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# Operational Framework on complementarity and coherence

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## **Summary**

In response to decision B.13/12, this document proposes for adoption an Operational Framework on complementarity and coherence with other climate finance delivery channels (Operational Framework). The Operational Framework includes: Board-level discussions on fund-to-fund arrangements; enhanced complementarity at the activity level; promotion of coherence at the national programming level; and complementarity at the level of delivery of climate finance through an Annual Dialogue. This document also discusses how the Operational Framework may serve as an input in the relationship with the Standing Committee on Finance.

The Operational Framework contains a set of outcomes under each area which are to be regularly reported to the Board. Specific activities related to each outcome have not been listed, to provide flexibility to the Secretariat to determine how to develop appropriate coordination arrangements with other climate finance delivery channels.

## Table of contents

I.	Introduction	1
II.	Opportunities to enhance complementarity and coherence with other climate finance delivery channels	1
III.	Approach to the Operational Framework	2
	Annex I. Draft decision of the Board	6
	Annex II: Operational Framework for complementarity and coherence	7
	Annex III: Matrix of the GCF and other climate finance delivery channels	13

## I. Introduction

1. The Governing Instrument for the GCF states that “the Fund shall operate in the context of appropriate arrangements between itself and other existing funds under the Convention, and between itself and other funds, entities, and channels of climate change financing outside the Fund”. It also calls for “methods to enhance complementarity between the activities of the Fund and the activities of other relevant bilateral, regional and global funding mechanisms and institutions, to better mobilize the full range of financial and technical capacities.” In United Nations Framework Convention on Climate Change (UNFCCC) decision 7/CP.21, the Conference of Parties (COP) encouraged the Board of the GCF to improve complementarity and coherence with other institutions as per the Governing Instrument.

2. In decision B.13/12, the Board decided to prepare, with the support of the Secretariat, an Operational Framework on complementarity and coherence to be considered by the Board, and to serve as a basis for cooperation with the Standing Committee on Finance (SCF). The Board reaffirmed that the following key pillars shall form part of the Operational Framework, in accordance with the Governing Instrument for the GCF:

- **Pillar I:** Board-level discussions on fund-to-fund arrangements;
- **Pillar II:** Enhanced complementarity at the activity level;
- **Pillar III:** Promotion of coherence at the national programming level; and
- **Pillar IV:** Complementarity at the level of delivery of climate finance through an established dialogue;

3. This document has been prepared in response to the above-mentioned request. It sets out for the consideration of the Board a proposal for an Operational Framework on complementarity and coherence with other climate finance delivery channels (herein after referred to as the Operational Framework).

## II. Opportunities to enhance complementarity and coherence with other climate finance delivery channels

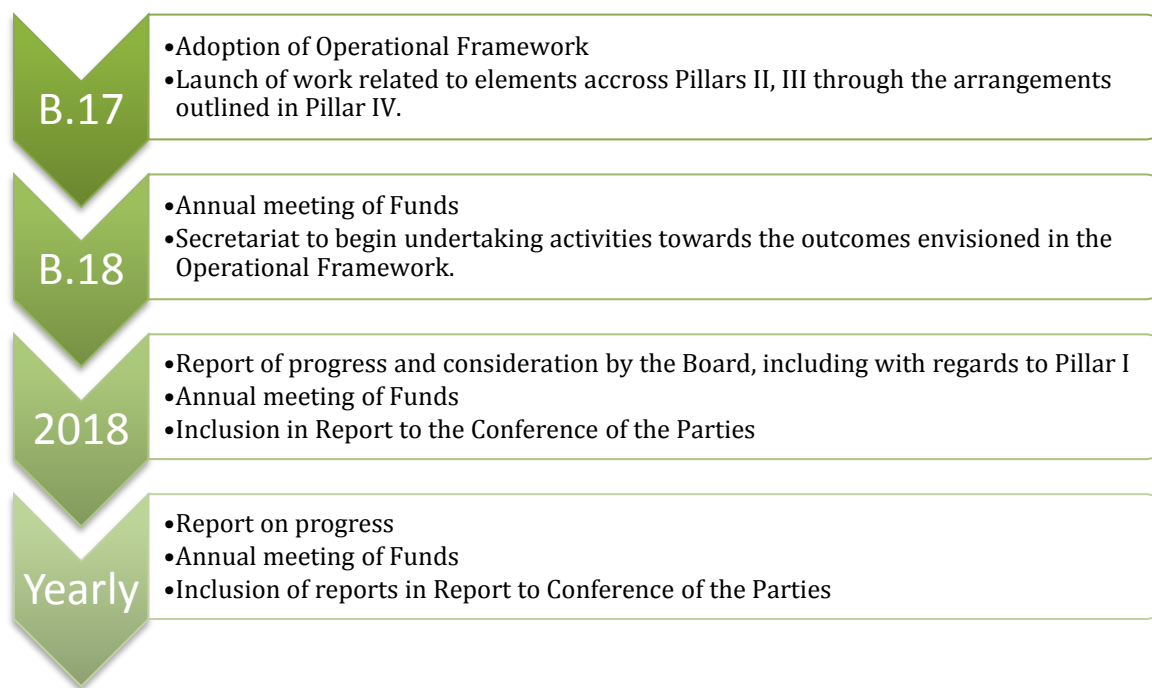
4. The table in annex III provides an overview of key institutional and operational aspects of the GCF and the Global Environment Facility (GEF), the Adaptation Fund and the Climate Investment Funds, from which opportunities for enhanced complementarity and coherence across the funds can be drawn. The elements and outcomes included in the Operational Framework consider these opportunities, as well as conclusions and recommendations from the Fifth Review of the Financial Mechanism completed at COP20, including the relevant findings contained in the technical paper of the fifth Review regarding complementarity and coherence.<sup>1</sup> Additionally, recent literature on the subject of the climate finance architecture has been considered and built upon.<sup>2</sup>

5. The proposed Operational Framework was designed to explore and build complementarity with other funds relevant to climate change.

