8	Enhance support to developing countries in applying and diffusing technologies, practices and processes for mitigation									Decision 2/CP.16, para. 3	Decision 4/CP.14, para.1	
9	Provide financial support for the technology transfer framework											Decision 3/CP.13, para.10
10	Elaborate a strategic programme to scale up the level of investment for technology transfer											Decision 4/CP.13, para. 3

Annex II

Inputs from the Technology Executive Committee to the draft guidance to the operating entities of the Financial Mechanism to COP 20 (2014)

Table 1: Annotated suggestions for elements of draft guidance to the Global Environment Facility¹

Elements	Sub-elements	Sources of information for accountability	Proposed inputs and rationale	Input provided by
Policies		<p>Report of the Global Environment Facility (GEF) to the Conference of the Parties (COP)</p> <p>Linkages between the Technology Mechanism and the Financial Mechanism: recommendations by the TEC</p> <p>Joint annual reports of the TEC and the CTCN</p>	<p>Activities related to the technology cycle, policy, regulatory frameworks and financing should be considered in an integrated manner²</p> <p>The Financial Mechanism could benefit from the expertise, policy advice, information and/or technical assistance that the TEC and the Climate Technology Centre and Network (CTCN) can provide to the operations of the Financial Mechanism³</p> <p>Work closely together with the TEC on the evaluation of the Poznan strategic programme on technology transfer⁴</p> <p>The TEC can provide inputs to the work undertaken by the Scientific and Technical Advisory Panel of the GEF on innovative policy packages and market initiatives to foster a new range of mitigation actions⁵</p> <p>Technology needs assessments (TNAs) identify that financial and economic barriers are critical and should be referred to by all financial entities under and outside of the Convention⁶</p> <p>TNAs, as well as other studies of technology needs, are rich sources of information on the needs of developing countries related to technology and should be referred to by all bodies under and outside of the Convention⁷</p> <p>In the TNA process, sound planning practices which encourage the early engagement of the national and international financial and business</p>	The Technology Executive Committee (TEC)

¹ The inputs received were neither discussed, nor commented on, nor endorsed by the SCF.

² Report on activities and performance of the Technology Executive Committee for 2012 (FCCC/SB/2012/2), paragraph 35(d).

³ Linkages between the Technology Mechanism and the Financial Mechanism of the Convention: recommendations by the Technology Executive Committee (FCCC/CP/2014/6), paragraph 10.

⁴ FCCC/CP/2014/6, paragraph 16(a).

⁵ FCCC/CP/2014/6, paragraph 16(c).

⁶ Joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network for 2013 (FCCC/SB/2013/1), paragraph 45(b).

⁷ FCCC/SB/2013/1, paragraph 45(c).

Elements	Sub-elements	Sources of information for accountability	Proposed inputs and rationale	Input provided by
			<p>communities are essential to ensuring project compatibility with funding criteria and availability⁸</p> <p>The TNA process should be improved to facilitate the implementation of the project ideas emanating from it. This can be done through the provision of technical assistance and finance to each TNA process, which should also aim to integrate the economic, environmental and social aspects into the development of the TNA. This improvement will help to ensure that the TNA process results in bankable (commercial and concessional) projects, which is one of the objectives of TNAs⁹</p>	
Programme priorities		<p>Report of the GEF to the COP</p> <p>Linkages between the Technology Mechanism and the Financial Mechanism: recommendations by the TEC</p> <p>Joint annual reports of the TEC and the CTCN</p>	<p>Engaging the financial and business community, at both the international and the national levels, at an early stage is crucial to enhance access to financing for the development and transfer of technologies¹⁰</p> <p>The TEC recommends that joint work be initiated with the operating entities of the Financial Mechanism to determine the collaborative activities that would provide greater value to both the Financial Mechanism and the Technology Mechanism in the future¹¹</p> <p>Invite the operating entities of the Financial Mechanism to provide financial support for the operation and services of the CTCN, and Parties in a position to do so to support the CTCN through the provision of financial and other resources in accordance with decision 2/CP.17, paragraphs 139–141¹²</p> <p>Technologies for adaptation that have mitigation co-benefits should be identified, encouraged and promoted¹³</p> <p>Past experiences from international financial institutions show that key elements for successful climate technology proposals are their economic, environmental and social soundness; a demonstrated capacity to deliver impact; the ability to be replicated and scaled up; and stakeholder involvement¹⁴</p>	The TEC
Eligibility criteria		<p>Report of the GEF to the COP</p> <p>Linkages between the Technology</p>	<p>Project proponents face many challenges in securing financing for technology projects and programmes. Solutions to these challenges require close</p>	The TEC

⁸ FCCC/SB/2013/1, paragraph 45(d).

