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Integrated Results Management Framework

Summary

This document presents the GCF's Integrated Results Management Framework (IRMF), intended to merge the initial results management framework (decision B.07/04) and performance measurement frameworks (decision B.08/07) into one integrated results management framework by updating the GCF results architecture and related measurement and reporting approaches for the GCF-1 programming.

The IRMF seeks to further strengthen the ability of GCF to measure and report the impact of its investments, by updating the GCF's results architecture to operate in improved alignment with the GCF Investment Framework and enable more consistent measurement and reporting of results from the project/programme level. This proposed results architecture is designed to measure both quantifiable impacts of GCF investments and the GCF contribution to the paradigm shift towards low-emission and climate-resilient development pathways in the context of sustainable development and supporting implementation of the objectives of the United Nations Framework Convention on Climate Change and the Paris Agreement, as set out in the Governing Instrument for the GCF and initial Strategic Plan as well as the updated Strategic Plan of the GCF: 2020-2023 (decision B.27/06).

This document also presents the GCF Results Tracking Tool (RTT) linked with the updated Strategic Plan, which is intended to enable integrated reporting of progress toward the delivery of the updated Strategic Plan.

Comments received from the Board on the proposed IRMF and RTT during the consultation process, and from accredited entities on the draft IRMF, are presented in addenda I-III. The Secretariat's responses to comments from the Board and accredited entities are presented in addendum IV.

Table of Contents

I.	Background, mandate and rationale	1
II.	Policy rationale	2
III.	Analysis of policy proposal	3
IV.	Consultations	10
V.	Policy linkages	10
VI.	Implementation arrangements and operational impact	11
VII.	Monitoring and review	14
	Annex I: Draft decision of the Board	15
	Annex II: Integrated Results Management Framework	16
	Annex III: Measuring paradigm shift potential	27
	Annex IV: Illustrative indicators guidance – reduced emissions and increased resilience	33
	Annex V: Illustrative indicators guidance – systemic change	39
	Annex VI: Linkages between the IRMF and the initial IF	48
	Annex VII: Linkages between the IRMF and the GCF’s result areas	49
	Annex VIII: Overview of roles and responsibilities	51
	Annex IX: Results Tracking Tool	54

I. Background, mandate and rationale

1. In relation to results management, the principal objective of GCF is to ensure it can credibly measure the results of its investments. Per paragraph 58 of the Governing Instrument for the GCF, the Board was charged with approving a results measurement framework with guidelines and appropriate performance indicators.
2. Through decision B.05/03, the Board adopted initial result areas and performance indicators for GCF with the guidance that GCF initial results management framework (initial RMF) shall be designed to “enable effective monitoring and evaluation of the outputs, outcomes and impacts of the GCF’s investments and portfolio, and the GCF’s organizational effectiveness and operational efficiency.” Subsequently, in decision B.07/04, the Board adopted the initial RMF, and later through decision B.08/07, adopted correlated performance indicators through the performance measurement frameworks (PMFs).
3. While the initial GCF Investment Framework (IF) (decision B.07/06) and activity-specific sub-criteria and indicative assessment factors (decision B.09/05) serve to assess the potential viability and impacts of all funding proposals submitted to the GCF (ex-ante), the initial RMF serves to provide an ex-post results architecture at a conceptual level for the GCF. In addition, PMFs supplements the initial RMF by providing a set of (quantitative and qualitative) indicators to measure the actual investment results (ex-post).
4. However, the Secretariat’s experience and lessons learned from the implementation of the above frameworks during the initial resource mobilization (IRM) period, identified several limitations including:
 - (a) Challenges related to the implementation of multiple frameworks (e.g. the initial RMF, PMFs, and initial IF);
 - (b) Lack of clarity on results measurement related to some investment criteria, in particular with regards to measuring the GCF contribution to paradigm shift potential and to the goals of the United Nations Convention on Climate Change (UNFCCC) and the Paris Agreement;
 - (c) Multiplicity of indicators and varying measurement units, making it difficult to aggregate;
 - (d) Lack of guidance on the initial RMF/PMFs implementation for Accredited Entities (AEs); and
 - (e) Inadequate resourcing at the GCF and AE levels to apply the initial RMF/PMFs.
5. A summary of the issues found in the initial results management architecture and their attendant implications is shown below in Table 1.

Table 1: Issues with the initial results management architecture and their implications to results management

ISSUE	IMPLICATIONS TO RESULTS MANAGEMENT
Implementation of multiple results frameworks	The multiplicity of frameworks created confusion and complexity in operationalization resulting in inconsistency/gaps in the application of initial RMF/PMFs
Lack of clarity on results measurement related to some investment criteria, in particular with regard to measuring the GCF contribution to paradigm shift potential	While paradigm shift is one of the key investment criteria under the initial IF, GCF has not been able to consistently measure the actual results against the paradigm shift due to a lack of standardized ex-post assessment tools in the initial RMF/PMF.

ISSUE	IMPLICATIONS TO RESULTS MANAGEMENT
Multiplicity of indicators and varying measurement units, making it difficult to aggregate	Multiplicity of indicators and varying measurement units meant inconsistent reporting by the stakeholders, and the GCF has not been able to meaningfully capture and aggregate its investment results.
Lack of guidance on the implementation for AEs	The lack of guidance brought confusion to the stakeholders (e.g. AEs), which in turn resulted in inconsistency in data reported by the stakeholders.
Inadequate resourcing to apply the initial RMF/PMFs at the GCF and AE levels	Insufficient capacity and resources both at the GCF and AE levels meant limited application and implementation of the initial RMF and PMF, which in turn affected the ability of the GCF to capture and assess its investment results.

6. Additionally, an independent review¹ of the initial RMF out carried by the Independent Evaluation Unit (IEU) in 2018 in accordance with decision B.19/21 drew similar conclusions. Accordingly, through decision B.22/13 the Board requested the Secretariat to (i) present for the Board’s consideration a revised RMF that integrates relevant Board decisions, policies and frameworks related to results management across the GCF process cycles, to the extent possible, including developing measurement, reporting and verification (MRV) systems/methodologies for indicators in consultation with relevant experts and thematic bodies; (ii) develop for the Board’s consideration a proposal to respond to gaps in the current portfolio for measurement and evaluation design; (iii) ensure that AEs adequately budget costs related to data collection and baseline assessment as part of project/programme costs to establish credibility of results reporting.

7. The proposed Integrated Results Management Framework (IRMF) presented as annex II to this document aims to respond to the Board’s decision to revise the initial RMF of the GCF and ensure better integration with other policies, including the initial IF. A separate paper responding to monitoring and evaluation (M&E) gaps in the portfolio was prepared for B.25 and has been updated prior to B.27². The Secretariat has also been systematically reviewing new proposals to ensure that they include appropriate data collection arrangements as well as adequate M&E budgets in the project costs.

8. It is also noted that one of the recommendations in the Replenishment Summary Report (see, decision B.24/02) for further consideration in conjunction with items on its work plan was to implement an updated results management framework that allows measurement and reporting of how all funded activities and operations contribute to overall GCF’s strategic objectives and Paris Agreement goals.

II. Policy rationale

9. Beyond the matters noted above, the context for GCF operations have evolved significantly since the initial RMF was adopted at the seventh meeting of the Board (B.07) in 2014. Major developments include the adoption of the Paris Agreement in 2015 and the Board’s endorsement of an initial Strategic Plan for the GCF in 2016 that set out a long-term vision of promoting a paradigm shift towards low-emission climate resilience in the context of

¹ Independent Evaluation Unit (2018). Independent review of the GCF’s Results Management Framework, Evaluation Report No. 1/2018, Green Climate Fund, Songdo, Republic of Korea.

² The GCF has provided its stakeholders and partners with further guidance on M&E requirements, including budgeting for M&E activities, through the [GCF’s programming manual](#) (released in July 2020), which is being systematically applied in review of funding proposals.

sustainable development and supporting the implementation of the Paris Agreement. In 2019, the GCF successfully completed its first replenishment (GCF-1) and in 2020, the Board approved the GCF updated Strategic Plan that set out objectives, strategic and operational priorities for 2020-2023.

10. These developments have together helped to clarify and refine the overall vision of GCF for delivering results. Accordingly, the IRMF takes into account this evolution, the updated strategic context of GCF and the Secretariat's experience and lessons learned in implementing the initial RMF/PMFs during the IRM period. The proposed IRMF is designed to:

- (a) Increase the GCF's accountability to consistently and credibly measure and report the results of its funded activities vis-à-vis its objectives to promote paradigm shift and support the goals of the UNFCCC and Paris Agreement;
- (b) Clarify the results measurement approach and strengthen the methodological basis including for the paradigm shift; and
- (c) Ensure effective implementation of results management by the Secretariat and key stakeholders through enhanced guidance and delivery of training.

III. Analysis of policy proposal

11. The proposed IRMF set out in **Annex II** aligns its assessment approach with that of the initial IF. The initial IF (supported by the investment criteria) outlines the rationale for GCF support and help assess funding proposals against – among other elements – the prospect of project's/programme's **results potential**, specifically potential for delivering (i) **climate impact** (ii) **paradigm shift** and (iii) **sustainable development**. In turn, the IRMF helps assess whether the expected results identified via the application of the initial IF have in fact been or are being achieved.

12. Relative to the initial RMF/PMFs and initial IF, the IRMF specifically:

- (a) Merges the initial RMF and PMFs to set out a clearer, more complete and coherent architecture for GCF results management directed at resolving the issues outlined above;
- (b) Proposes a simplified and structured measurement and reporting of progress against expected results by projects/programmes that: i) is closely aligned with the Governing Instrument and the initial IF; and ii) supports the GCF to aggregate and assess the actual portfolio level results vis-à-vis the investment criteria;
- (c) Addresses the need for a more structured approach to measuring paradigm shift by reclassifying the sub-assessment criteria of paradigm shift into two categories: i) impact level results (i.e. paradigm shift) and ii) outcome level results (i.e. systemic change indicators). This reclassification recognizes that some of the sub-criteria of the paradigm shift in the initial IF are in fact building blocks towards achieving a paradigm shift that would be defined under each programme/project; and
- (d) Simplifies the earlier frameworks via reclassification of the existing indicators and removal of duplicate indicators for a more structured results measurement and reporting by projects/programmes (see paragraphs 16-22).

13. Despite the changes above, the IRMF maintains the flexibility that was identified as a strength of the initial RMF while addressing gaps and weaknesses identified in the initial RMF. For example, it keeps the principle of the GCF mitigation and adaptation logic models supported by the eight results areas, and the core quantitative indicators (e.g. greenhouse gas (GHG) emissions and number of beneficiaries) to measure the extent of project/programme contributions to these results areas.

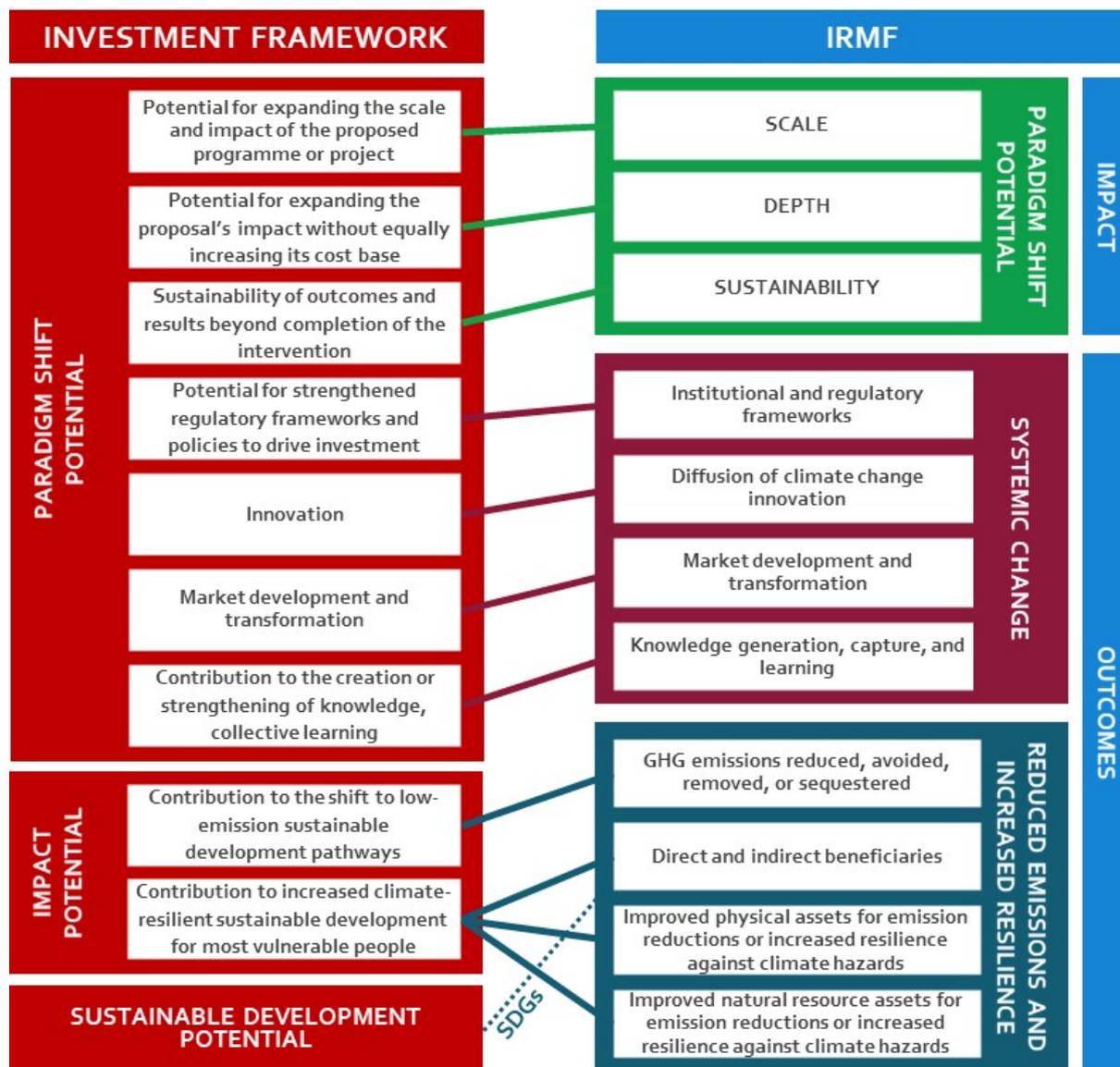
14. The proposed refinements are expected to improve the ability of GCF to monitor and assess its investment impacts as well as its contribution to paradigm shift towards low-emission and climate-resilient development pathways and support towards the implementation of the UNFCCC and the Paris Agreement. The IRMF will be reviewed periodically in order to support the continuous improvement of GCF impact, effectiveness and operational performance.