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<sup>1</sup> UNFCCC Standing Committee on Finance. 2014. “Fifth Review of the Financial Mechanism Technical Paper”. [http://unfccc.int/files/cooperation\\_and\\_support/financial\\_mechanism/standing\\_committee/application/pdf/technical\\_paper\\_fifth\\_review\\_of\\_the\\_financial\\_mechanism\\_18112014\\_final.pdf](http://unfccc.int/files/cooperation_and_support/financial_mechanism/standing_committee/application/pdf/technical_paper_fifth_review_of_the_financial_mechanism_18112014_final.pdf)

<sup>2</sup> Amerasinghe, N. et al. 2017. “The Future of the Funds. Exploring the Architecture of Multilateral Climate Finance”. World Resources Institute. [http://www.wri.org/sites/default/files/The\\_Future\\_of\\_the\\_Funds\\_0.pdf](http://www.wri.org/sites/default/files/The_Future_of_the_Funds_0.pdf)



**Figure 1: Overview of process of the Operational Framework**

## 2.1 Cooperation with the Standing Committee on Finance

6. At its sixteenth session, the COP established the SCF to assist the COP in relation to the Financial Mechanism of the Convention. The SCF assists the COP in exercising its functions with respect to the Financial Mechanism of the Convention in terms of improving coherence and coordination in the delivery of climate change financing, rationalization of the Financial Mechanism, mobilization of financial resources and measurement, reporting and verification of support provided to developing country Parties. The SCF makes recommendations to the COP, for its consideration, at each ordinary session of the COP on all aspects of its work, including providing to the COP draft guidance for the operating entities of the Financial Mechanism of the Convention. At its twenty-first session (decision 1/CP.21, paragraph 63), the COP decided that the SCF shall serve the Paris Agreement in line with its functions and responsibilities established under the COP, and which are currently under review.

7. In accordance with decision B.13/12, the Operational Framework is to be a basis for the cooperation of the Board with the SCF. As noted in the technical paper of the Fifth Review of the Financial Mechanism, the SCF could take into account the information on the efforts of the operating entities to enhance complementarity. As such, it is proposed that outcomes and updates related to the Operational Framework be included in the report to COP so that they can be considered by the SCF, upon clearance of the report to the COP by the Board. Additionally, the report to the COPs may serve as input to future reviews of the Financial Mechanism of the Convention.

## III. Approach to the Operational Framework

8. The elements contained in the Operational Framework draw target opportunities emerging from the matrix contained in annex III, including with regards to governance, capitalization, country ownership, access, project development, activities financed, private sector engagement, projects, and policies and safeguards. Further, the Operational Framework

also builds on lessons and recommendations identified during the Fifth Review of the Financial Mechanism of the Convention.

9. The matrix indicates convergence around operations on multiple elements across the different climate finance delivery channels, such as the provision of support for capacity-building and readiness, support for adaptation and technology, project preparation support, national arrangements, commitment to country ownership, and environmental and social safeguards. Such overlaps suggest that these areas can provide common ground for collaboration to advance complementarity and coherence. On the other hand, there are elements where each climate finance delivery channel appears to have comparative advantage, which provides opportunities to maximize impact, for example some channels are better at encouraging co-financing.

10. Other elements, however, suggests that additional coordination and discussion may be necessary to continuously enhance complementarity and coherence, such as on the programming approach employed by the different funds.

11. There is an opportunity to advance the coordination of the activities of the institutions that provide support to similar activities to enhance each fund's impact and improve effectiveness and efficiency of its financial resources. The Operational Framework seeks to advance complementarity to improve opportunities for countries to maximize the impact of interventions supported by the GCF.

12. A review of annex III suggests that there are opportunities for collaboration, including: co-financing, during project review processes; enhancing predictability and greater clarity about the role of the GCF to facilitate the identification of opportunities to collaborate; coordination of country programming, investment planning and pipeline development between funds (e.g. through common country focal points); exploring thematic synergies between project/programme portfolios; and scaling up successful experiences.

13. Previous experiences suggest that the implementation of efforts for complementarity and coherence may require fit-for-purpose arrangements. Box 1 below considers the experience in two relevant areas, and demonstrates the type of arrangements employed in such instances. The framework proposes the creation of coordination arrangements between secretariats, with an annual report of progress to the Board and the use of the Annual Dialogue between climate finance delivery channels to commence in 2017 as the overall mechanism to advance complementarity at the level of delivery of climate finance.

### **Box 1. Enhanced complementarity at the activity level**

#### **Case study of the Readiness Coordination Mechanism**

The GCF Secretariat established a Readiness Coordination Mechanism (RCM) in March 2015 in line with decision B.08/11 to collaborate with partners delivering readiness support with regards to GCF resources. The Secretariat facilitates engagement among key partners providing GCF readiness support to maximize coordination, lesson learned and harmonized approaches in the delivery of GCF resources. Institutions participating in this group include the African Development Bank (AfDB), the Climate Technology Centre and Network (CTCN), the Commonwealth Secretariat, the Food Agriculture Organisation of the United Nations (FAO), the Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ), the Kreditanstalt fuer Wiederaufbau

### Box 1. Enhanced complementarity at the activity level

	<p>(KfW), the United Nations Environment Programme (UNEP), the United Nations Development Programme (UNDP), the World Resources Institute (WRI) and the Global Green Growth Institute (GGGI), among other civil society and development partner organization. In 2017, RCM partners are focusing collaborative efforts on project support for direct access entities. These efforts include the development of project development toolkits and guidelines</p> <p>A concrete example of collaborative RCM efforts to date includes the development of a ‘Training of Trainers’ programme for national designated authorities (NDAs) and focal point capacity-building in partnership with GIZ. The initiative features the development of training modules for NDAs aligned with the GCF country ownership guidelines and aims to strengthen the role that NDAs and focal points play in GCF engagement. A total of six regional training sessions will target NDAs and entities supporting GCF-funded NDA strengthening and country programming readiness grants</p>
<p><b>Case study of accreditation</b></p>	<p>In decision B.08/03, the GCF established a fast-track accreditation process on the basis of similar accreditation review processes and similarity of standards with the Global Environment Facility, the Adaptation Fund and the Directorate-General for International Development and Cooperation. Entities that are eligible to undertake this fast-track accreditation process may skip completing certain sections of the GCF accreditation application (e.g. basic fiduciary standards, specialized fiduciary standard for project management, specialized fiduciary standard for grant award and/or funding allocation mechanisms, and elements of the interim environmental and social safeguards, as applicable) because similar information has been reviewed by these other institutions. In addition, the review of accreditation applications may be focused on areas where the GCF requirements are different from those institutions</p> <p>To date, of the 48 entities that have been accredited to the GCF, 35 of them have gone through the fast-track accreditation process</p>

14. The Operational Framework contains a set of outcomes under each of its pillars and proposed elements, and the progress on these will be reported in 2018. Specific activities related to each outcome have not been listed, in order to provide flexibility to the Secretariat to incorporate work related to relevant operations and to develop coordination arrangements with other climate finance delivery channels only where and when necessary. A report on progress, including on coordination arrangements, will be provided to the Board annually.