⁹ Joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network for 2013 (FCCC/SB/2014/3), paragraph 53(a)(i).

¹⁰ FCCC/SB/2012/2, paragraph 35(e).

¹¹ FCCC/CP/2014/6, paragraph 13.

¹² FCCC/SB/2014/3, paragraph 1(e).

¹³ FCCC/SB/2014/3, paragraph 53(c)(ii).

¹⁴ FCCC/SB/2014/3, paragraph 53(b)(iv).

Elements	Sub-elements	Sources of information for accountability	Proposed inputs and rationale	Input provided by
		<p>Mechanism and the Financial Mechanism: recommendations by the TEC</p> <p>Joint annual reports of the TEC and the CTCN</p>	<p>stakeholder collaboration to ensure that policies, finance, technologies and project planning are aligned to make projects and programmes that are economically, environmentally and socially sound¹⁵</p> <p>Stakeholders such as technology owners and developers should be encouraged to submit project proposals for technologies prioritized in TNAs, with a view to sharing those proposals with potential investors¹⁶</p> <p>The use of a road mapping approach may help to improve planning processes, including technology action plans, nationally appropriate mitigation actions (NAMAs) and NAPs, and may help Parties to transform the results of their TNAs into actions¹⁷</p> <p>There is a need to enhance coherence between international institutions, given that different criteria and evaluation of international climate finance and technology support can lead to increased burdens on developing countries' limited institutional capacity to access international finance¹⁸</p> <p>There is a need to integrate technology and financial expertise to address risks, both real and perceived, in order to enhance the economic soundness of climate technology projects¹⁹</p> <p>The adaptation and mitigation benefits of technology projects in the earlier stages of the technology cycle may be difficult to quantify and measure. The operational entities of the Financial Mechanism of the Convention should take this into account in the criteria for assessing such projects²⁰</p> <p>Prioritization of technologies for adaptation that enhance resilience should take into consideration vulnerability and adaptation assessments undertaken during the NAP process²¹</p>	

¹⁵ FCCC/CP/2014/6, paragraph 7.

¹⁶ FCCC/SB/2014/3, paragraph 53(a)(ii).

¹⁷ FCCC/SB/2013/1, paragraph 45(f).

¹⁸ FCCC/SB/2014/3, paragraph 53(b)(ii).

¹⁹ FCCC/SB/2014/3, paragraph 53(b)(iii).

²⁰ FCCC/SB/2014/3, paragraph 53(b)(v).

²¹ FCCC/SB/2014/3, paragraph 53(c)(i).

Table 2: Annotated suggestions for elements of draft guidance to the Green Climate Fund²²

Elements	Sub-elements	Sources of information for accountability	Proposed inputs and rationale	Input provided by
Policies		<p>Governing instrument for the Green Climate Fund (GCF)</p> <p>Joint annual reports of the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN)</p> <p>Linkages between the Technology Mechanism and the Financial Mechanism: recommendations by e TEC</p>	<p>Activities related to the technology cycle, policy, regulatory frameworks and financing should be considered in an integrated manner²³</p> <p>The Financial Mechanism could benefit from the expertise, policy advice, information and/or technical assistance that the TEC and the CTCN can provide to the operations of the Financial Mechanism²⁴</p> <p>The TEC highlights the need to establish linkages with the Board of the GCF on issues of common interest. The TEC has identified potential areas within the Board's workplan which may benefit from inputs by the TEC. In order to jointly determine which future work would provide greater value, consultations with the Board of the GCF are required²⁵</p> <p>Technology needs assessments (TNAs) identify that financial and economic barriers are critical and should be referred to by all financial entities under and outside of the Convention²⁶</p> <p>TNAs, as well as other studies of technology needs, are rich sources of information on the needs of developing countries related to technology and should be referred to by all bodies under and outside of the Convention²⁷</p> <p>In the TNA process, sound planning practices which encourage the early engagement of the national and international financial and business communities are essential to ensuring project compatibility with funding criteria and availability²⁸</p> <p>The TNA process should be improved to facilitate the implementation of the project ideas emanating from it. This can be done through the provision of technical assistance and finance to each TNA process which should also aim to integrate the economic, environmental and social aspects into the development of the TNA. This improvement will help to ensure that the TNA process results in bankable (commercial and concessional) projects, which is one of the objectives of each TNA²⁹</p>	The TEC

²² The inputs received were neither discussed, nor commented on, nor endorsed by the SCF.