15. Table 2 summarizes the alignment between the IRMF and other GCF policy frameworks, including the initial IF, initial RMF, and PMF. Figure 1 shows how the IRMF results architecture is mapped against the key investment criteria of the initial IF.

Table 2: Alignment between the Integrated Results Management Framework and other GCF policy frameworks

EXISTING GCF FRAMEWORKS/PURPOSE	ALIGNMENT WITH IRMF	CHANGE/UPDATE
<p>Initial IF</p> <p>Guides ex-ante assessment of projects/programmes before approval (based on six investment criteria and underlying sub-criteria)</p>	<p>Similar to the current application of RMF/PMF, the IRMF will be applied to manage ex-post results of approved projects/programmes</p>	<p>Consistent approach to measuring actual portfolio level results vis-à-vis the investment decisions made based on the initial IF criteria through the use of scorecards (twice during project lifespan for paradigm shift; and annually for systemic change assessments)</p>
<p>Initial RMF</p> <p>Provides initial logic models and eight results areas as well as; and core quantitative indicators (GHG emissions, number of beneficiaries)</p>	<p>IRMF retains these elements of Initial RMF</p>	<p>No change</p>
<p>PMFs</p> <p>Provides a set of quantitative and qualitative indicators to measure project/programme results.</p>	<p>The key quantitative and qualitative indicators from the PMF are retained but reclassified or merged for simpler and structured application. The PMF is merged with the RMF.</p>	<p>More systematic measurement approaches introduced with additional guidance materials as well as planned training on the IRMF application</p>

Figure 1: Alignment between the initial Investment Framework and the Integrated Results Management Framework



16. Based on the policy rationale and proposal above, key design principles of the IRMF are as follows:

- (a) **Measuring paradigm shift potential:** The IRMF recognizes the importance of the GCF having a results framework that looks at multiple causal pathways toward ultimate objective of GCF of promoting a paradigm shift and an understanding of how paradigm shift potential can be achieved. The IRMF accordingly introduces approaches for evaluating GCF-funded projects/programmes' contributions to paradigm shift through the application of a scorecard. At the GCF outcomes level, it reflects the view that contributions to paradigm shift will be enabled through a combination of actions to reduce emissions and increase resilience, along with work to deliver systemic change;³

³ For instance, systemic change core indicators 6 and 7 assess the process of how a GCF project has contributed to creating an enabling environment and support for renewable energy to become a key part of the energy mix with reduced prices support for a variety of technologies and developing an effective value chain (providers, storage etc.)

- (b) **Results management in alignment with the IF criteria:** The IRMF seeks to utilize measurements which mirror the initial IF criteria and activity-specific sub-criteria adopted in decision B.09/05. The IRMF measures contributions to paradigm shift potential (which, in many instances, may only be measurable beyond a project's/programme's lifetime⁴) and systemic change (contributed by a project/programme). Linkages between the initial IF sub-criteria and IRMF are illustrated in figure 1 above and annex VI;
- (c) **Fewer and more consistent indicators and compatibility with other climate finance mechanisms and national statistics systems:** The IRMF proposes 23 core and supplementary indicators compared to 41⁵ under the initial RMF/PMFs. Recognizing that under the initial RMF some indicators were too broad in their definition for AEs to report against, the IRMF aims to refine them to be SMART⁶ indicators for mitigation and adaptation activities. These are mapped against the initial IF and indicators used by other climate finance mechanisms and national statistical authorities to build complementarity and coherence and ensure maximum familiarity to a range of AEs;
- (d) **Flexibility with methodological rigor:** The IRMF gives AEs flexibility to select indicators most relevant to the project/programme and facilitate measurement of multiple and integrated benefits across mitigation and adaptation as well as result areas. AEs will be encouraged to incorporate indicators relevant to the nature of funded activities. This will allow for more meaningful aggregation and comparison across projects/programmes;
- (e) **Encouraging participatory approaches:** The IRMF builds on participatory monitoring approaches as encouraged by the Monitoring and Accountability Framework (MAF). Increasing multi-stakeholder participation in M&E activities is encouraged to the extent possible to strengthen reporting mechanisms as well as the reliability and validity of the results data;
- (f) **Focus on learning and not just accountability:** The IRMF not only ensures accountability of the GCF and GCF-funded projects/programmes on the use of funds but also aims to ensure that learning from projects/programmes are captured and fed back into programming as well as GCF investment decisions.
- (g) **Clear focus on integrating gender and social inclusion:** The IRMF aims to support assessments as to how women and men are benefitting from GCF interventions to ensure gender and social inclusion. Sex-disaggregation is included as a requirement for core quantitative indicators 2 and its supplementary indicators. The ex-ante gender assessment to ensure alignment and adherence to gender policy and the gender action plan are monitored and assessed through annual performance reports (APRs) as in the current practice; and
- (h) **Simplicity in implementation and avoiding system lock-down:** The IRMF follows the general principle that indicators and monitoring methodologies require a simpler

in a target area during the project lifespan. Paradigm shift dimensions look into the extent to which renewable energy sources become the norm or an established taken-for-granted large proportion of the energy mix (depth) by catalyzing other stakeholder's investments and scaling up the renewable energy market over the longer term (scale), with a clear process for transitioning jobs from fossil fuel sources to renewable energy providers in the market (sustainability). Evidence for this would be drawn from both the reduced emissions and increased resilience indicators as well as the systemic change indicators.

⁴ In the IRMF, it refers to the project life cycle that consists of the stages a GCF project/programme goes through as it progresses from inception to completion.

⁵ The Secretariat undertook an analysis which revealed there are a total of 41 indicators, including indicators in the current PMFs and initial logic model for REDD-plus and the role of conservation, sustainable management of forests, and enhancement of carbon stocks results-based payments.

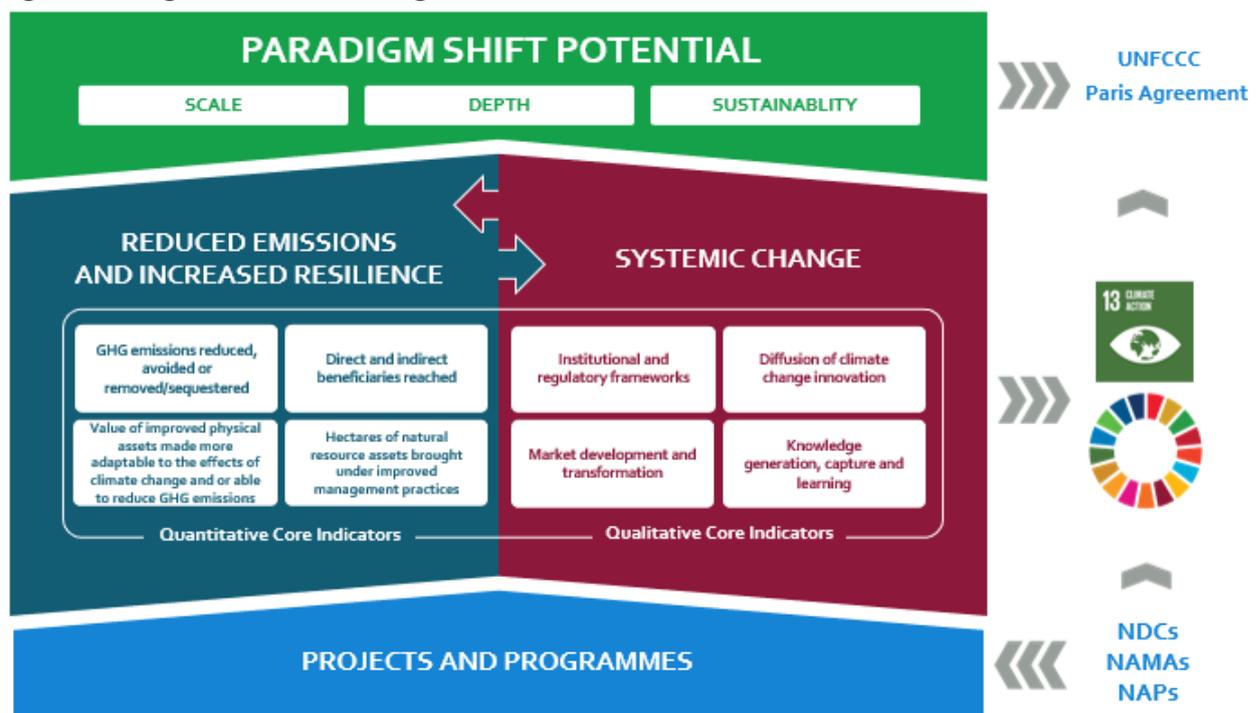
⁶ Specific, measurable, attainable/achievable, realistic/relevant and time-bound.

approach and an adequate amount of resources to be prioritized. The IRMF maintains flexibility allowing it to adjust to the GCF’s evolving strategy and learning.

17. The resulting IRMF architecture is designed to measure results at three levels outlined hereafter and also in figure 2:

- (1) GCF impact level - paradigm shift potential;
- (2) GCF outcome level - reduced emissions and increased resilience (quantitative indicators) and systemic change (qualitative indicators); and
- (3) Project/programme level.

Figure 2: Integrated Results Management Framework results architecture



18. **GCF impact level - paradigm shift potential:** Paradigm shift is a long-term process that involves the irreversible transition of sectors, countries or regions to low-emission and/or climate resilient development. The initial IF defines paradigm shift potential as ‘degree to which the proposed activity can catalyse impact beyond a one-off project or programme investment’. Accordingly, and as practiced under the current frameworks, each project /programme is expected to define its own paradigm shift potential by contextualizing the broad definition above given the fact that paradigm shift is highly context specific⁷. For example, paradigm shift in a small island developing state will look different to paradigm shift in a large, populous country with diverse ecosystems.

19. As in the current practice, projects/programmes will continue to report on its contributions to paradigm shift in narrative format through APRs. In addition, each project/programme will be expected to measure its contribution to paradigm shift along three key assessment dimensions – (scale, depth, and sustainability) during the interim and final project/programme evaluations which are currently required under the accreditation master agreement (AMA) and as per accountabilities outlined under the MAF. The three assessment dimensions are derived from the sub-criteria in the initial IF to assess projects/programmes’

⁷ Sector guides currently being developed by the Secretariat will provide additional support for AEs to define paradigm shift relevant to each sector as the guides will present the main drivers of paradigm shift per sector.

contribution to paradigm shift (see illustrative guidance on the application of the paradigm shift scorecard in annex III⁸).

20. The less frequent reporting requirement (via the interim and final evaluations) recognizes that for many projects/programmes, observable effects during the project implementation period may be limited, with paradigm shift likely realized over and sometimes beyond the projects/programme lifespan.

21. The GCF may also conduct or commission verifications as needed, at or after the end of the implementation period to assess whether contribution to paradigm shift as described by AEs from the funded activity has occurred.

22. **GCF outcome level** aims to measure observable outcomes of GCF funded projects/programmes across the below two interdependent layers which interact to underpin pathways to paradigm shift.

(a) **Reduced GHG emissions and increased resilience:** aims to measure quantified mitigation and adaptation outcomes delivered by GCF projects/programmes; and

(b) **Systemic change:** aims to measure how GCF projects/programmes have contributed to enabling conditions and environments for a paradigm shift.

23. **GCF outcome level - reduced emissions and increased resilience (quantitative indicators):** This result level will capture and aggregate key climate-focused results that are achieved by the GCF-funded projects/programmes. The results measurement indicators include those routinely used by other climate finance mechanisms; commonly tracked by national statistical authorities; and that are aligned with the Sustainable Development Goals (SDGs). Thus, the IRMF builds on familiar indicators that reduce the learning curve for AEs and countries while at the same time allows assessment of GCF investments to SDGs, though not directly called for by the Paris Agreement. The proposed four core quantitative indicators at this level will help gather data on emission reductions and increased resilience and are all derived and finetuned from the initial RMF and PMF:

(a) **Core indicator 1:** GHG emissions reduced, avoided or removed/sequestered;

(b) **Core indicator 2:** Direct and indirect beneficiaries reached;

(c) **Core indicator 3:** Value of improved physical assets made more adaptable to the effects of climate change and or able to reduce GHG emissions; and

(d) **Core indicator 4:** Hectares of natural resource assets brought under improved low emission and/or climate resilient management practices.

24. In addition to the four core indicators noted above, the IRMF introduces supplementary quantitative indicators (as detailed in annex II) derived from the initial RMF/PMFs to allow a more granular understanding of progress across the eight result areas targeted by GCF. Most of the supplementary indicators have been refined to increase clarity on what each is measuring.

25. Towards this end, the IRMF aims to disaggregate data using parameters such as results areas, sex and type of assets to enable the Secretariat to undertake disaggregated analysis of portfolio data by these parameters. For example, sex-disaggregation will be introduced to core indicators 2 and its supplementary indicators which measure the number of individuals benefitting from GCF funded projects/programmes. At the project/programme level, AEs are encouraged to introduce additional gender and social inclusion related indicators in project/programme logical frameworks as relevant.

26. All GCF-funded projects/programmes will be required to monitor and report annually against these core indicators as relevant via the APR process. They will also be required to

⁸ The illustrative guidance is not part of the decision to be considered by the Board. The Secretariat will continue to refine the guidance as part of the development of a Results Handbook to accompany the IRMF.

monitor progress against a supplementary indicator(s), if applicable. The GCF Secretariat will then collate and aggregate project/programme-level results data submitted via the APR process for each core indicator to track portfolio-level results. Supplementary indicator data will support the granular understanding of the collated results and will not be aggregated.