15. With regards to pillar I, the Board may consider one or several vehicles to establish fund-to-fund arrangements, depending on the effect intended. Such vehicles could include memoranda of understanding, accreditation, co-financing, joint activities (such as capacity-building). In considering such options, the Board may wish to consider the comparative advantages of different channels, including in those areas reviewed in annex III. It might also be prudent for the Board to await the first update from the Secretariat regarding the implementation of pillars II, III and IV, before considering structure or major changes within the remit of pillar I. In addition to the above matters, it is possible that while implementing pillars II-IV of this Operational Framework, which includes the Annual Dialogue, other matters may need to be escalated to pillar I.

## Annex I. Draft decision of the Board

The Board, having considered document GCF/B.17/08 titled “Operational Framework on complementarity and coherence”:

- (a) *Adopts* the Operational Framework on complementarity and coherence contained in annex II to this document;
- (b) *Requests* the Secretariat to present a report on the progress made and outputs from the Operational Framework on complementarity and coherence in line with decision B.13/21, paragraph (c), for consideration by the Board in 2018, and to provide an annual update thereafter;
- (c) *Encourages* the Executive Director to host the Annual Dialogue with climate finance delivery channels in the margins of the eighteenth meeting of the Board (B.18) and to utilize it as a forum for exchange between the GCF and relevant climate finance delivery channels;
- (d) *Requests* the Secretariat to include outcomes and updates related to complementary and coherence in the report to the Conference of the Parties for its consideration by the Board, and to continue cooperation with the Standing Committee on Finance, in line with Decision B.13/11.



## Annex II: Operational Framework for complementarity and coherence

### I. Purpose

1. The Operational Framework for complementarity and coherence (hereinafter referred as Operational Framework) operates in a diverse and evolving climate finance landscape. It seeks to strengthen complementarity and enhance coherence with regards to operations and processes across climate finance institutions. The Operational Framework may also incorporate other institutions when appropriate and as the work evolves. Its evolution requires collaboration with the other institutions.
2. The scope of the Operational Framework includes areas of relevance between the climate finance delivery channels and the GCF, as per the pillars described below, and it may evolve upon guidance from the Board.
3. The GCF Secretariat will report on outcomes and progress on the implementation of the Operational Framework to the Board once a year. An update on work under the Operational Framework is also to be included in the GCF report to the Conference of the Parties (COP), starting in 2018.

#### 1.1 Operational pillars

4. In decision B.13/08, the Board requested the Secretariat to prepare a document focusing on the following four pillars for operationalizing complementarity and coherence:
  - Pillar I. Board-level discussions on fund-to-fund arrangements
  - Pillar II. Enhanced complementarity at the activity level
  - Pillar III. Promotion of coherence at the national programming level; and
  - Pillar IV. Complementarity at the level of delivery of climate finance through an established dialogue
5. Each pillar is elaborated below, including where possible, potential complementary and coherence outcomes.
6. Complementarity and coherence between the funds can occur at the institutional level as well as at an operational level. In this context, the first pillar (Board-level discussions on fund-to-fund arrangements), is intended to tackle complementarity and coherence at a more fundamental institutional level, where changes to business models, governance structures or key policies may be required. The remaining pillars aim to address it at the operational level within existing institutional parameters of each institution.

##### *Pillar I: Board-level discussions on fund-to-fund arrangements*

7. Under this pillar boards/governing bodies of the various funds can explore and pursue opportunities for complementarity and coherence that might entail changes to their existing business models, governance structures and/or key policies. Overall, consideration by the Board on fund-to-fund arrangements could consider the comparative advantage of institutions to maximize impact, including co-financing (e.g. activities financed, use of financial instruments) and make arrangements to advance them.
8. Substantive matters that could fall under this pillar include:
  - (a) Arrangements that commit one fund to provide co-financing to projects in another fund's pipeline;

- (b) Adjustment of existing policies or processes in search of alignment;
- (c) Arrangements with implications on funding decisions to GCF resources; and
- (d) Arrangements which delegate programming authority to another fund.

9. In each case, the boards of the different funds will need to carefully consider the implications of any such arrangements on its existing business model, governance structure and key policies. For example, in the case of the GCF, the Board shall consider implications on its business model of working through accredited entities, the accreditation framework, the results management framework, the investment criteria, among others.

10. In particular, the governance bodies of the different funds will need to clearly identify whose policies (e.g., relating to prohibited practices or monitoring and reporting), will need to be applied to projects which have been funded pursuant to the types of arrangements that may be discussed under this pillar of the Operational Framework.

11. The form of the fund-to-fund arrangements shall be determined by the relevant boards once the substance of such arrangements has been discussed and agreed. The Board may also wish to consider inputs from the governance of other Funds as it undertakes discussions on arrangements.

*Pillar II: Enhanced complementarity at the activity level*

12. Under this pillar, the various funds should build upon synergies at the activity level in order to enhance complementarity and avoid inefficiency, where possible. Such complementarity shall occur at the operational level and within the existing business models and policies of the different funds.

13. Table 1 below sets out outcomes sought to be undertaken in collaboration with the different climate finance delivery channels to enhance complementarity at the activity level.

