



**GREEN
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Development of sector guidance and consultation process

Summary

In 2019, the Secretariat started to develop sector guidance under the eight GCF results areas, which aims to respond to decision B.17/08 and seeks to provide guidance to AEs, national designated authorities and other stakeholders on potential areas where GCF investment in relevant sectors would have the most impact. This document contains details on the development of the sector guidance and consultation process.

I. Progress update on the preparation of sectoral guidance

1. The Board, in decision B.17/08, requested the Secretariat to undertake additional analysis, taking into consideration the potential investment priority areas presented in document GCF/B.09/06, to identify specific results areas where targeted GCF investment would have the most impact.
2. In the same decision, the Board also requested the Secretariat to undertake targeted outreach to promote partnerships between accredited entities (AEs) and those potential non-AEs that have the technical expertise to align the portfolio composition with the initial results management framework contained in decision B.07/04.
3. In 2019, the Secretariat started to develop sector guidance under the eight GCF results areas, which aims to respond to decision B.17/08 and seeks to provide guidance to AEs, national designated authorities and other stakeholders on potential areas where GCF investment in relevant sectors would have the most impact.

1.1 First round of consultations: technical inputs

4. During this period, the Secretariat conducted a number of informal technical consultations with various stakeholders to support the development of such guidance. This first round of technical consultations, held online through webinars as well as through Secretariat's participation in various technical expert meetings, aimed to gather input and validation from developing country representatives, AEs and technical partners on the suggested contents of this sector guidance. Initial elements of the proposed content outline were set out in GCF/B.24/Inf.08/Add.02, looking at analyses of sector technologies and business models, country and market analysis, financial mechanisms and trying to identify guidance elements that can inform funding proposal development.
5. The recently established GCF communities of practice have also continued to provide input on these sectoral documents in order to help them evolve based on the best available global expertise.
6. Further technical consultations are planned in 2020 for those sector that did not complete their consultation in 2019, such as: water; health; forestry and land use; ecosystems and ecosystem services; low-emission transport; and energy efficiency.

1.2 Board feedback on scope and purpose of sectoral guidance

7. In parallel to the technical consultations, the Secretariat also received Board guidance on the direction and scope of the sectoral guidance both through the submissions process on the draft Strategic Plan (document GCF/B.24/Inf.01) and at the informal Board meeting in Monrovia, Liberia, which reiterated the strategic value of these documents in guiding GCF stakeholders.
8. Board submissions provided a range of inputs on high-impact strategic impact areas that could be covered under the guidance.
9. In addition, feedback received at the informal Board meeting further reiterated that sectoral guidance should incorporate and address a range of country-specific opportunities and needs while taking a complementary approach to other sources of finance.
10. Further, sector guidance would also need to be evidence-based, non-exhaustive and updated on a regular basis to adequately reflect the status of the sectors covered and the

evolving country needs. It was also indicated that they could use case studies or examples to illustrate how GCF would deliver on impact across its result areas.

1.3 Second round of consultations: all stakeholders

11. The Secretariat will prepare zero drafts of the sector guidance based on the first round of technical consultations, calibrating the technical inputs with Board inputs.
12. Upon finalization, the zero drafts will be discussed through a standardized consultation process. Webinars and online consultations will be held throughout April and May 2020 via a dedicated GCF platform and will make the zero drafts available to all stakeholders, including members of the Board, accredited entities, NDAs and observer organizations.
13. The first sector guidance zero drafts to be presented for consultation are expected to be for the early warning systems and climate information services; infrastructure and built environment; cities; energy generation and access; and agriculture and food security. The detailed schedule of consultations is presented in the table below.
14. The final sectoral guidance is expected to be finalized following the second round of consultations. Papers would then be published on the GCF website.

Table 1: Summary table of the sector guidance development and consultation process

	Sectors corresponding to the GCF result areas	First round Technical Consultations	Preliminary inputs from the Board	Second round Broad stakeholder consultations		
Adaptation	Early warning and climate information services	<i>Completed in 2019¹</i>	Through online submissions on the Strategic Plan (Nov 2019-Jan 2020) At the informal Board meeting, (Feb 2020)	April/May 2020, through GCF online platform		
	Health	17 February 2020				
	Agriculture and food security	<i>Completed in 2019</i>				
	Water	March 2020				
	Infrastructure and built environment	<i>Completed in 2019</i>				
Ecosystems and ecosystem services	Several in 2019, end-February, March 2020					
Mitigation	Energy generation and access	<i>Completed in 2019</i>				
	Cities	<i>Completed in 2019</i>				
	Energy efficiency	August 2019, February 2020				
	Low emissions transport	August 2019, March 2020				
	Forestry, land use	Several in 2019, end-February, March 2020				

¹ Detailed list of all sector guidance consultation held in 2019 was provided in the Addendum to the Report of the Activities of the Secretariat, presented at B.24, available here: <https://www.greenclimate.fund/document/gcf-b24-inf08-add02>