27. To ensure consistent reporting against the core indicators, the APR template will be updated with accompanying guidance provided in the Results Handbook. In addition, AEs will be provided with training on the measurement and reporting tools (i.e. APR template) to track and report project/programme-level results against these core and supplementary indicators annually.

28. Initial illustrative guidance on the core quantitative indicators, including indicative measurement protocols, is set out in the Annex IV.⁹

29. **GCF outcome level - systemic change (qualitative indicators):** This layer of the outcome level results measures how GCF projects/programmes have contributed to enabling conditions and environments for paradigm shift through four qualitative indicators. The systemic change indicators in the IRMF are derived from the sub-assessment criteria of paradigm shift within the initial IF, that is: (i) potential for strengthened regulatory frameworks and policies to drive investment; (ii) innovation; (iii) market development and transformation; and (iv) contribution to the creation or strengthening of knowledge and collective learning. By reclassifying the sub-criteria of paradigm shift into the outcome level results, the IRMF recognizes that these sub-criteria are indeed building blocks towards achieving paradigm shift.

30. Four core qualitative indicators proposed under IRMF to track progress on systemic change are set out below:

- (a) **Core indicator 5:** Degree to which GCF investments contribute to strengthening institutional and regulatory frameworks for low emission climate-resilient development pathways.
- (b) **Core indicator 6:** Degree to which GCF investments contribute to technologies and innovation not previously or widely demonstrated in a particular context.
- (c) **Core indicator 7:** Degree to which GCF investments contribute to market development/transformation at the sectoral, local, or national level.
- (d) **Core indicator 8:** Degree to which GCF investments contribute to effective knowledge generation and learning processes, and use of good practices, methodologies and standards.

31. The concept of working towards systemic change in tandem with reduced emissions and increased resilience is already inherent within existing GCF-funded projects/programmes. By strengthening the focus on systemic change within the IRMF, and by supporting AEs to assess their progress towards paradigm shift (through these building blocks), data gathered will support a far deeper understanding of not just what (quantum of) climate results are being achieved, but why and how those results are being achieved.

32. Since projects/programmes may only be targeting specific systemic changes, they do not necessarily have to track all four indicators. At a minimum, AEs should monitor at least two indicators, including core indicator 8 (degree to which GCF investments contribute to effective knowledge generation and learning processes, and the use of good practices, methodologies and standards) and report progress annually via the APR process.

⁹ The annex is for illustrative purposes only and is not intended as part of the decision to be considered by the Board. Further guidance on core and supplementary indicators with details such as indicator definition, unit of measurement and data collection methods and tools will be developed by the GCF Secretariat following the adoption of the IRMF.

33. Each indicator is supported by an underlying “scorecard” that presents a set of statements defining what constitutes – for example – “weak” contribution to institutional and regulatory frameworks versus “strong” contribution to institutional and regulatory frameworks. Accordingly, the APR template will be updated to include a simple scorecard assessment tool to help AEs report systematically against at least two out of the four qualitative indicators. The GCF Secretariat will then analyse project/programme-level data to track portfolio-level trends.
34. Initial guidance on measuring systemic change is provided in annex V.¹⁰
35. **Project/programme level:** As it has been the current practice, AEs will develop project/programme-level theory of change (TOC), logical frameworks and measurement approaches which will be linked to the overarching GCF results management framework (IRMF or the initial RMF for existing projects/programmes).

IV. Consultations

36. The development of the IRMF has been informed by (i) the initial IF investment criteria, (ii) initial RMF, and PMFs; (iii) external documentation including benchmarking against results management approaches, indicators, measurement and evaluation methodologies in other climate finance mechanisms and multilateral organizations; and (iv) stakeholder consultations with:
- (a) GCF Secretariat staff;
 - (b) Board and alternate members and Advisors during B.23, B.24, B.25, B.26 and B.27;
 - (c) National designated authorities (NDAs) and/or AEs during B.23, B.24, B.25 B.26 and B.27; and
 - (d) GCF country focal points, NDAs and AEs through three country visits.¹¹

V. Policy linkages

37. The IRMF has been developed to consider operational and policy requirements set out in the existing GCF policy suite, particularly to more explicitly align with the initial IF and build on accountabilities outlined under the MAF.
38. Below are the GCF Board decisions and GCF documents linked to the development of the IRMF:
- (a) Financial Terms and Conditions of the Fund’s Instruments (decision B.09/04);
 - (b) Guidelines for Enhanced Country Ownership and Country Drivenness (decision B.17/21);
 - (c) Indigenous Peoples Policy (decision B.19/11);

¹⁰ Further guidance will be developed by the Secretariat after adoption of the IRMF. The annex is illustrative only and is not intended as part of the decision to be considered by the Board

¹¹ Colombia, Georgia and Namibia were selected based on levels of experience with the GCF and geographical diversity. The objective of the country visits was to understand: (i) monitoring and reporting processes at the country level (ii) options for the mainstreaming of national systems in the GCF reporting processes and (iii) capacities of NDAs and AEs, their familiarity with the GCF results architecture, and needs for training. Country visits reiterated that: the GCF’s results architecture is difficult to understand, as there are different frameworks, which are neither fully aligned nor coordinated, and measuring paradigm shift potential is challenging. Respondents in country visits agreed that the IRMF should be simple and easy to work with and that results should utilize country systems and processes, wherever possible. In addition, methodological guidance and tools for indicators and training on the application of measurement systems are essential.

- (d) Initial Modalities for the Operation of the Fund's Mitigation and Adaptation Windows and the Private Sector Facility (decision B.06/04);
- (e) Initial monitoring and accountability framework for accredited entities (decision B.11/10);
- (f) Initial Results Management Framework of the Fund (decision B.07/04) and Further Development of the Initial Results Management Framework (decision B.08/07);
- (g) Investment Framework (decision B.07/06); Further Development of the Initial Investment Framework: Sub-criteria and Methodology (decision B.09/05);
- (h) Policies and Procedures for the Initial Allocation of Fund Resources (decision B.06/06);
- (i) Results Management Framework: Independent Evaluation Unit Recommendations to improve the Results Management Framework – Final Report (decision B.22/12);
- (j) Review of the initial investment framework: Policy on co-financing (decision B.24/14);
- (k) Risk Management Framework (decision B.17/11, B.19/04 and B.23/14);
- (l) The Strategic Plan for the GCF: 2020–2023 (decision B.24/03);
- (m) Updated Gender Policy and Gender Action Plan 2020-2023 (decision B.24/12); and
- (n) Updated Strategic Plan for the GCF: 2020-2023 (decision B.27/06).

VI. Implementation arrangements and operational impact

6.1 Application of the Integrated Results Management Framework

39. To allow adequate preparation and time to transition into the effective implementation of the IRMF, the IRMF will only apply to funding proposals submitted to the Board starting on and from B.31. All funding proposals including new projects/programmes and resubmissions for Board consideration at or after B.31 must use the new funding proposal template aligned with the IRMF. The IRMF will not be mandatory for funding proposals approved prior to B.31. The existing projects will continue to report against the initial RMF.

40. The IRMF will not apply to the Readiness and Preparatory Support Programme, as the Readiness Programme will have its own logical framework.

6.2 Implementation of the Integrated Results Management Framework

41. The following steps will be required to implement the IRMF:

- (a) Following the adoption of the IRMF, the Secretariat will update the funding proposal template¹² and develop accompanying guidance which will include guidance on completing the scorecard assessment sheet, by B.29.
- (b) APR templates will also be adjusted to cater for the changes in reporting arising from IRMF while also ensuring that projects/programmes approved under both the initial RMF and IRMF can use the same template and that their results can be reported consistently across the portfolio for appropriate aggregation and analysis. This is due to the significant overlaps between the initial RMF and IRMF. In addition, guidance on interim and final evaluations will be provided in the results handbook including the scorecard template to assess project/programme contribution to paradigm shift.

¹² Majority of core requirements for the funding proposal including project description, TOC, implementation arrangements, justifications for GCF funding, and project/programme level logical framework, remain the same.

- (c) The IRMF will not necessitate an amendment of legal agreements with AEs (e.g. funded activity agreements (FAAs) or AMAs) as it is not applied retroactively to the projects approved prior to B.31 and because no additional reporting obligations will be introduced outside of the AMA and the FAA for those projects.
 - (d) The Secretariat will update the Programming Manual and Operations Manual to reflect the IRMF results architecture and indicators. The Secretariat will also prepare a comprehensive Results Handbook¹³ which will contain concepts on results-based management as well as practical guidance on the IRMF implementation. The practical guidance on results measurement and reporting of the Handbook will include among others things: (i) final indicator reference sheets for core and supplementary indicators; (ii) guidance on baseline development; and (iii) tracking or assessment tools and means of verification for specific indicators. The Secretariat will ensure that the tools to be proposed in the handbook are practical and user friendly but also robust based on solid methodologies to avoid potential assessment biases.
 - (e) The Secretariat will work with AEs and provide support as necessary to facilitate submissions of funding proposals using the updated template in line with the IRMF. As is current practice, all funding proposals are expected to articulate a clear TOC and logical framework showing strong causal linkages between project/programme-level outputs, outcomes and broader climate impacts and indicate clear timeframes for achievement of, and reporting on, expected results. The Secretariat will also work with AEs to ensure adequate budgeting for M&E in funding proposals, term sheets and FAAs.
 - (f) Throughout IRMF implementation, the Secretariat will support AEs and NDAs on the application of the IRMF through the delivery of training; and
 - (g) The Secretariat will use an online portfolio performance management system (PPMS) to support monitoring and assessment of the implementation performance of individual projects/programmes of the GCF portfolio. The PPMS allows AEs to submit and track APRs in a more systemic and streamlined manner while establishing a single communication channel between AEs and the Secretariat on results reporting. The PPMS will be upgraded to accommodate the IRMF reporting requirements.
42. Annex VIII provides an overview of roles and responsibilities of GCF and its stakeholders for its implementation.

6.3 Development of the Results Tracking Tool

43. In parallel to the finalization of the IRMF, the Secretariat has developed for the Board's consideration a Results Tracking Tool (RTT) for GCF-1 (a sample is provided in annex IX). The RTT will use the results architecture of the IRMF and link climate results to resourcing and organizational results, to enable holistic reporting of GCF performance in delivering results under its updated Strategic Plan for GCF-1.

44. The Secretariat will operationalize the RTT with data collected through the implementation of the IRMF, as well as other portfolio and institutional data available internally. Reporting will be carried out annually as part of the Report on the Implementation of the Strategic Plan.

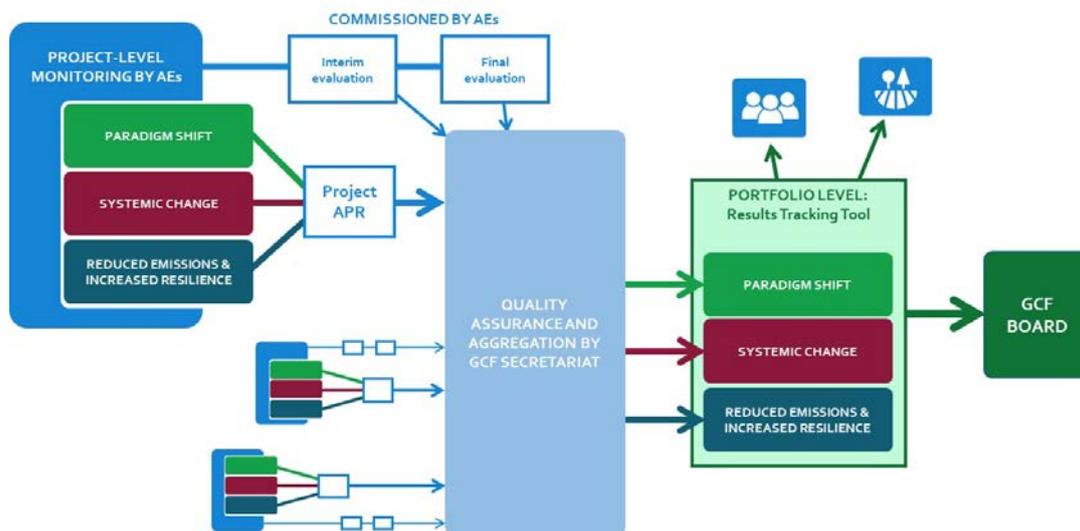
6.4 Monitoring and reporting under the Integrated Results Management Framework

¹³ The Results Handbook will be translated into the six official United Nations languages.

45. For funding proposals to be submitted to the Board starting on and from B.31, AEs will prepare for the implementation of the IRMF reporting structure. As has been the current practice, AEs will develop a project/programme-level TOC, logical frameworks and measurement approaches during the funding proposal development stage, which will be linked to the IRMF (e.g. currently the initial RMF). In brief:

- (a) On its funding proposal, AEs are expected to continue the current practice with the exception that the funding proposal must adhere to the IRMF structure;
- (b) During implementation, as with the initial RMF, AEs will report against the appropriate IRMF quantitative indicators through APRs and, interim and final evaluation reports;
- (c) AEs report annually on relevant core qualitative indicators for systemic change and report twice during its project/programme lifespan (during interim and final evaluations) on its contribution to paradigm shift by applying the scorecard approach.

Figure 3: Reporting process¹⁴



6.5 Budgetary implications

46. The Secretariat does not expect additional resources in 2021 to implement the IRMF, as the external consultancy to support for the development of Results Handbook guidelines has already been provisioned for in the Secretariat’s 2021 Work Programme and administrative budget.

47. However, the Secretariat anticipates additional resources will be needed at Secretariat level over time to effectively implement the GCF’s results architecture such as strengthening funding proposal reviews, providing capacity support /training for AEs/NDAs and undertaking robust results monitoring, reporting and ex-post evaluation/ verifications to ensure the credibility and reliability of reported results. The Secretariat will increase human, financial and other resource capacity through future annual work programmes and administrative budgets as necessary.