<b>Table 1. Enhancing complementarity at the activity level</b>	
<i>Element 1: Readiness/capacity building</i>	
Outcomes 2017- 2018	<ul style="list-style-type: none"> <li>i. Exchange of information via operational coordination arrangements among climate finance delivery channels on readiness support</li> <li>ii. Improvement of readiness support templates to foster complementarity</li> <li>iii. Coordination through existing mechanisms, including joint activities, aimed at enhancing countries capacity to programme climate finance</li> </ul>
<i>Element 2: Nationally determined contributions (NDCs), National Adaptation Plans (NAPs), National Communications (Nat Coms) and technology</i>	
Outcomes 2017- 2018	<ul style="list-style-type: none"> <li>i. Exchange of information and coordination in the support and pipeline for activities related to planning and reporting documents, such as NDCs, NAPs, Nat Coms, Transparency etc. Special consideration will be given to technology and complementarity with the Technology Mechanism of the UNFCCC</li> <li>ii. Revision of support request templates to foster complementarity</li> <li>iii. Coordination to avoid overlaps and maximize impact, and consider where possible collaboration in workshops and other activities with countries</li> </ul>
<i>Element 3: Project preparatory support</i>	
Outcomes	<ul style="list-style-type: none"> <li>i. Harmonization of policies related to project preparatory support to simplify access</li> </ul>

2017-2018	ii. Information sharing to avoid duplication of support for the same or overlapping proposals
Element 4: Programming	
Outcomes 2017-2018	<ul style="list-style-type: none"> <li>i. Exchange experiences and identify opportunities to advance coherence of programming approaches, such as programmatic funding proposals</li> <li>ii. Identification of thematic synergies, such as REDD+, technology, etc, between project/programme portfolios</li> <li>iii. Conduct in collaboration with national designated authorities (NDAs) and accredited entities (AEs) a country-specific landscape of climate finance to enhance coordination on pipelines</li> <li>iv. Apply the lessons learned and best practices in order to improve enabling environments, including with regards to stakeholder engagement</li> </ul>
Element 5: Funding proposals	
Outcomes 2017-2018	<ul style="list-style-type: none"> <li>i. Synergies of existing policies and procedures related to the project cycle have been identified, including providing clarification of terms across landscape, where appropriate</li> <li>ii. Opportunities to enhance the use of resources during project review processes have been identified, including for scaling up successful experiences</li> <li>iii. Information sharing between funds to identify and help assess similar or linked proposals from the same applicants (and to address forum shopping)</li> <li>iv. Developing standardised advice to applicants regarding the options available at the climate finance delivery channels, if possible, which options are more suited to which type of proposal</li> </ul>
Element 6: Accreditation and work with entities	
Outcomes 2017-2018	<ul style="list-style-type: none"> <li>i. Identification of opportunities to fast track accreditation of entities, leveraging the work of other funds</li> <li>ii. Application of lessons learned and best practices across the accreditation process</li> <li>iii. Collaboration with entities, including information sharing, with regards to other elements of the Operational Framework, such as on programming, capacity building, etc.</li> </ul>
Element 7: Private sector engagement	
Outcomes 2017-2018	<ul style="list-style-type: none"> <li>i. Identification of opportunities for enhance and coordinate outreach to private sector</li> <li>ii. Identification of options to maximize the use of financial instruments across the climate finance landscape</li> <li>iii. Sharing information on new, innovative instruments and experiences, for example, drawing on the Request for Proposals for mobilising funds at scale</li> </ul>
Element 8: Policies and procedures	
Outcomes 2017-2018	<ul style="list-style-type: none"> <li>i. Exchange of experiences and identify possible steps to: <ul style="list-style-type: none"> <li>a) Streamline the implementation of environmental and social safeguards (ESS), fiduciary standards, monitoring and evaluation approaches</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>b) Harmonise methodologies, including on co-financing</li> <li>c) Standardise indicative minimum benchmarks</li> </ul> <ul style="list-style-type: none"> <li>ii. Exchange experiences and harmonize where possible the application policies related to accredited entities (AEs), including on fees, safeguards, etc.</li> </ul>
<b>Element 8: Knowledge management and sharing</b>	
Outcomes 2017- 2018	<ul style="list-style-type: none"> <li>i. Collaboration on enhancing knowledge management and sharing across different climate finance delivery channels</li> <li>ii. Integrate relevant lessons and best practices across different climate finance delivery channels into operations of the GCF, and share GCF lessons for similar consideration</li> </ul>
<b>Element 9: Work of the independent evaluation unit</b>	
Outcomes 2017- 2018	<ul style="list-style-type: none"> <li>i. Sharing of information, lessons learned and best practices and collaboration across different climate finance delivery channels</li> </ul>

*Pillar III: Promotion of coherence at the national programming level*

14. To promote greater coherence at the national level, the GCF and other funds need to consider country investment programmes, national policy frameworks and the work programmes of accredited/implementing entities/agencies. Table 2 below sets out those outcomes sought at the operational level within the business models and policies of the different funds, in each case, in close consultation with the relevant national authorities.

<b>Table. 2 Actions to promote coherence at the national programming level</b>	
<b>Element 1. Country programmes and country engagement</b>	
Outcomes 2017- 2018	<ul style="list-style-type: none"> <li>i. Coordination of country programming, investment planning and pipeline development between funds (e.g. national designated authorities (NDAs), Global Environment Facility Focal Points, CTCN National Designated Authorities, etc.).</li> <li>ii. Enhance sharing of information on support requests vis-à-vis national policies by NDAs and accredited entities (AEs)</li> <li>iii. Explore opportunities to maximize use of resources during project review formulation</li> </ul>
<b>Element 2: Policy frameworks</b>	
Outcomes 2017- 2018	<ul style="list-style-type: none"> <li>i. Exchange best practices and coordinate in the application of GCF country ownership guidelines</li> <li>ii. Climate finance delivery channels to coordinate financing of the national adaptation plans (NAPs), Technology Needs Assessment (TNAs), Nationally Appropriate Mitigation Actions (NAMAs), Measurement, Reporting and Verification (MRV), and so on, in consultation with the respective stakeholders</li> <li>iii. Collaboration between climate finance delivery channels to maximize engagement with AEs including direct access entities</li> </ul>