²³ FCCC/SB/2012/2, paragraph 35(d).

²⁴ FCCC/CP/2014/6, paragraph 10.

²⁵ FCCC/CP/2014/6, paragraph 17.

²⁶ FCCC/SB/2013/1, paragraph 45(b).

²⁷ FCCC/SB/2013/1, paragraph 45(c).

²⁸ FCCC/SB/2013/1, paragraph 45(d).

²⁹ FCCC/SB/2014/3, paragraph 53(a)(i).

Elements	Sub-elements	Sources of information for accountability	Proposed inputs and rationale	Input provided by
Programme priorities		<p>Governing instrument for the GCF</p> <p>Joint annual reports of the TEC and the CTCN</p> <p>Linkages between the Technology Mechanism and the Financial Mechanism: recommendations by the TEC</p>	<p>Engaging the financial and business community, at both the international and the national levels, at an early stage is crucial to enhance access to financing for the development and transfer of technologies³⁰</p> <p>The TEC recommends that joint work be initiated with the operating entities of the Financial Mechanism to determine the collaborative activities that would provide greater value to both the Financial Mechanism and the Technology Mechanism in the future³¹</p> <p>Invite the operating entities of the Financial Mechanism to provide financial support for the operation and services of the CTCN, and Parties in a position to do so to support the CTCN through the provision of financial and other resources in accordance with decision 2/CP.17, paragraphs 139–141³²</p> <p>Technologies for adaptation that have mitigation co-benefits should be identified, encouraged and promoted³³</p> <p>Past experiences from international financial institutions show that key elements for successful climate technology proposals are their economic, environmental and social soundness; a demonstrated capacity to deliver impact; the ability to be replicated and scaled up; and stakeholder involvement³⁴</p>	The TEC
Eligibility criteria		<p>Governing instrument for the GCF</p> <p>Joint annual report of the TEC and the CTCN for 2014</p>	<p>Project proponents face many challenges in securing financing for technology projects and programmes. Solutions to these challenges require close stakeholder collaboration to ensure that policies, finance, technologies and project planning are aligned to make projects and programmes that are economically, environmentally and socially sound³⁵</p> <p>Stakeholders such as technology owners and developers should be encouraged to submit project proposals for technologies prioritized in TNAs, with a view to sharing those proposal with potential investors³⁶</p> <p>The use of a road mapping approach may help to improve planning processes, including technology action plans, nationally appropriate mitigation actions</p>	The TEC

³⁰ FCCC/SB/2012/2, paragraph 35(e).

³¹ FCCC/CP/2014/6, paragraph 13.

³² FCCC/SB/2014/3, paragraph 11(e).

³³ FCCC/SB/2014/3, paragraph 53(c)(ii).

³⁴ FCCC/SB/2014/3, paragraph 53(b)(iv).

³⁵ FCCC/CP/2014/6, paragraph 7.

³⁶ FCCC/SB/2014/3, paragraph 53(a)(ii).

Elements	Sub-elements	Sources of information for accountability	Proposed inputs and rationale	Input provided by
			<p>(NAMAs) and NAPs, and may help Parties to transform the results of their TNAs into actions³⁷</p> <p>There is a need to enhance coherence between international institutions, given that different criteria and evaluations of international climate finance and technology support can lead to increased burdens on developing countries' limited institutional capacity to access international finance³⁸</p> <p>There is a need to integrate technology and financial expertise to address risks, both real and perceived, in order to enhance the economic soundness of climate technology projects³⁹</p> <p>The adaptation and mitigation benefits of technology projects in the earlier stages of the technology cycle may be difficult to quantify and measure. The operational entities of the Financial Mechanism of the Convention should take this into account in the criteria for assessing such projects⁴⁰</p> <p>Prioritization of technologies for adaptation that enhance resilience should take into consideration vulnerability and adaptation assessments undertaken during the NAP process⁴¹</p>	

³⁷ FCCC/SB/2013/1, paragraph 45(f).

³⁸ FCCC/SB/2014/3, paragraph 53(b)(ii).

³⁹ FCCC/SB/2014/3, paragraph 53(b)(iii).

⁴⁰ FCCC/SB/2014/3, paragraph 53(b)(v).

⁴¹ FCCC/SB/2014/3, paragraph 53(c)(i).