48. For AEs, any M&E costs related to the IRMF implementation will be included in the project budget at the funding proposal development stage. The Secretariat and independent

¹⁴ Programme/project-level outcomes and outputs will be managed under individual logical frameworks and not aggregated at the portfolio level.

Technical Advisory Panel will review these costs to ensure the adequacy of the dedicated M&E budget lines¹⁵ prior to the Board consideration.¹⁶

VII. Monitoring and review

49. The IRMF will be reviewed by the Board in the third year of the GCF's replenishment cycle, as part of the overall policy review cycle, starting from the GCF-2 policy review cycle in 2026.

50. The Secretariat will monitor the implementation of the IRMF on an ongoing basis and report progress to the Board periodically through its regular reporting. If the Secretariat becomes aware of any implementation issues that may necessitate a change that would require Board action, it will review the matter and bring this review and any proposed changes to the Board for consideration.

51. Subsequent reviews of the IRMF will consider any revisions in the investment framework and, alignment with future Strategic Plans and programming directions and assess the policy's fitness for purpose in supporting the measurement of results in the context of the GCF's strategic objectives.

¹⁵ In funding proposal's annex 11 on M&E plan and budget.

¹⁶ In the GCF context, this could vary depending on the size, scale and/or complexity of the project/programme. In any event, budgetary resources complemented by sufficient technical and human resources should be factored in by AEs to credibly report on actual results, as the portfolio matures.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.28/09 titled “Integrated Results Management Framework”:

- (a) Approves the Integrated Results Management Framework (IRMF), including the proposed core and supplementary indicators and approach as set out in annex II, while noting explicitly that these replace the initial results management framework set out in decision B.07/04 and performance measurement frameworks set out in decision B.08/07;
- (b) Requests the Secretariat to update the funding proposal template and develop accompanying guidance by the twenty-ninth meeting of the Board (B.29) based on the proposed integrated results architecture set out in the IRMF;
- (c) Also requests the Secretariat to develop a Results Handbook by B.30, including the comprehensive guidance and tools on IRMF implementation while noting that annexes III, IV and V to this document are for an illustrative purpose only and not part of the decision of the Board;
- (d) Further requests the Secretariat to implement capacity building initiatives on results management, measurement and reporting systems for accredited entities (AEs) and other relevant stakeholders to enable effective implementation of the IRMF;
- (e) Requests the Secretariat to: (i) present at the earliest opportunity for Board approval, a budget to set aside of programming resources to support AEs, in particular direct access entities in implementation of the IRMF and (ii) ensure that the Secretariat’s annual administrative budget includes a provision for any additional resources required to effectively implement the IRMF; and
- (f) Also requests the Secretariat to track results as part of its annual reporting under the updated Strategic Plan for the Green Climate Fund: 2020-2023, using Results Tracking Tool aligned with the IRMF.

Annex II: Integrated Results Management Framework

I. Objective

1. The Integrated Results Management Framework (IRMF) sets out the GCF approach to measuring how its investments deliver climate results and how its results contribute to the overall objectives of GCF to promote a paradigm shift towards low-emission and climate-resilient development pathways in the context of sustainable development and supporting the implementation of the Paris Agreement and the United Nations Framework Convention on Climate Change (UNFCCC), as set out in its Governing Instrument for the GCF and the Updated Strategic Plan for the Green Climate Fund: 2020–2023.
2. Built on the initial results management framework (RMF), the IRMF establishes an updated GCF results architecture including levels at which results will be measured, indicators and measurement approaches. It clarifies roles and responsibilities for results management and reporting. The IRMF establishes reporting requirements and processes for project/programme level monitoring.
3. The IRMF is designed to be fully aligned with the initial Investment Framework (initial IF) which governs the assessment and selection of projects/programmes based on their potential results (“ex-ante”), while the IRMF enables the definition, measurement and reporting of actual results (“ex-post”).

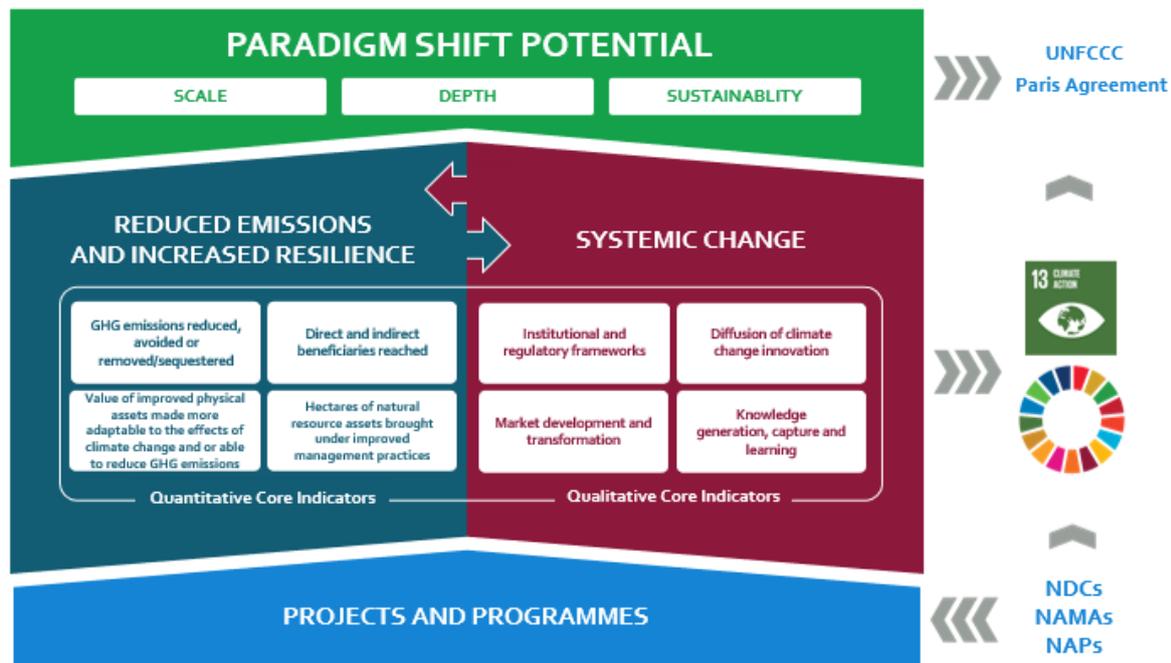
II. Scope

4. The IRMF applies to projects/programmes submitted to the GCF Board starting on and from the thirty-first meeting of the Board (B.31) Accordingly, all existing pipeline funding proposals (FPs) including resubmissions for Board consideration at or after B.31 are required to use the new funding proposal template issued by the Secretariat by B.29 to ensure alignment with the IRMF. The IRMF will not be mandatory for funding proposals approved prior to B.31. In relation to such projects/programmes approved at or after B.31, the IRMF supersedes both the initial RMF (decision B.07/04) and the mitigation and adaptation performance management frameworks (PMFs) (decision B.08/07).

III. Overall structure of the Integrated Results Management Framework

5. **Figure 1** presents the overall structure of the IRMF: three results measurement levels along with the eight GCF result areas: (a) GCF impact level – paradigm shift potential; (b) GCF outcome level – (i) reduced emissions and increased resilience; and (ii) systemic change; and (c) project/programme level.

Figure 1: Overall structure of the IRMF



3.1 Result areas

6. The IRMF will be based on eight result areas which originate from the GCF' mitigation and adaptation logic models of the initial RMF. These result areas are shown in **figure 2**. The framework recognizes that projects/programmes may cut-across these result areas. Each of project/programme outcomes within a project/programme logical framework (logframe) will be linked to one of these result areas, and this will facilitate systematic results reporting against the IRMF.

7. The eight result areas are as follows.

(a) Mitigation - reduced emissions from:

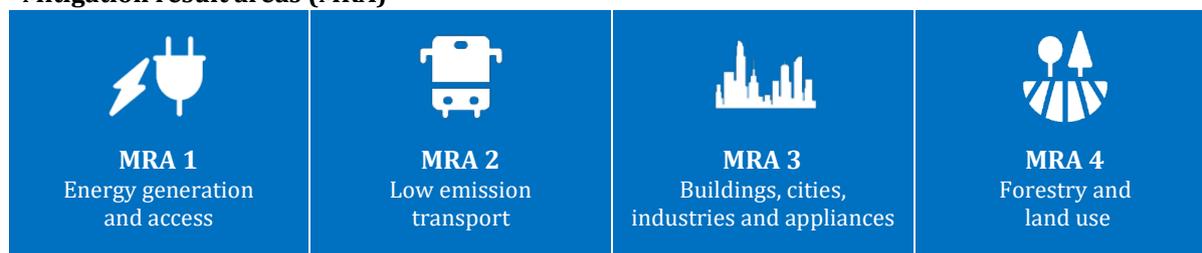
- (i) Energy generation and access
- (ii) Low-emission transport
- (iii) Buildings, cities, industries and appliances
- (iv) Forestry and land use

(b) Adaptation - increased resilience of:

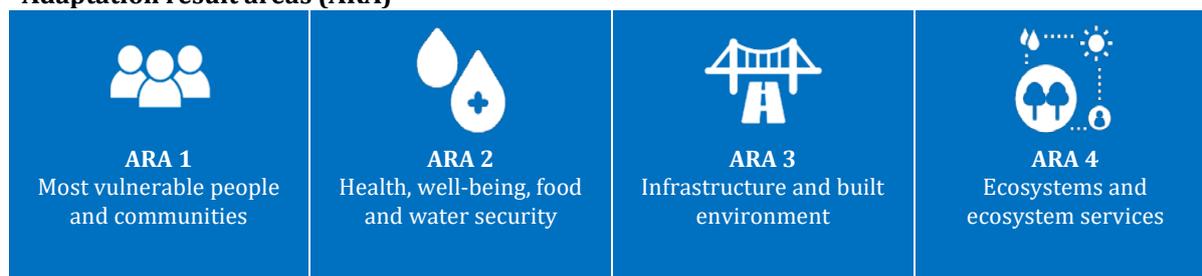
- (i) Most vulnerable people and communities
- (ii) Health, well-being, food and water security
- (iii) Infrastructure and built environment
- (iv) Ecosystems and ecosystem services

Figure 2: GCF result areas

Mitigation result areas (MRA)



Adaptation result areas (ARA)



3.2 Result levels

8. Result levels of the IRMF have been structured following the logic that pathways to paradigm shift can be achieved where GCF-funded activities define and target a combination of outcomes to both reduce emissions and increase resilience and systemic change. As shown in **Figure 1** above, the IRMF seeks to track and manage results at the following levels:

- (a) **GCF impact level – paradigm shift potential:** aims to measure the GCF’ contribution to paradigm shift, in the context of supporting implementation of the UNFCCC and Paris Agreement. Paradigm shift potential is informed by both observed results at the interdependent “GCF outcome” level (see below) and measured by three key dimensions of paradigm shift potential (scale, depth and sustainability). These are typically delivered beyond the lifetime of a project/programme and may not be directly attributable to GCF interventions only¹.
- (b) **GCF outcome level:** aims to measure observable outcomes of GCF funded projects/programmes across the below two interdependent layers which interact to underpin pathways to paradigm shift.
 - (i) **Reduced green house gas (GHG) emissions and increased resilience:** aims to measure quantified mitigation and adaptation outcomes delivered by GCF projects/programmes; and
 - (ii) **Systemic change:** aims to measure how GCF projects/programmes have contributed to enabling conditions and environments for paradigm shift.
- (c) **Project/programme level outcomes and outputs:** As in the current practice, AEs will have project/programme level indicators in its logframe to monitor and assess the project/programme’s specific progress, results and co-benefits.

¹ Sector guides currently being developed by the Secretariat will provide additional support for AEs to define paradigm shift relevant to each sector as the guides are intended to present the main drivers of paradigm shift per sector.

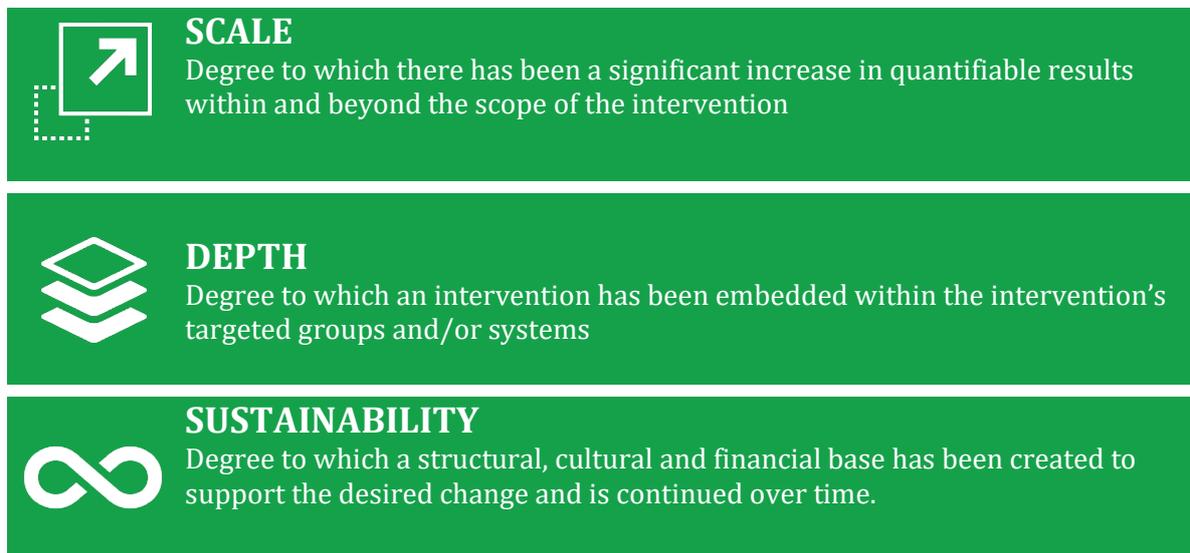
IV. Indicators, measurement and reporting approaches

9. This section provides the rationale and definitions for each of the three result levels, along with reporting processes to be applied during IRMF implementation.