**Table. 2 Actions to promote coherence at the national programming level**

Element 3: Country-driven coordination	
Outcomes 2017- 2018	<ul style="list-style-type: none"> <li>i. Enhanced channels for communication between different focal points (NDAs and other respective focal points under the different Funds within the country), where applicable</li> <li>ii. Coordinate the development of GCF country programmes to utilize opportunities across the climate finance landscape as part of the process of engaging existing and prospective implementing entities to identify the practical steps that will enable implementation of the country's strategies with support from the GCF.</li> <li>iii. Identify issues that may arise throughout the programming process where enhanced coordination between NDAs and accredited entities can be beneficial to enhance the support to help the country realize a paradigm shift in its efforts to achieve low-emission and climate-resilient development.</li> </ul>

*Pillar IV: Complementarity at the level of delivery of climate finance through an established dialogue*

(i) **Annual dialogue of climate finance delivery channels**

15. The Annual Dialogue of climate finance delivery channels will support the implementation of the Operational Framework by providing a space for high-level consultation and dialogue between climate finance delivery channels, in line with decision B.13/12, paragraph (b). The Executive Director will host and is responsible for the Annual Dialogue and will advise the Co-Chairs of the Board on the timing, scope and organization of the Annual Dialogue at least two months in advance of the meeting. In the future, other Funds may offer to host the Dialogue in collaboration with the GCF.

(ii) **Coordination arrangements between secretariats**

16. Coordination arrangements will facilitate the implementation of the Operational Framework. Such arrangements are to be developed by the GCF Secretariat in collaboration with secretariats of other climate finance delivery channels to advance operational matters of this framework. Each participant is welcome to report, as appropriate, on progress and activities to their respective board, in accordance with their own procedures and governance structures.

17. Coordination arrangements are to be efficient, results-oriented, avoid duplication and operate in line with relevant guidance. Building on existing initiatives and lessons learned, such arrangements may include working groups, information sharing platforms, and joint events and so on. Where possible, however, the implementation of the framework, particularly lessons learned, will be integrated into ongoing operations and processes.

(iii) **Country programming as the interface to support work related to advancing coherence at the national programming level**

18. Actions to promote coherence at the national programming level are to be pursued in a country-driven manner. Country programming will serve as the interface between actions to promote coherence at the national programming level and enhancing complementarity at the activity level. The Readiness and Preparatory Programme is available to support countries as they pursue actions related to this work, in line with the overall objective and existing guidelines of the programme.

(iv) **Input to the Standing Committee on Finance**

19. The Standing Committee on Finance could consider the information on the efforts under this Operational Framework. Outcomes and updates related may be included in the report to the COP.

### III. Annex- Matrix of the GCF and other climate finance delivery channels

Table 1. Matrix of design and operational aspects of climate finance delivery channels\*

	GCF	GEF			Adaptation Fund	CIFs	
		Trust Fund (GEF 5 & 6) **	LDCF	SCCF		Clean Technology Fund	Strategic Climate Fund
<b>Governance</b>							
Established	2010	1991	2001	2001	2001	2008	2008
UNFCCC mandate	Operating entity of the financial mechanism of the UNFCCC and of the Paris Agreement	Operating entity of the financial mechanism of the UNFCCC and of the Paris Agreement	Serves the UNFCCC and the Paris Agreement	Serves the UNFCCC and the Paris Agreement	Serves the Kyoto Protocol, and Decision 1/CMA.1 decided it “should serve the Paris Agreement” as well, consistent with decisions to be taken at COP24	None	None
Governing Body	24-member Board: <ul style="list-style-type: none"> <li>• 12 developing countries</li> <li>• 12 developed countries</li> </ul>	32-member Board: <ul style="list-style-type: none"> <li>• 16 developing countries</li> <li>• 14 developed countries</li> </ul> 2 economies in transition	32-member Board: <ul style="list-style-type: none"> <li>• 16 developing countries</li> <li>• 14 developed countries</li> </ul> 2 economies in transition	32-member Board: <ul style="list-style-type: none"> <li>• 16 developing countries</li> <li>• 14 developed countries</li> </ul> 2 economies in transition	16-member Board: <ul style="list-style-type: none"> <li>• 2 from each of the 5 UN regional groupings</li> <li>• 1 SIDS</li> <li>• 1 LDC</li> <li>• 2 Annex I Parties</li> <li>• 2 non-Annex I Parties</li> </ul>	16-member trust fund committee: <ul style="list-style-type: none"> <li>• 8 eligible recipient countries</li> <li>• 8 contributor countries</li> </ul>	16-member trust fund committee: <ul style="list-style-type: none"> <li>• 8 eligible recipient countries</li> <li>• 8 contributor countries</li> </ul> 12-member sub-committees for Pilot Program for Climate Resilience (PPCR), Scaling-Up

							Renewable Energy in Low Income Countries Programme (SREP), and Forest Investment Program (FIP) each: <ul style="list-style-type: none"> <li>• 6 eligible recipient countries</li> <li>• 6 contributor countries</li> </ul>
<b>Capitalization</b>							
Cumulative Funding pledged (~billion USD)	USD 10.3 <i>(2015 - 2018)</i>	USD 3.03 [climate allocation]	USD 1.225	USD 0.352	USD 0.64 [includes CDM revenue], as of March 2017	USD 5.4 <i>As of March 2017</i>	USD 2.61 <i>As of March 2017</i>
Contributor countries (developing in brackets)	43 (9)	39 (13)	25	15	14	9	13
<b>Promoting country ownership</b>							
National coordination focal point	National designated entities or focal points, which issues the No objection letter required to approve funding; proposes entities for direct access accreditation; convenes stakeholders at the national level; put forward readiness	<b>GEF Political Focal Points</b> focus mainly on governance, including policies and decisions, and relations between member countries within their constituencies. Usually, they are the ones who follow the Council discussions and	<b>Same as GEF Trust Fund.</b>	<b>Same as GEF Trust Fund.</b>	The <b>Designated Authority (DA)</b> is responsible for endorsing the use of selected implementation modality, endorsing accreditation applications as National, Regional, and Sub-Regional	<b>Dedicated country focal points.</b> The CIF rely on the multilateral development banks (MDBs)- established procedures and country focal points for ensuring the country no-objection during the preparation of project proposals.	



	support requests and ensures alignment on funding proposals with national priorities (and other functions)	represent their countries at the Assembly. <b>GEF Operational</b> Focal Points are responsible for operations of GEF activities within their countries. This includes reviewing and endorsing project proposals.			Implementing Entities, and endorsing projects and programmes proposed by the implementing entities.		
Readiness and capacity support provided	Support in the areas of: Establishing and strengthening NDAs and strategic frameworks; Preparation of country programmes; Accreditation for direct access entities; and Development of projects and programmes	PCCB and other CB support, such as strengthening or establishment of national climate change secretariats or national focal point, development of national reports, enhancement and transfer of technologies, etc	Support for the Preparation of NAPAs and NAPs	Global support programme for Non-LDC NAP development	Small grants to support accreditation of NIEs & to build capacity to undertake climate finance readiness activities Including, grants available for: Project formulation; South-south cooperation; Technical assistance; Global, regional and sub-regional workshops; and webinars. One-on-	Preparation of country investment plans, project preparation support, and knowledge sharing events, all contributing to readiness and capacity support.	Preparation of country investment plans, project preparation support, and knowledge sharing events, all contributing to readiness and capacity support.

					one exchange with prospective IEs.		
Accreditation of direct access entities (Y/N)	Yes	Yes	Yes	Yes	Yes	No	No
<b>Access Modalities</b>							
Accredited implementing entities	Total accredited entities: 48 • National direct access: 14 • Regional direct access: 9 • International access: 25	Total implementing partners: 18 • Multilateral agencies: 10 • Project agencies: 8	Total implementing partners: 18 • Multilateral agencies: 10 • Project agencies: 8	Total implementing partners: 18 • Multilateral agencies: 10 Project agencies: 8	Total accredited entities (as of October 2016): 43 • NIEs: 25 • RIEs: 6 • MIEs: 12	MDBs: 5	MDBs: 5
Programming	<b>Country programmes and entity work programmes</b> lie at the center of the programming exercise. These living documents facilitate the alignment of countries' programming priorities with the expertise and capabilities of the accredited entities.  GCF provides	GEF holds <b>Expanded Constituency Workshops</b> (ECWs) for GEF political/operational focal points to discuss GEF programming and strategy. GEF-6 Programming Directions place an emphasis on supporting synergy/integration that combine policies, technologies, and management	Projects and programs are designed based on the information and guidance provided in <b>NCs, NAPAs and INDCs</b> , as well as. The <b>'GEF Programming Strategy on Adaptation to Climate Change for the LDCF and the SCCF for the period 2014-2018</b> seeks to: (a) Integrate CCA into relevant policies; (b) Expand synergies between CCA and other GEF focal areas.  SCCF to finance activities, programs and measures relating to climate change that are <b>complementary</b> to those funded under the climate change focal area	The <b>Strategic Priorities, Policies and Guidelines</b> mandates to finance concrete adaptation projects and programmes that are <b>country driven</b> and are based on the <b>needs, views and priorities</b> of eligible Parties. Such projects and programmes are to also take into account, <b>national priorities</b> .	MDBs' jointly assess interested eligible countries' investment potential to meet CTF investment criteria. Where there is a potential fit, MDBs conduct a joint exercise involving other relevant development	<b>Pre-Programming</b> Committees agree on country or regional pilots and criteria for country selection. CIF AU, through MDBs inform countries and invite expression of interest; <b>Programming Phase</b> SCF Sub-Committees endorses Investment Plan; Investment and financing proposals are developed; a SCF Sub-	

	<p><b>readiness support</b> to assist countries, inter alia, in the elaboration of strategic frameworks.</p> <p>GCF holds <b>Structured Dialogues</b> to articulate regional roadmaps for GCF engagement.</p>	<p>practices with significant mitigation and resilience potential. <b>GEF-6 Climate Change Mitigation Strategy</b> seeks to enhance synergies across focal areas and to <b>enhance complementarity with other climate financing options, including the GCF.</b></p>	<p>of the GEFTF and through other bilateral and multilateral sources.</p>	<p>In assessing project and programme proposals, the Adaptation Fund Board is to consider <b>consistency with national sustainable development strategies</b> and other policies. Aims to move to a <b>programmatic approach, avoid duplication</b> with other funding sources.</p>	<p>partners. CTF Trust Fund Committee reviews the investment plan with a view to endorsing a resource envelope authorising designated MDBs to proceed with development and preparation of individual investment operations for CTF co-financing.</p>	<p>Committees approve s financing for investments and other proposals.</p>
<b>Project preparation support</b>						
Project preparation support	<p>Readiness activity area 4 to support pipeline development - PPF (capped at USD 1.5 million per request)</p>	<p>Project preparation grants to develop proposals from concepts</p>	<p>Project preparation grants to develop proposals from concepts</p>	<p>Project preparation grants to develop proposals from concepts</p>	<p>Project preparation grants (USD 30,000 + USD 15,000 technical assessments if necessary). For regional projects, up to USD 100.000.</p>	<p>Funding to develop investment plans and project preparation.</p>
<b>Activities financed</b>						
Thematic focus	•Adaptation	•Mitigation	•Adaptation	•Adaptation	•Adaptation	•Mitigation •Adaptation

	• Mitigation	• Capacity-building		• Technology transfer			• Mitigation
Mitigation result areas	<ul style="list-style-type: none"> <li>• Energy access and power generation</li> <li>• Low emission transport</li> <li>• Building, cities and industries and appliances</li> <li>• Forestry and land-use</li> </ul>	<ul style="list-style-type: none"> <li>• Energy efficiency</li> <li>• Renewable energy</li> <li>• Power</li> <li>• Cities and transport</li> <li>• Forests</li> <li>• Agriculture</li> <li>• Manufacturing</li> <li>• Waste</li> </ul>	None	<ul style="list-style-type: none"> <li>• Energy</li> <li>• Transport</li> <li>• Industry</li> <li>• Agriculture</li> <li>• Forestry</li> <li>• Waste management</li> </ul>	None	<ul style="list-style-type: none"> <li>• Renewable energy</li> <li>• Energy efficiency</li> <li>• Sustainable transport</li> </ul>	<ul style="list-style-type: none"> <li>• Renewable energy</li> <li>• Forests and landscapes</li> </ul>
Adaptation result areas	<ul style="list-style-type: none"> <li>• Most vulnerable people and communities</li> <li>• Health and well-being, and food and water security</li> <li>• Infrastructure and built environment</li> <li>• Ecosystem and ecosystem services</li> </ul>	Not applicable	<ul style="list-style-type: none"> <li>• Water Resources</li> <li>• Food Security and Agriculture</li> <li>• Health</li> <li>• Disaster Preparedness and Risk Management</li> <li>• Coastal Zone Management and Infrastructure</li> <li>• Natural Resource Management</li> <li>• Community-Based Adaptation</li> </ul>	<ul style="list-style-type: none"> <li>• NAPA Implementation</li> <li>• water resources management</li> <li>• land management</li> <li>• agriculture</li> <li>• health</li> <li>• infrastructure development</li> <li>• fragile ecosystems,</li> <li>• supporting capacity-building, including institutional capacity</li> <li>• Technology transfer</li> </ul>	<ul style="list-style-type: none"> <li>• Food security</li> <li>• Agriculture</li> <li>• Water management</li> <li>• Coastal management</li> <li>• Multi-sector</li> <li>• Rural development</li> <li>• Disaster risk reduction</li> <li>• Forests</li> </ul>		<ul style="list-style-type: none"> <li>• Agriculture and landscape management</li> <li>• Water management</li> <li>• Infrastructure</li> <li>• Climate information systems and disaster risk management</li> </ul>