4.1 Paradigm shift potential

10. The initial IF defines paradigm shift potential² as ‘degree to which the proposed activity can catalyse impact beyond a one-off project or programme investment’. In line with the initial IF, the GCF has been supporting paradigm shift through all its investments and it is crucial that the GCF systematically measure the contribution of funded activities to paradigm shift. The IRMF through the ‘GCF impact level – paradigm shift potential’ sets out this measurement framework for paradigm shift by applying the below three dimensions (scale, depth, and sustainability) to assess to what extent and how projects/programmes are contributing to the paradigm shift. The definitions of the three assessment dimensions are provided in **figure 3**.

Figure 3: Dimensions of paradigm shift potential



11. Typically, these dimensions may be assessed beyond a project’s/programme’s lifetime and cannot be easily attributable to the GCF investments alone³.

12. Measurement and reporting of paradigm shift potential will be carried out as follows:

- (a) During the funding proposal development stage and on an updated funding proposal template, AEs will describe for each project/programme what “paradigm shift potential” looks like in the relevant project/programme context, and how the project/programme will contribute to that shift. This recognizes that ‘paradigm shift potential’ is highly context-specific and depends on a project’s/programme’s result area(s), country, sector and starting conditions. The funding proposal template will include a scorecard sheet for AEs to assess and or set baselines against the project/programme-specific

² Initial IF, decision, B.07/06 and decision B.09/05.

³ While the IRMF’ scope focuses on capturing the ‘contribution’ to paradigm shift, the assessment of higher-level ‘attribution’ can be undertaken primarily in a “qualitative” ex-post review or evaluations to be conducted or commissioned by the GCF.

contribution to paradigm shift by using the three assessment dimensions of scale, depth, and sustainability derived from the sub-criteria for paradigm shift in the initial IF:

- (b) During the project/programme lifespan, AEs are required to report on progress in their contribution to paradigm shift twice by using the scorecard as part of interim and final evaluations. **Annex III**⁴ provides illustrative guidance on measuring project/programme's contributions to paradigm shift;
- (c) As has been the current practice, AEs will also continue to report on the progress in their contribution towards the project/programme-specific paradigm shift in narrative format on the annual performance report (APR) process;
- (d) The GCF Secretariat will review and compare paradigm shift scores and qualitative information reported by projects/programmes under its portfolio to extract key learning and trends by regions or type of interventions. The Secretariat will also be responsible for the continuous examination of the GCF portfolio's narratives from APRs, with a view to identifying emerging lessons and trends relevant to paradigm shift. These will, in turn, ensure lessons are fed back into project design, GCF knowledge generation and decision-making processes; and
- (e) Post-project/programme-completion, the GCF may commission evaluations on specific aspects that have contributed to paradigm shift. Such evaluations may be done either by the Secretariat, the GCF Independent Evaluation Unit (IEU) or through evaluation services commissioned by the GCF. The principles of being independent of accredited entities and managing learning and knowledge will guide the overall approaches and funding sources for the evaluations. The GCF evaluation policy to be adopted by the Board can provide detailed guidance;

4.2 Reduced emissions and increased resilience

13. A 'GCF outcome result level - reduced emissions and increased resilience' will be measured through the below core indicators. These core indicators quantitatively track major climate-focused outcomes of GCF-funded projects/programmes and are aligned with those of other climate finance mechanisms; national statistical authorities; and the Sustainable Development Goals (SDGs):

- (a) **Core indicator 1:** GHG emissions reduced, avoided or removed/sequestered
 - (i) **Thematic area:** mitigation
 - (ii) **Suggested result areas:**⁵ all mitigation result areas (MRA) 1, 2, 3, and 4
 - (iii) **Unit:** tonnes of carbon dioxide equivalent
 - (iv) **Disaggregation:** result area
- (b) **Core indicator 2:** Direct and indirect beneficiaries reached
 - (i) **Thematic area:** adaptation
 - (ii) **Suggested result areas:** all adaptation result areas (ARA) 1, 2, 3, and 4
 - (iii) **Unit:** number of individuals
 - (iv) **Disaggregation:** sex (female and male); and result area

⁴ This annex is for an illustrative purpose only and is not part of the decision to be considered by the Board as the guidance and assessment tool will be refined in the Results Handbook following the adoption of the IRMF.

⁵ The suggested result areas are provided only to help stakeholders identify and apply relevant IRMF indicators for monitoring of project/programme results and not to restrict their application to these results areas only.

- (c) **Core indicator 3:** Value of improved physical assets made more adaptable to the effects of climate change and or able to reduce GHG emissions
- (i) **Thematic area:** mitigation or adaptation
 - (ii) **Suggested result areas:** MRA 1, 2, 3 and 4, and ARA 1, 2, 3, and 4
 - (iii) **Unit:** value of assets in USD
 - (iv) **Disaggregation:** type of physical assets; and results area
- (d) **Core indicator 4:** Hectares of natural resource assets brought under improved low emission and/or climate resilient management practices
- (i) **Thematic area:** Mitigation or adaptation
 - (ii) **Suggested result areas:** MRA 4, and ARA 1, 2, 3 and 4
 - (iii) **Unit:** hectare of natural resource assets
 - (iv) **Disaggregation:** type of natural resource assets; and result area
14. AEs will define the project/programme's thematic area (e.g. mitigation; adaptation; or cross-cutting) and relevant result areas for each outcome in the project/programme level logframe which in turn link to core quantitative indicators of the IRMF. AEs will monitor and report project/programme results against these core quantitative indicators under the project/programme logframe. Results reported against each core indicator will then be aggregated per result area of the portfolio first and ultimately at the entire portfolio level.
15. Since multiple outcomes can be reported against one single core indicator but within different result areas, there is a risk of double-counting. For example, the same beneficiaries can be impacted by two outcomes along with adaptation result areas 5 (vulnerable people) and 6 (people who have increased access to clean water) under one project/programme resulting in double-counting of these beneficiaries at the portfolio level if data is not carefully controlled in the IRMF reporting system. To avoid this, additional guidance on the practical distribution of results between project/programme outcomes or the results areas will be made available in the Results Handbook.
16. Core indicators come with a set of supplementary indicators, which aim to give supplementary data⁶ for each project/programme, as relevant, as opposed to being aggregated under the respective core indicators. Results that can be measured against any supplementary indicators, will be reported at the project/programme level in addition to a relevant core indicator.
17. Core indicators and supplementary indicators are as set out in **table 1** below.

⁶ For instance, the supplementary indicator 2.2 of 'direct beneficiaries with improved food security' shows the benefit specifically relates to reduced food security, which is part of result area 6 of 'Health, well-being, food and water security' and is not known from simply mapping the core indicator result to that result area.

Table 1: Core indicators and supplementary indicators for reduced emissions and increased resilience

Indicator	Description	SDGs	Reference
Core Indicator 1	Green house gas (GHG) emissions reduced, avoided or removed /sequestered⁷ (Unit: tCO ₂ eq.) ⁸ (Disaggregation: result area) <hr/> Suggested result areas MRA 1: Energy generation and access MRA 2: Low-emission transport MRA 3: Buildings, cities, industries and appliances MRA 4: Forests and land use		Initial RMF
Supplementary indicator 1.1	Annual energy savings (Unit: Megawatt-hours)	 	CIF (CTF)
Supplementary indicator 1.2	Megawatt-hours energy storage system installed⁹ (Unit: Megawatt-hours)	  	New indicator
Supplementary indicator 1.3	Installed renewable energy capacity (MW)¹⁰ (Unit: Megawatts)	  	SDG indicator CIF (CTF)
Supplementary indicator 1.4	Renewable energy generated (Unit: Megawatt-Hours, MWh)	  	New indicator
Supplementary indicator 1.5	Improved low-emission vehicle fuel economy (Unit: Volume of fuel per kilometer travelled)	  	ASEAN
Core Indicator 2	Direct and indirect beneficiaries reached (Unit: number of individuals) ¹¹ (disaggregation: sex; and result area) <hr/> Suggested result areas ARA 1: Most vulnerable people and communities ARA 2: Health, well-being, food, and water security ARA 3: Infrastructure and built environment ARA 4: Ecosystems and ecosystem services	 	Initial RMF
Supplementary indicator 2.1	Direct beneficiaries (female/male) adopting improved and/or new climate-resilient livelihood options (Unit: number of individuals)	  	PMFs/ LDCF/SCCF

⁷ Core indicator 1 is intended to capture results from REDD+ (Reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries) funded by the GCF in the form of results-based payments.

⁸ With annually collected data on core indicator 1, the GCF will also calculate and measure tCO₂eq. per year.

⁹ This indicator applies to renewable energy sources or generators.

¹⁰ This indicator applies to renewable energy sources or generators.

¹¹ If data on individuals is not available, households could be reported and converted into individuals based on average number of people per household. The detailed guidance will be provided in the Results Handbook.

Supplementary indicator 2.2	Direct beneficiaries (female/male) with improved food security (Unit: number of individuals)		Initial RMF
Supplementary indicator 2.3	Direct beneficiaries (female/male) with more climate-resilient water security (Unit: number of individuals)		UNICEF/Glob al Water Partnership
Supplementary indicator 2.4	Direct beneficiaries (female/male) covered by new or improved early warning systems (Unit: number of individuals)		PMFs
Supplementary indicator 2.5	Direct beneficiaries (female/male) adopting innovations that strengthen climate change resilience (Unit: number of individuals)		Recommended by the COP ¹² Aligned with LDCF/SCCF
Supplementary indicator 2.6	Direct beneficiaries (female/male) living in buildings that have increased resilience against climate hazards (Unit: number of individuals)		New indicator
Supplementary indicator 2.7	Change in expected losses of lives due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention (Unit: number of individuals)		PMF
Core Indicator 3	Value of improved physical assets made more adaptable to the effects of climate change and or able to reduce GHG emissions. (Unit: value of physical assets in USD) (Disaggregation: type of physical assets; and result area) Suggested result area All 8 result areas		LDCF/SCCF/ AF
Supplementary indicator 3.1	Change in expected losses of economic assets due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention (Unit: value in USD)		PMF
Core Indicator 4	Hectares of natural resource assets brought under improved low emission and/or climate resilient management practices¹³ (Unit: Hectare) (Disaggregation: type of natural resource assets; and result area) Suggested result areas MRA 4: Forestry and land use ARA 1: Most vulnerable people and communities		GEF/CIF/AF

¹² The Secretariat considered Conference of Parties (COP) decision 8/CP.23 18, which encouraged the Board to include in its annual report to the COP information on projects approved by the Board that support the innovation and/or scaling up of climate technologies. This was requested with a view to informing the Technology Mechanism of the UNFCCC as the Board undertakes further work on climate technology innovation by including a technology related indicator in the IRMF.

¹³ Core indicator 4 is designed to also capture results from REDD+ (Reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries) funded by the GCF in the form of results-based payments in addition to Core indicator 1 as noted above.

	ARA 2: Health, well-being, food, and water security ARA 3: Infrastructure and built environment ARA 4: Ecosystems and ecosystem services		
Supplementary indicator 4.1	Number of livestock brought under sustainable management practices (Unit: number of livestock)	  	New indicator

18. The intensity¹⁴ of core indicators and supplementary indicators will be measured through systemic change indicators in scorecards and narratives and project/programme-level logical frameworks.

19. By annually collecting financial and results data, the GCF will aggregate, track, and analyse its portfolio level results, which will support to re-aligning finance flows consistent with a pathway towards low GHG emissions and climate-resilient development, as per Article 2 paragraph 1(c) of the Paris Agreement.

20. Core indicator 2 and its supplementary indicators are disaggregated by sex to allow for the disaggregated analysis.

21. Measurement and reporting of reduced emissions and increased resilience will be carried out as follows:

- (a) During the funding proposal development stage, AEs will outline how proposed outcomes contribute either to core indicator 1¹⁵ or core indicator 2, or both in the updated funding proposal template. AEs should also select other core and supplementary indicators if relevant to their projects/programmes. As in the current practice of the initial RMF, AEs will then establish baselines¹⁶ in the logframe of the funding proposal to enable comparison between a business-as-usual scenario and progress achieved as a result of the GCF investments using a selected set of indicators. AEs will gather baseline data on the selected core and supplementary indicators, informed by relevant sector strategies and country programmes, and disaggregated by regions, countries, theme, result areas and sex.
- (b) During the project/programme implementation, AEs will report annually to GCF on actual results achieved during the reporting period through the updated APR template. While the indicators are primarily quantitative, reporting will be supported by qualitative assessments to explain expected or unexpected levels of progress, in line with monitoring provisions of the Monitoring and Accountability Framework (MAF).
- (c) The Secretariat will aggregate and analyse estimated and achieved outcomes for the four core indicators and supplementary indicators across result areas and at the portfolio level.

¹⁴ The intensity measurements can, for instance, cover (i) how far interventions have actually contributed to decreasing damages to building infrastructure or enhancing resilience; (ii) the capacity of public or private entities to manage the financial, fiscal and economic impacts of climate-related events on physical assets; (iii) the degree of utilization of climate information services; and (iv) the increased efficiency of the results on those who are connected with new water management systems.

¹⁵ The Secretariat will institutionalize and streamline the GHG accounting process and develop guidance on GHG accounting in the Results Handbook while referring to the GHG accounting practices of other climate funds, international financial institutions and national data systems and taking into consideration the specific features of GCF.

¹⁶ For most of the quantitative indicators within the IRMF, baselines should either be 0 or already known are hence straight-forward.

4.3 Systemic change

22. Contributions to another ‘GCF outcome result level – systemic change’ will be measured through the below core indicators. The measurement¹⁷ will be based on qualitative assessments through a scorecard approach along with narratives (See **annex V**)¹⁸. The scorecard approach is designed to measure how GCF-funded projects/programmes are contributing to institutional outcomes, which enable a paradigm shift defined for the projects/programmes. The scorecard will include a set of statements defining what constitutes – for example – “weak” systemic change versus “strong” systemic change. The scale-based scorecards along with narratives then will be used to assess (“score”) projects/programmes contribution towards systemic change.