				<ul style="list-style-type: none"> <li>• Capacity-building</li> <li>• Economic diversification</li> </ul>			
Financial instruments available	<ul style="list-style-type: none"> <li>• Grants</li> <li>• Concessional loans</li> <li>• Equity</li> <li>• Guarantees and other risk mitigation instruments</li> </ul>	<ul style="list-style-type: none"> <li>• Grants Non-grant programme only</li> <li>• Concessional loans</li> <li>• Equity</li> <li>• Guarantees and other risk mitigation instruments</li> </ul>	Grants	Grants	Grants	<ul style="list-style-type: none"> <li>• Grants</li> <li>• Concessional loans</li> <li>• Equity</li> <li>• Guarantees and other risk mitigation instruments</li> <li>• Local currency financing</li> </ul>	<ul style="list-style-type: none"> <li>• Grants</li> <li>• Concessional loans</li> <li>• Equity</li> <li>• Guarantees and other risk mitigation instruments</li> </ul>
Engagement with the private sector							
Modalities for engagement	Yes. A dedicated Private Sector Facility and a Private sector advisory group. Also Provides for accreditation of private sector actors and of entities that engage with the private sector	Yes (through the non-grant pilot programme)	<p>The LDCF and SCCF engaged the private sector, as reported in the Annual Monitoring Report for the LDCF and SCCF.</p> <p>The programming strategy for the LDCF and SCCF includes provisions on private sector.</p>	No primary emphasis on engagement with private sector, although some engagement with the private sector has occurred; projects involve in-kind and parallel inputs from private sector entities	USD 2.3 billion (or close to 30 % of \$8.3 billion total CIF funding) has been allocated for projects and programs that aim to stimulate private sector participation, including USD 1.7 billion for private sector projects specified in CIF investment plans and ~ USD 640 million to specific private sector facilities to achieve scale and speed in response to market demand, including \$465 million allocated through the CTF Dedicated Private Sector Programs		
Target recipients	All developing country Parties to	Developing country Parties to the	Least developed	Non-Annex I Parties to the	Developing country Parties to	ODA eligible developing	FIP and PPCR: ODA eligible developing

	the UNFCCC (140 NDAs/FP registered)	conventions the GEF serves, or who are eligible to receive World Bank (IBRD or IDA) financing or UNDP technical assistance	countries (LDCs)	UNFCCC, prioritizing vulnerable countries in Africa, Asia and SIDS	the Kyoto Protocol which are particularly vulnerable to climate change	countries with active MDB programs	countries with active MDB programs SREP: low income countries eligible for MDB concessional financing (i.e., IDA or a regional development bank's equivalent) with active MDB programs
<b>Projects</b>							
Funding approved (billion USD)	USD 2.24 billion	USD 2.54	USD 1.160	USD 0.348	USD 0.42	USD 4.92	USD 1.65
Projects approved	43	379	248	76	63	102	114
Countries with approved projects	64	137	51	79	55	24	36
Co-financing (billion USD)	USD 7.32	USD 24.7	USD 4.75	USD 2.62	-	USD 46	USD 5.4
Co-financing ratio	1:2.27	1:9.7	1:4.1	1:7.5	-	1:9.5	1:3.3
Data reported	Apr - 2017	Jun - 2016	May- 2017	May- 2017	May 2017	Dec - 2016	Dec - 2016
Project/programme sizes	Micro (up to USD 10 million) Small (USD 10 to USD 50 million) Medium (USD 50 to USD 250 million) Large (more than USD 250 million)	Enabling Activities (EAS) (up to USD 10 million) Medium (MSPs) (up to USD 2 million) - Full-sized (FSPs) (more than USD 2 million) - Direct Access for NPFs and	Medium (MSPs) (up to USD 2 million) - Full-sized (FSPs) (more than USD 2 million) - Enabling Activities (EAS)	Medium (MSPs) (up to USD 1 million) - Full-sized (FSPs) (more than USD 1 million) - Programmatic Approaches (PAs)	Small-size (up to USD 1 million) - Regular (more than USD 1 million) - Regional projects up to USD 14 million	Average funding per project: USD 48.2 million	Average funding per project: USD 11.1 – 16.5 million

		Convention Reports - Programmatic Approaches (PAs)	- Programmatic Approaches (PAs)				
<b>Approach to environmental and social safeguards</b>							
ESS	<ul style="list-style-type: none"> <li>• Requirement for accreditation</li> <li>• Second level due diligence assessment of funding proposals</li> <li>• Monitoring &amp; accountability reporting</li> <li>• IFC policy</li> <li>• Fast-tracking of entities from AF</li> </ul>	<p>Policy states the principles with regards to social and environmental safeguards that the GEF shall apply to those operations that it finance</p> <p>Assessment of GEF Project Agencies and Assessment of the Existing GEF Agencies in accordance with 8 principles and considering the comparative advantage of reach Agency.</p> <p>No GEF Secretariat level screening of the implementation of safeguards on a project-by-project basis</p> <p>World Bank policy</p> <ul style="list-style-type: none"> <li>• The GEF Policy requires demonstration that Partner Agency has relevant policies and systems in place including institutional capacity.</li> </ul>	<ul style="list-style-type: none"> <li>- Requirement for accreditation</li> <li>- Second level due diligence assessment of funding</li> <li>- The Policy Statement requires IE's to develop an ESMS commensurate to the potential scope and severity of E&amp;S risks inherent in the project/programme design.</li> <li>- Monitoring &amp; accountability reporting</li> </ul>	Uses the respective policies of the MDB partners			
<b>Fiduciary and monitoring systems and safeguard policies and monitoring systems</b>							
Fiduciary and safeguard policies	<ul style="list-style-type: none"> <li>• GCF fiduciary standards and interim safeguard (applies the IFC's performance standards)</li> <li>• Gender policy and action plan</li> </ul>	<ul style="list-style-type: none"> <li>• GEF environmental and social policy</li> <li>• GEF fiduciary standards</li> <li>• GEF Gender Equality Action Plan and Gender mainstreaming policy</li> <li>• Indigenous Peoples Policy</li> </ul>	<ul style="list-style-type: none"> <li>• AF environmental and social policy</li> <li>• AF Fiduciary standards</li> <li>• Gender policy and action plan</li> <li>• Transparency, self-investigative</li> </ul>	<ul style="list-style-type: none"> <li>• Applies fiduciary standards and safeguard policies of each MDB partner</li> <li>• CIF Gender Action Plan (Phases 1&amp;2)</li> </ul>			

	<ul style="list-style-type: none"> <li>• Mandate to develop and indigenous people's policy</li> </ul>				powers, and anti-corruption measures		
Monitoring systems	<ul style="list-style-type: none"> <li>• Accreditation: Annual self-reporting on systems compliance with standards and safeguards. Secretariat conducts midterm review and any ad hoc compliance reviews</li> <li>• Activities: Quarterly financials, semi-annual progress reports, and mid-term and final evaluations. Participatory monitoring encouraged</li> <li>• Spot checks: GCF can conduct spot-checks using a risk-based system</li> </ul>	<ul style="list-style-type: none"> <li>• Annual reporting by agencies</li> <li>• Agency-led mid-term review of full-size projects</li> <li>• Agency-led terminal evaluations of projects/programmes, which must have independent review</li> <li>• Independent Evaluation Office plays a central role in evaluations from more than one GEF agency</li> </ul>			Annual project performance. Regular projects subject to midterm and terminal evaluations. Terminal evaluations must be conducted by an independent investigator of entity's choosing. Small-scale project evaluation will be deemed as necessary. The Board can carry out independent reviews or evaluations of the projects and programmes as and when deemed necessary.	<ul style="list-style-type: none"> <li>• Applies the Results Frame approved by the CIF governing bodies and the Monitoring and Reporting Toolkit developed for each program. CIF core indicators collected and presented in the annual results report (information from recipient countries and MDBs).</li> <li>• Applies each MDB's system for monitoring &amp; evaluation of projects.</li> <li>• MDB lead med-term reviews and completion reports.</li> <li>• CIF Evaluation and Learning Initiative conducts evaluations and studies (thematic, sectoral, strategic, etc.).</li> </ul>	
<b>Administration</b>							
Implementing entity fees (percent)	<ul style="list-style-type: none"> <li>• Fee cap for grants to public sector projects/programmes 9% of grant):</li> <li>• Micro (&lt;=10m): 10</li> </ul>	<ul style="list-style-type: none"> <li>• Projects (% of grant)</li> <li>• &lt;USD 10m: 9.5</li> <li>• &gt;USD 10m: 9.0</li> </ul>	Average: 8.81	Average: 8.82	Cap: 8.5  Average: 7.3	<ul style="list-style-type: none"> <li>• Project grants cap: 5% of grant amount</li> </ul>	<ul style="list-style-type: none"> <li>• Negotiated case-by-case:</li> <li>• Lowest: 0.5</li> <li>• Highest: 30.6</li> </ul>



	<ul style="list-style-type: none"> <li>• Small (&gt;10m - &lt;=50m): 9</li> <li>• Medium (\$50m and &lt;=\$250m): 7</li> <li>• Large (&gt;=\$250m):7</li> </ul> <p>Private sector and nongrant concessional loan public sector projects decided case-by-case)</p>	<p>Programmes:</p> <ul style="list-style-type: none"> <li>• Approved by an executive Board: 8</li> <li>• Approved by other agencies: 9</li> <li>• Small grants programme: 4</li> </ul> <p>Average: 7.18</p>				<p>Public sector loans and guarantees:</p> <ul style="list-style-type: none"> <li>• 0.18 semi-annually, or</li> <li>• 0.45 up front</li> </ul> <p>Private sector projects determined on a case-by-case basis:</p> <ul style="list-style-type: none"> <li>• Lowest 0.68</li> <li>• Highest: 5.67</li> </ul> <p>Overall average: 0.66</p>	Average: 4.02
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\* Table adapted from Amerasinghe, N. et al (2017). "The Future of the Funds. Exploring the Architecture of Multilateral Climate Finance". World Resources Institute, with additional information drawn from public documents and recent literature.

\*\* Table does not consider the newly launched GEF Capacity-building Initiative for Transparency (CBIT). The Paris Agreement requested the GEF to support the establishment of the CBIT through voluntary contributions during GEF-6 and future replenishment cycles. While the table does not consider all relevant details of CBIT as they are still being operationalize, the work of the GEF on capacity-building on transparency is consider is Annex II in the Operational Framework with regards to the activity level.

Abbreviations: AF = Adaptation Fund, CIFs = Climate Investment Funds, GCF = Green Climate Fund, GEF = Global Environment facility, IFC = International Finance Cooperation, LDC = Least developed country, LDCF = GEF Least Developed Country Fund, MDB = Multilateral development bank, MIE = Multilateral implementing entity, NAP = National Adaptation Plan, NAPA = National adaptation plan of action, NIE = National implementing entity, ODA = Official development assistance, RIE = Regional implementing entity, SCCF = GEF Special Climate Change Fund, SIDS = Small Island Developing States, UNFCCC = United Nations Framework Convention on Climate Change