23. The four core indicators used to track progress at this level are as follows:

- (a) **Core indicator 5:** Degree to which GCF investments contribute to strengthening institutional and regulatory frameworks for low emission climate-resilient development pathways
- (b) **Core indicator 6:** Degree to which GCF investments contribute to technologies and innovation not previously or widely demonstrated in a particular context
- (c) **Core indicator 7:** Degree to which GCF investments contribute to market development/transformation at the sectoral, local, or national level
- (d) **Core indicator 8:** Degree to which GCF investments contribute to effective knowledge generation and learning processes, and use of good practices, methodologies and standards

24. As supplementary to the scorecard approach, systemic change will be also measured and reported at the portfolio level through the Results Tracking Tool (RTT).

25. Measurement and reporting of systemic change will be carried out as follows:

- (a) The Secretariat will develop a scorecard template for each of the four core indicators, based on a simple four-point scale assessment approach:
- (b) During the funding proposal development stage, AEs will identify at least two indicators for systemic change, including the core indicator 8 (knowledge generation, capture and learning, informed by relevant sector strategies and country programmes). As per the current practice under the initial RMF, AEs will also provide baseline assessments of systemic change in the updated funding proposal template. This should be in line with the AE description of how project/programme activities will deliver on the investment criteria and individual logical framework in the context of individual projects/programmes¹⁹;
- (c) During the project/programme implementation, AEs will report annually through the APR process, on relevant systemic change indicators using a scorecard along with narratives to explain the point-scale assessment. The scorecard template and guidance on scoring and assessment approach will be provided in the Results Handbook; and
- (d) The Secretariat will aggregate and analyse estimated and achieved outcomes for the four systemic change indicators for the reporting to the Board.

¹⁷ Noting a number of developing countries have placed greater importance on monitoring, tracking, and evaluating these systemic change contributions, data availability in the existing national data systems was considered in the development of systemic change core indicators.

¹⁸ Under the initial RMF, AEs currently report the progress of systemic change in narratives.

¹⁹ Building on the existing system, the IRMF will help AEs establish baselines but in a slightly more structured manner with scorecards. In the IRMF, AEs are additionally required to provide baselines for scorecards on three dimensions of paradigm shift potential and four systemic change core indicators.

4.4 Project/programme level

26. To maintain focus on the GCF mandate, the IRMF aims to balance the number of core and supplementary indicators available for measurement. In line with the current practice under the initial RMF, AEs are encouraged to add and monitor co-benefit indicators such as those related to bio-diversity, social and gender inclusion, and/or poverty alleviation under respective project/programme-level logframes, if not captured by the core and supplementary indicators.

27. AEs could also report co-benefits in a narrative format through APRs, separately from logical frameworks, if its project/ programme creates the co-benefits which are not directly related to project/programme design and the achievement of primary objectives.

V. Implementation arrangements

28. In light of the likely timeframes required to complete the steps towards effective implementation, the IRMF will only apply to funding proposals submitted to the Board starting on and from B.31.

29. Following the IRMF adoption and considering an anticipated transition period, the Secretariat will update the funding proposal template and develop accompanying guidance by B.29. Such template must be used by all AEs for new funding proposals submitted for Board consideration at B.31 and beyond.

30. This means that all existing pipeline funding proposals including resubmissions for Board consideration at or after B.31 are required to use the new funding proposal template to ensure alignment with the IRMF. The IRMF will not be mandatory for funding proposals approved prior to B.31.

31. The Secretariat will take necessary steps to implement the policy, including updating relevant templates and guidance and developing a comprehensive Results Handbook on the IRMF application. The Secretariat will conduct trainings on IRMF implementation and provide support as necessary to facilitate the presentation to the Board of projects/programmes which apply the requirements of the IRMF.

32. The GCF will, through future annual work programmes and administrative budgets, ensure adequate human, financial and other resources for the timely and adequate implementation of the IRMF.

33. AEs should make adequate provision for monitoring and evaluation to implement the IRMF under a dedicated budget line in the funding proposals, term sheets and funded activity agreements (FAAs).

VI. Monitoring and review

34. The IRMF will be reviewed by the Board in the third year of GCF's replenishment cycle, as part of the overall policy review cycle, starting from the GCF-2 policy review cycle in 2026.

35. The Secretariat will monitor implementation of the IRMF on an ongoing basis and report progress to the Board periodically through its regular reporting. If the Secretariat becomes aware of any implementation issues that may necessitate a change that would require Board action, it will review the matter and bring this review and any proposed changes to the Board for consideration.

36. Subsequent reviews may also assess the IRMF's relevance in the context of future Strategic Plans and programming objectives and propose required adjustments.

Annex III: Measuring paradigm shift potential

Figure 1: Key principles

KEY PRINCIPLES

CONTRIBUTION, NOT ATTRIBUTION

The GCF's Governing Instrument states that "the purpose of the Fund is to make a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change." In this respect, the IRMF is designed to identify contribution to paradigm shift, not attribution. There are two main reasons for this:

- The sustainability of any paradigm shift relies on the change continuing after the GCF-supported intervention, so other actors must contribute and take ownership if the intervention is to continue;
- GCF will play quite different roles across various projects/ programmes, for example, some projects/programmes may be about funding the implementation of a major infrastructure project; some may be catalytic, perhaps funding a series of pilot projects or proof of concept studies that provide evidence for future scale; others could be about influencing policy change or leveraging finance from new parties.

Consequently, the focus should be on identifying the level of a GCF investment's contribution to paradigm shift potential.

LEARNING, NOT ACCOUNTABILITY

The primary purpose of assessing paradigm shift potential should be more for learning rather than accountability purposes. Paradigm shift must take place over and above the activities of GCF, and GCF interventions alone cannot be accountable for whether or not paradigm shift takes place (accountability needs to be placed lower down the results chain). Any assessment process needs to focus on learning and not just on reporting "success".

PARADIGM SHIFT IS CONTEXT SPECIFIC

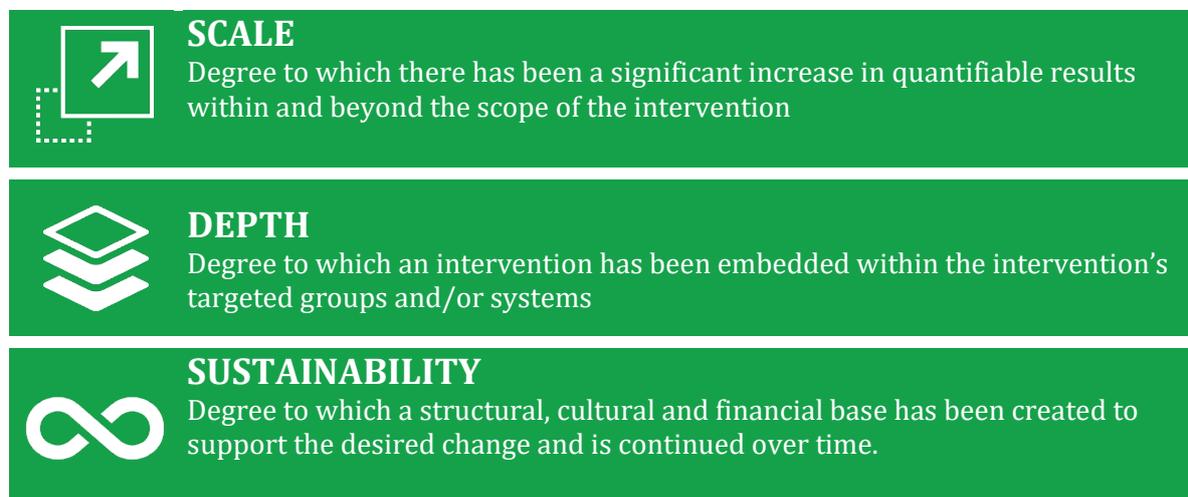
Paradigm shift is context-specific: that means metrics across projects/programmes may not be comparable. For example, the absolute number of beneficiaries should not be used to compare and contrast the scale of paradigm shift across countries of different sizes that have different key issues and change dynamics. Measures like percentage of population/land/energy use are better but still not really helpful, as they don't take into account different levels of attitudinal change required, possible resistance, different "tipping points" or reaching hard-to-reach areas; they also don't take into account other environmental/socio-economic differences.

When defining and measuring paradigm shift potential, it is important to identify the unit of analysis. This is going to be different across GCF interventions depending on their context/target. For example, the unit of analysis could be a country-wide paradigm shift in smaller countries, but a city, state or river basin may be a more appropriate unit of analysis in larger countries.

I. Dealing with complexity: Paradigm shift potential dimensions

1. Within the climate finance domain, approaches to measuring contributions to paradigm shift potential are relatively new and underdeveloped. However, strategies have been proposed or tested by the World Bank, the Global Environment Facility, the Climate Investment Funds, and the GCF Independent Evaluation Unit. All this experience indicates that measuring contributions to paradigm shift potential requires it to be broken down into elements.
2. There needs to be a sufficient number of dimensions to capture the complexity and different interlinked aspects of paradigm shift, but not so many that it becomes too difficult to operationalize or communicate.
3. The proposed dimensions are highlighted below and draw from other sectors, actors and best practices in other areas.

Figure 2: Proposed dimensions of paradigm shift potential



4. Given context specificity of paradigm shift, the three dimensions will have different weights and degrees of relevance depending on the nature of the project/programme. For example, an intervention may have already reached a few sections of the entire population through climate-resilient development pathways (scale) within a country to a point it has shifted norms with a certain group or market (depth), but perhaps that success is still constrained, in terms of financial sustainability at large. This type of intervention may therefore consider 'scale' to be the most important dimension to target and measure. Another intervention may have ambition for widespread uptake and societal change. This intervention may view all three dimensions as equally important for targeting and measuring.
5. Therefore, to consistently assess paradigm shift potential an approach is required that looks at levels of change across the three dimensions, with an assessment of what level of shift has taken place in each dimension.
6. Assessments may explore dimension-level shifts from the perspectives of women and men as applicable, including whether and how these shifts have been experienced differently
7. Detailed guidance and examples on how to apply definitions and measurement for paradigm shift dimensions will be provided in the Results Handbook but the following two examples will indicate how to capture different levels of results or causal pathways towards paradigm shift:
 - (a) A GCF project supported systemic change in the energy sector by supporting the development of updated net metering regulations that provide extra incentives to net metering through solar or wind energy generation systems. This has led to a paradigm

shift amongst energy sector investors, away from thinking primarily in developing hydropower options and more towards solar/wind options. Hydro is now increasingly seen as an energy storage system that serves as a backup when solar and wind are not producing sufficient energy.

- (b) GCF funds a ‘commercial pocket approach’ which allows rural farmers to be collectively trained to use climate-friendly technologies and grow a range of organic vegetables throughout the year. A community ‘collection centre’ then allows the products to be safely stored and distributed to markets outside the local vicinity. At a system change level this innovation reduces cost, broadens the products that are available, increases farmer income and increases the productivity of the land. Paradigm shift is created when this approach is replicated and adapted and becomes a standard approach across a region, it also changes the status of the predominantly female farmers who now become economically independent and reduces migration to urban centres as climate friendly farming becomes a viable way of sustaining livelihoods. Collection centres are now recognised and supported by the local government.

II. Assessment process

8. GCF interventions will track progress towards the three dimensions of paradigm shift potential using a scorecard approach. As well as measuring progress towards each dimension – and in line with the principle of measuring contribution rather than attribution – scorecards will also be used to measure the level of the GCF investment’s contribution to any change.

9. As in the current practice, projects/programmes will continue to report on its contributions to paradigm shift in narrative format through the APR process. In addition, each project/program will be expected to measure its contribution to paradigm shift along three key assessment dimensions – Scale, Depth, and Sustainability during the interim and final project/programme evaluations which are currently required under the Accreditation Master Agreement (AMA) and as per accountabilities outlined under the Monitoring and Accountability Framework (MAF). The three assessment dimensions are derived from the sub-criteria in the initial IF to assess projects/programmes’ contribution to paradigm shift. Separately, the GCF may also conduct or commission verifications as needed, at or after the end of the implementation period to assess whether contribution to paradigm shift as described by AEs from the funded activity has occurred

10. Main assessment steps are highlighted in **figure 3** below. These assessment steps are not new in that (i) AEs, during project/programme development, are required to refer to the six IF criteria, including paradigm shift potential and define it in the context of their project/programme; (ii) baselines are conducted by AEs and the only additionality will be that AEs are required to include baseline for each of the three paradigm shift potential dimensions; (iii) as part of the APRs, AEs provide brief descriptions of progress achieved against the paradigm shift potential as being done under the initial RMF; and (iv) per the MAF, interim and final evaluations are required by AEs for each funded activity and these evaluations should assess the performance of the funded activity against the GCF IF criteria.

Figure 3: Main assessment steps

PROJECT/PROGRAMME DEVELOPMENT AND APPROVAL

As part of a proposal's assessment against the GCF's Investment Framework (i.e. prior to project/programme approval) AEs will be required to describe what "paradigm shift potential" will look like for their project/programme, also identifying how the project/programme will contribute to that shift. Developing project/programme-level definitions recognizes that paradigm shift is highly context-specific: for example, paradigm shift in a small island developing state will look completely different to paradigm shift in a large, populous country with diverse ecosystems.

Project/programme-level definitions of paradigm shift potential should be based on the three dimensions of paradigm shift potential, although recognizing that dimensions will have different "weights" and degrees of relevance depending on the precise nature of the project/programme.

BASELINE DEVELOPMENT

As part of the above project/programme-level description of paradigm shift potential, AEs should complete "baseline" scorecard assessments for each of the three dimensions that, in turn, will outline the starting conditions against which the project/programme is working. Baseline development is already conducted by AEs and is part of the FP development process. This would allow AEs to develop more robust baseline descriptions compared to narratives currently provided because of introducing more specific descriptors for each of the wider three dimensions. Crucially, such baseline descriptions will link to "evidence" which will be sought later to assess to what degree contribution has been made. Adding information on paradigm shift potential dimensions will also help to enhance quality of baselines and support AEs measure progress on their contribution to broader climate impacts against the baseline scenario.

Baselines should be validated by the AE at project/programme launch, particularly where a significant amount of time has elapsed since the project design and/or since the original scorecards were developed. The project/programme-level description of paradigm shift potential should also be re-validated at project launch.

INTERIM AND FINAL EVALUATIONS BY ACCREDITED ENTITIES

AEs will monitor and report on its contributions to the project/programme-level description of paradigm shift potential via its interim and final evaluations. Hence, AEs will report its contributions to paradigm shift potential through scorecards twice during the project/programme lifespan while they will continue to use the annual performance report (APR) process to report on the project/programme specific paradigm shift in narrative format as in the current practice under the initial RMF.

INDEPENDENT VALIDATION

The GCF will carry out ex-post reviews and ex-post verifications to assess credibility of results achieved over the lifespan of an asset/investment and reported to the GCF during project/programme implementation of intended climate impacts, their sustainability and potential for scalability and replication.

III. Scorecards

11. When measuring project/programme’s contributions towards dimensions, it might be alluring to have a high level of granularity (for example, a 6-point scale). However, greater the granularity the more difficult it is to get consistency across AEs and assessment processes, particularly considering the diversity of the GCF’s portfolio. Consequently, a 4-point scale is proposed¹ (where 0 = no evidence of change, 3 = high degree of evidence of change).

12. As well as measuring progress towards each dimension – and in line with the principle of measuring contribution rather than attribution – scorecards will be used to measure the level of the GCF investment’s contribution to any change. For each dimension, the intensity of contribution (high, medium, low) should be measured. The scale recognizes that “high intensity” does not necessarily mean better than “low intensity”, as the expected contribution might be different dependent on other actors involved and the required need.

Figure 4: The Scorecard

Dimension	0 (No evidence of change)	1	2	3 (High degree of evidence of change)	Intensity of GCF contribution
Scale 	No replication or multiplying effects across population, markets, institutions, sectors and geographic areas of GCF-supported interventions without expanding the cost base or securing additional funding from the initial project/programme	Some emerging signs (e.g. increase in demand for climate services/products /business and expansion of climate results) of clear pathway to replication or multiplying effects across population, markets, institutions, sectors and geographic areas of GCF-supported interventions without expanding the cost base or securing additional funding from the initial project/programme	Evidence of replication or multiplying effects across population, markets, institutions, sectors and geographic areas of GCF-supported interventions without expanding the cost base or securing additional funding from the initial project/programme	Evidence of a significant replication or multiplying effects across population, markets, institutions, sectors and geographic areas of GCF-supported interventions without expanding the cost base or securing additional funding from the initial project/programme	High: GCF funded activity played a central role and the change wouldn’t have happened without it Medium: GCF funded activities enhanced an existing initiative to significantly improve outcomes Low: GCF played a catalytic/facilitative role which supported a broad coalition of actors
Depth 	No or little evidence that the GCF supported intervention is contributing towards a behavioral change or decision-making process among beneficiaries or project/programme stakeholders	Some emerging signs that the intervention contributes towards a behavioral change or decision-making process among beneficiaries or project/programme stakeholders	Increasing evidence that the intervention contributes towards a behavioral change or decision-making process among beneficiaries or project/programme stakeholders	Strong and consolidated evidence that the intervention contributes towards a behavioral change or decision-making process among beneficiaries or project/programme stakeholders	High: GCF funded activity played a central role and the change wouldn’t have happened without it Medium: GCF funded activities enhanced an existing initiative

¹ For a more nuanced reporting, AEs are encouraged to provide detailed updates of the process achieved in an accompanying narrative format.



Dimension	0 (No evidence of change)	1	2	3 (High degree of evidence of change)	Intensity of GCF contribution
	No or little evidence that the intervention is contributing towards a market or other type of systems change	Some emerging signs (e.g. reduced costs and risks, eliminating barriers) that the intervention is contributing towards a market or other type of systems change	Increasing evidence (e.g. reduced costs and risks, eliminating barriers) that the intervention is contributing towards a market or other type of systems change	Strong and consolidated evidence (e.g. market consolidation, job creations, skills mainstreaming) that the intervention is contributing towards a market or other type of systems change	to significantly improve outcomes Low: GCF played a catalytic/facilitative role which supported a broad coalition of actors
	No or little evidence of dimensions of new national, local regulations/policies/frameworks to address investments in low-emission development	Some emerging evidence of dimensions of new national, local regulations/policies/frameworks to address investments in low-emission development	Increasingly consolidated evidence of dimensions to new national, local regulations/policies/frameworks to address investments in low-emission development	Abundant evidence of dimensions of new national, local regulations/policies/frameworks to address investments in low-emission development	
Sustainability 	No evidence of continuity of project results beyond project support	Some emerging signs that project results are likely to continue beyond GCF's support	Clear signs that the project results are likely to continue beyond GCF's support	Strong evidence that project results will continue beyond GCF's support	High: GCF funded activity played a central role and the change wouldn't have happened without it Medium: GCF funded activities enhanced an existing initiative to significantly improve outcomes Low: GCF played a catalytic/facilitative role which supported a broad coalition of actors
	No improvement in organizational capacity across public and private sector to deliver effective interventions	Examples where there is evidenced improvements in the organizational capacity of either key public or private sector organizations	Clear evidence of improvements in the organizational capacity of either key public or private sector organizations	Organizational resourcing, staffing, structures and relationships are designed and resourced to support new ways of working	
	No or limited increase in regular funding for climate change	There is noticeable increased budget for intervention area	Clear changes in the priorities and resource allocations of key stakeholder groups in both public and private sector	Commercial thriving markets established; Sufficient public finance is available and flowing for sustainable change; No/limited reliance on donor funding	

Annex IV: Illustrative indicators guidance – reduced emissions and increased resilience

1. The indicators guidance sheet on reduced emissions and increased resilience below is illustrative. Its full details including those of supplementary indicators and technical guidance on the IRMF application will be provided in the Results Handbook to be developed after the adoption of the IRMF.

Core Indicator 1	Green house gas (GHG) emissions reduced, avoided or removed/sequestered
Unit	Tonnes of carbon dioxide equivalent (tCO ₂ eq)
Rationale	<p>This has been a core GCF indicator since 2014 under the initial RMF, is routinely reported on through Board meetings, and continues to be a central measure of the GCF's impact. It is tightly aligned with core indicators of numerous other climate finance mechanisms, and with the objectives of the UNFCCC and Paris Agreement.</p> <p>The Fund promotes low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas (GHG) emissions and to adapt to the impacts of climate change. Monitoring the level of GHG emissions abated from Fund projects is a key indicator of progress and results of Fund projects/programmes. The indicator will report on the net change in GHG emissions measured in tonnes of carbon dioxide equivalent (tCO₂eq), estimated relative to the assumed business-as-usual emissions trajectory, and will reflect abatement results directly attributable to GCF mitigation projects over the lifetime of the projects. With annually collected data, the GCF will calculate and measure the status and progress of tCO₂eq per year.</p> <p>This indicator is well aligned with GCF's Investment Framework criterion on Impact Potential (mitigation impact) and with the indicative investment factor "<i>Expected tonnes of carbon dioxide equivalent (t CO₂ eq) to be reduced or avoided</i>".</p> <p>This indicator is well aligned with SDG 13 'Take urgent action to combat climate change and its impacts' and with the targets set in the Paris Agreement.</p> <p>This indicator may also be aligned with the mitigation priorities identified by developing countries in the relevant Nationally Determined Contributions (NDCs) and Nationally Appropriate Mitigation Actions (NAMAs).</p>
Definition	Note: the definition will be grounded in the GCF's original guidance (Annex V of B.08/07) but will be amended according to the final methodology.
Thematic area	Mitigation
Result areas	<p>Area 1: Energy generation and access</p> <p>Area 2: Low-emission transport</p> <p>Area 3: Buildings, cities, industries and appliances</p> <p>Area 4: Forests and land use.</p>
Disaggregation	Result area.
Methodology	Note: The methodology will build on the GCF's original guidance (Annex V of B.08/07) but will need to take into account the GCF's result areas, including any sector-specific guidance and approaches to calculations of emission reductions.
Data Sources	Dependent on result area-specific requirements. National statistics.
Baseline	Determined in individual logical frameworks.
Frequency	Project/programme-duration, updated annually.
Reporting Responsibility	Underlying data reported by Aes, then aggregated by GCF Secretariat.
Reporting Format	Underlying data provided via APRs, then aggregated and reported via GCF website and to the Board.

References	SDG 13
Core Indicator 2	Direct and indirect beneficiaries reached
Unit	<p>Number of individuals (female/male)</p> <p>Note: if data on individuals is not available, households could be reported and converted into individuals based on average number of people per household.</p>
Rationale	<p>This indicator seeks to measure the number of people who have received an input of support from Fund projects as a proxy for increasing adaptive capacity and resilience to climate change. It follows the same approach as the beneficiary indicators for the Adaptation Fund and UKAID International Climate Finance (ICF).</p> <p>This indicator speaks to the GCF's Investment Framework criterion on Adaptation Impact and the Indicative Investment Factor 'Expected total number of direct and indirect beneficiaries, (reduced vulnerability or increased resilience); number of beneficiaries relative to total population, particularly the most vulnerable groups'.</p> <p>Note: resilience impact on businesses rather than individuals is covered as a supplementary indicator of core indicator 3.</p>
Definition	<p>Note: the definition follows the GCF's original guidance (Annex V of B.08/07).</p> <p>'Support' is defined as direct assistance from the project/programme in question, with the explicit intention of helping people deal with climate change impacts. It could include, for example, financial resources, assets, agricultural inputs, training, communications (e.g. early warning systems) or information (e.g. weather forecasting).</p> <p>'People Supported' should relate to populations identified by the project in question with a direct relationship to it.</p> <p>'Effects of climate change' are defined as the effects of changes both in the mean state of the climate and in its variability. Normally resulting from the primary consequences of climate change: changes to precipitation, temperature and sea-level rise, these may be sudden onset or gradual, and can include floods, droughts, storms, landslides, salinization, coastal inundation, heat or cold waves, and biodiversity loss.</p> <p>Two dimensions of support are defined:</p> <p>(1) Targeted: defined as whether people can be identified by the project/programme as receiving direct support, can be counted individually and are aware they are receiving support in some sort. This implies a high degree of attribution to the project.</p> <p>(2) Intensity: defined as the level of support/effort provided per person on a continuum, but broad levels may be defined as:</p> <ul style="list-style-type: none"> (a) Low: e.g. people falling within an administrative area of an institution (e.g. ministry or local authority) receiving capacity-building support. (b) Medium: e.g. people receiving information services such as flood warnings or weather forecast by text; people within catchment area of structural flood defenses; people living in a community where other members have been trained in emergency flood response; people within a catchment area or a river basin subject to a water resources management plan. (c) High: e.g. house raised on plinths, cash transfers, agriculture extension services, training of individuals in communities to develop emergency plans. <p>Based on the two dimensions of support, there are two main categories of beneficiaries for reporting:</p> <p>(1) Direct: Targeted and high intensity. Must fulfil both criteria, e.g. people receiving social protection through improved household assets, houses raised on plinths, agricultural extension services, training of individuals in communities to develop emergency plans and use early warning systems.</p> <p>(2) Indirect category covers the following:</p> <ul style="list-style-type: none"> (a) Targeted and medium intensity: e.g. people receiving weather information and text messages early warnings. (b) Not targeted and medium intensity: e.g. people within the coverage of an early warning system, or catchment area of a large infrastructure project (e.g. flood

	defences) or living in a discrete community in which others have been trained in emergency response.
Thematic area	Adaptation
Result areas	Area 1: Most vulnerable people and communities Area 2: Health, well-being, food, and water security Area 3: Infrastructure and built environment Area 4: Ecosystems and ecosystem services
Disaggregation	For each of these two defined categories of beneficiaries, direct and indirect, further disaggregation is required on the following dimensions: 1. Female/male individuals 2. The main result area where the benefits were achieved.
Methodology	The indicator is expressed in absolute numbers of beneficiaries disaggregated by category of reporting (direct/indirect) and sex. It is possible for one project to reach both direct and indirect beneficiaries, in which case these should be reported separately. Where primary data on beneficiaries are based on households, a standard multiplier for household size based on the most recent national census or nationally representative household survey should be used to convert number of households to number of people. Disaggregation by sex should be based on primary data or national statistics.
Data Sources	Project/programme surveys. National statistics.
Baseline	Determined in individual logical frameworks.
Frequency	Project/programme-duration, updated annually.
Reporting Responsibility	Underlying data reported by Aes, then aggregated by GCF Secretariat.
Reporting Format	Underlying data provided via APRs, then aggregated and reported via GCF website and to the Board.
Additional Notes	Note: This method of reporting on beneficiaries does not explicitly consider the success in building climate resilience, i.e. a project that provides strong support to a large number of beneficiaries, but fails to build their resilience, would still be reporting a high number of “intensity” beneficiaries.
References	UKAID ICF Key Performance Indicator (KPI) 1. Adaptation Fund Core indicator on Number of beneficiaries. SDG 13, SDG 5
Core Indicator 3	Value of improved physical assets made more adaptable to the effects of climate change and or able to reduce GHG emissions
Unit	Value of assets in USD
Rationale	Physical assets under this indicator covers fixed physical assets that are made by humans such as buildings, roads and factories, as well as community or household based physical assets. This indicator measures in how far GCF supported projects have strengthened physical assets to adapt to the effects of climate change and or reduce GHG emissions. The indicator is aligned with SDG 9 ‘Industry, innovation and infrastructure: build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation’ and SDG 11 ‘Sustainable cities and communities: make cities and human settlements inclusive, safe, resilient and sustainable’ in addition SDG 13 ‘Climate action: take urgent action to combat climate change and its impacts’. This indicator speaks to the GCF Investment Framework criterion on adaptation and mitigation impacts. It is also aligned with several of the factors under the Sustainable Development Potential criterion.

Definition	<p>This indicator measures progress in improving physical assets to adapt to climate change and or reduce GHG emissions.</p> <p>“Physical assets” covers existing and new fixed assets such as e.g. buildings, bridges, ports, roads, railway systems, seawalls, industrial plants, pipelines, electricity grid, dikes, irrigation systems, etc.</p> <p>The type of improved physical assets can include:</p> <ul style="list-style-type: none"> (a) Improved on-site drainage, roofs strengthened to withstand strong winds etc. (b) Coastline protection facility that helps protect a city. (c) Buildings or factories that are brought under improved GHG emission practices. (d) insurance coverage for the physical assets against climate hazard induced damage. (e) Irrigation and or transport infrastructure facilities to improve climate resilient livelihoods.
Thematic area	Mitigation or adaptation
Result areas	<p>MRA 1: Energy generation and access</p> <p>MRA 2: Low-emission transport</p> <p>MRA 3: Buildings, cities, industries and appliances</p> <p>MRA 4: Forests and land use</p> <p>ARA 1: Most vulnerable people and communities</p> <p>ARA 2: Health, well-being, food, and water security</p> <p>ARA 3: Infrastructure and built environment</p> <p>ARA 4: Ecosystems and ecosystem services</p>
Disaggregation	<p>Asset type.</p> <p>The main result area where the benefits were achieved.</p>
Methodology	Results on this core indicator will be reported as the aggregate of the reported number and value in USD of physical assets.
Data Sources	<p>Existing data on value of targeted assets from asset owners.</p> <p>Other secondary data like national statistics, feasibility studies.</p> <p>Insurance records.</p>
Baseline	Determined in individual logical frameworks.
Frequency	Project/programme-duration, updated annually.
Reporting Responsibility	Underlying data reported by AEs, then aggregated by GCF Secretariat.
Reporting Format	Underlying data provided via APRs, then aggregated and reported via GCF website and to the Board.
References	<p>LDCF, SCCF, Adaptation Fund</p> <p>SDG 13, SDG 11, SDG 9</p>
Core Indicator 4	Hectares of natural resource assets brought under improved management practices
Unit	Hectare (Ha)
Rationale	<p>The Fund promotes low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their GHG emissions and to adapt to the impacts of climate change. Monitoring the efforts to strengthen natural resources to become more climate-resilient or to reduce GHG emissions is a key indicator of progress and results of GCF projects/programmes. Results reported in this indicator refer to how GCF is helping reduce GHG emissions and build resilience of people, livelihoods, and ecosystems.</p> <p>This indicator is aligned with the adaptation priorities identified by developing countries in NAPs and/or NDCs which include: agriculture, water, disaster risk management, climate information systems, sustainable land and forest management, urban development and infrastructure, energy, health and coastal zone management.</p>

	<p>This indicator aligns with the GCF’s Investment Framework criterion on paradigm shift potential and the Indicative Investment Factor ‘Degree to which the project or programme promotes positive environmental externalities such as air quality, soil quality, conservation, biodiversity, etc.’.</p> <p>This indicator is aligned with SDG 6 ‘Clean water and sanitation: ensure availability and sustainable management of water and sanitation for all’; SDG 14 ‘Life below water: conserve and sustainably use the oceans, seas and marine resources for sustainable development’; and SDG 15 ‘Life on land: protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss’ in addition to SDG 13 ‘Climate action: take urgent action to combat climate change and its impacts’.</p> <p>This indicator is aligned with the Aichi Biodiversity Target 7 of the Convention on Biological Diversity: “Areas under agriculture, aquaculture and forestry, by 2020, are managed sustainably, ensuring conservation of biodiversity”. It is also related to country Land Degradation Neutrality targets under the Convention to Combat Desertification.</p>
Definition	<p>This indicator refers to natural resources, such as land under productive systems, and area covered by natural ecosystems that are improved or strengthened in order to become more climate resilient or to reduce GHG emissions.</p> <p>‘Improved management’ includes protection, restoration, and or agricultural land management activities while promoting enhanced management of natural resources for one or more objectives, such as mitigating climate change, conserving biodiversity, maintaining ecosystem services, strengthening sustainable use of natural resources including for better livelihoods and food security , and/or promoting community participation.</p> <p>An area is considered to be under improved management practices when, at least partially as a result of GCF support, additional areas have been conserved or restored, or additional emissions reductions are expected be achieved due to changes in management planning, implementation of management plans or policies, or application of data to management decisions and enforcement actions</p> <p>AEs will report the expected and actual geographical extent of the area that they intend to reduce emissions or make or have made more resilient, with a clear evidence-based justification.</p>
Thematic area	Mitigation or adaptation
Result areas	<p>MRA 4: Forests and land use</p> <p>ARA 1: Most vulnerable people and communities</p> <p>ARA 2: Health, well-being, food, and water security</p> <p>ARA 3: Infrastructure and built environment</p> <p>ARA 4: Ecosystems and ecosystem services</p>
Disaggregation	<p>Asset type.</p> <p>The main result area where the benefits were achieved.</p>
Methodology	Results on this core indicator will be reported as the aggregate of the reported area in hectare of natural assets or proportion of natural assets with increased resilience.
Data Sources	<p>Dependent on result area-specific requirements.</p> <p>Other secondary data like national statistics, feasibility studies.</p>
Baseline	Determined in individual logical frameworks.
Frequency	Project/programme-duration, updated annually.
Reporting Responsibility	Underlying data reported by Aes, then aggregated by GCF Secretariat.
Reporting Format	Underlying data provided via APRs, then aggregated and reported via GCF website and to the Board.



References	https://www.cbd.int/sp/targets/ GEF, CIF, Adaptation Fund SDG 13, SDG 6, SDG 14, SDG 15
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Annex V: Illustrative indicators guidance – systemic change

1. The indicators guidance sheet on systemic change below is illustrative. Its full details and technical guidance on the IRMF application will be provided in the Results Handbook to be developed after the adoption of the IRMF.

Core Indicator 5	Degree to which GCF investments contribute to strengthening institutional and regulatory frameworks for low emission climate-resilient development pathways.
Unit	GCF's projects/programmes are measured and reported against a four-point scale, where 0 = weak institutional and regulatory frameworks, and 3 = strong institutional and regulatory frameworks.
Rationale	<p>Strengthening of institutional and regulatory frameworks is at the heart of the GCF's goal to support systems change and contribute to paradigm shift, so the GCF necessarily has to track its contribution to strengthening institutional and regulatory frameworks. By using scorecards to track several elements of institutional and regulatory frameworks, this indicator can also support the GCF's own planning and prioritization. For example, do assessments show specific elements of institutional and regulatory frameworks require more support or investment?</p> <p>The indicator is partially aligned to SDG targets 13.2 and 13.3.</p> <p>The indicator is partially aligned to the GCF's Investment Framework criterion 4 (country ownership and institutional capacity) and sub-criteria 3 (capacity of implementing entities or executing entities to deliver), so data gathered through this indicator can be used to track and compare actual progress against initial proposals, as well as Investment Framework assessment factor 'Potential of the proposed programme or project to strengthen institutional and implementation capacity'.</p>
Definition	<p>The indicator is used to assess degree to which GCF funded activities are supporting the development of institutional and regulatory frameworks over time.</p> <p>Assessment of GCF's contribution to strengthening institutional and regulatory frameworks will consider a series of elements using a scorecard-based approach:</p> <ul style="list-style-type: none"> • Degree to which new laws/regulations/policies have been put in place to facilitate socially inclusive low-emission climate-resilient development • Degree to which the public sector has trained knowledgeable staff in appropriate roles to deliver/oversee the strategy. • Extent of cross-government coordination in the delivery of the project/programme strategy horizontally across different sectors and vertically from national to local level. • Extent to which the private sector is aware, capable and proactively addressing climate change challenges. • Extent to which civil society is aware and proactively working together with projects/programmes financed by the GCF to strengthen socially inclusive and sex-aware institutional and regulatory frameworks to address climate change (CC) challenges. <p>Based on assessment of all the above elements, the indicator provides a single "score" for each project/programme that can be tracked over time. Data for all projects/programmes can also be aggregated to provide "scores" at the global level, on a regional basis, or according to country groupings.</p>
Disaggregation	Scoring will be undertaken at the project/programme level. Once all assessments have been completed it will be possible to analyze trends for different projects/programmes, according to analytical needs. For example, aggregate "scores" could be calculated and tracked by region and country groupings, for Readiness Programme participants, etc.
Methodology	Indicator measurement is undertaken through a scorecard-based approach, whereby projects/programmes are assessed in terms of their capacity to strengthen institutional and regulatory frameworks against a four-point scale with values ranging from 0 (no contribution to strengthened institutional and regulatory frameworks) to 3 (high contribution).

Annual assessments will be undertaken by the AEs as part of the current practice of APR. It is recommended scoring is done participatively with other stakeholders (NDAs, civil society and other stakeholders). Possible participative processes are explained in further detail in the results handbook (to be developed, post adoption of the IRMF by the Board).

Scoring should be undertaken on all elements that GCF is trying to change or influence so not all aspects of the scorecard may need to be assessed.

The full scorecard is as follows:

No contribution	0	1	2	3	High contribution
No relevant legal/regulatory/policy frameworks in place					Effective socially inclusive legal/regulatory/policy frameworks developed and implemented
No significant financial resources allocated to support development and implementation of institutional and regulatory frameworks					Sufficient financial resources allocated and provided for the development and implementation of institutional and regulatory frameworks
Public sector actors do not have an organizational structure/system or trained staff to respond to CC challenges and deliver strengthened institutional and regulatory frameworks					Public sector actors have an organizational structure/system or are fully staffed with trained and knowledgeable individuals to address CC challenges and delivering strengthened regulatory frameworks
No horizontal or vertical cross government coordination in the response to CC					Clear functioning coordination mechanisms at both horizontal and vertical levels effectively coordinating CC response
Private sector players unaware of their contribution to CC and do not have structures or skills to respond in a timely manner					Private sector players fully understand their role in addressing CC and possess business models/strategies/expertise to proactively address appropriate CC challenges
Civil society organizations have insufficient knowledge and skills to address relevant CC challenges or to hold the public and private sector to account					Civil society organizations understand the contribution it can make and have sufficient knowledge/skills to design interventions which address CC and hold other stakeholders to account

The process is to a large extent reliant on professional knowledge and judgement; therefore, it is important AEs have these validated by other sectoral/local/national stakeholders.

Any change in score requires a short narrative explanation to provide transparency and show how: GCF investments contributed and supported the change, identify patterns across the portfolio and to assist learning about the trajectory of improvement.

	<p>Subjectivity cannot be entirely eliminated from the assessments, but a process of review and benchmarking can help to mitigate bias, improve consistency and allow assessors to learn from each other. It is recommended that – once all annual assessments have been completed – some form of portfolio validation exercise be undertaken. A participatory approach bringing AE, NDA representatives and GCF Secretariat staff that allows for validation is encouraged. This is also aligned with the GCF’s Governing Instrument, which encourages use of participatory monitoring involving relevant stakeholders. Where countries have undertaken their own capacity assessments as part of their national monitoring and reporting against SDG indicator 13.3.2, those assessments could be used to directly inform this GCF scorecard assessment.</p>
Data Sources	<p>APRs. NDA records and experience. National capacity assessments undertaken for SDG indicator 13.3.2. Readiness Programme progress and final reports. Other secondary data like national statistics.</p>
Baseline	<p>The first scorecard-based assessment in any given project/programme will provide the baseline value against which future scorecard assessments can be compared.</p> <p>The global baseline score can be calculated once all projects/programmes have completed their first scorecard assessments.</p>
Frequency	Project/programme-duration, updated annually.
Reporting Responsibility	<p>AEs undertake the assessment based on the guide and template available via the Results Handbook.</p> <p>Scorecards will be aggregated and further analysis (global, regional, country groupings) will be done by GCF Secretariat.</p>
Reporting Format	Underlying data provided via APRs, then aggregated and reported via GCF website and to the Board.
Additional Notes	*linkage to SDG targets 13.2 and 13.3: Number of countries that have communicated strengthening of institutional, systemic and individual capacity-building to implement adaptation, mitigation and technology transfer, and development actions
Core Indicator 6	Degree to which GCF investments contribute to technologies and innovation not previously or widely demonstrated in a particular context
Unit	GCF’s projects/programmes are measured and reported against a four-point scale, where 0 = limited recognition or support for climate change innovations 3 = high level of evidence of innovations developed, demonstrated and taken up.
Rationale	<p>Supporting technology, innovation and risk taking is a key driving element of the GCF’s aim of promoting a paradigm shift potential. The GCF will support development and demonstration of CC technology and innovations. It is also ultimately the development of conditions that lead to effective development/uptake/transfer/replication of CC technology and innovations that will lead to continuous improvement. This indicator measures how far GCF investments contribute to demonstration and uptake of new innovations and to creating enabling conditions which support and promote the actions required to generate CC innovations and support uptake and diffusion more widely.</p> <p>This is aligned with GCF Investment Framework’s assessment factor ‘Explanations of how best available technologies and/or best practices, including those of indigenous peoples and local communities, are considered and applied. If applicable, the proposal specifies the innovations or modifications/adjustments made based on industry best practices.’</p> <p>Support for research and development, demonstration, deployment and diffusion of CC innovations is directly aligned with Article 10 of the UNFCCC Paris agreement, and in particular Article 10.1 – “Parties share a long-term vision on the importance of fully realizing technology development and transfer in order to improve resilience to climate change and to reduce greenhouse gas emissions” and Article 10.2 “Parties, noting the importance of technology for the implementation of mitigation and adaptation actions under this Agreement and recognizing existing technology deployment and dissemination efforts, shall strengthen cooperative action on technology development and transfer.”</p> <p>Technology development and transfer playing a key role in reducing GHG emissions is well recognized in the UNFCCC Convention, the Paris Agreement and the GCF Governing Instrument paragraph 35.</p>

<p>Definition</p>	<p>Innovation in this context is defined as a, tool, practice, service or product that was demonstrated (i.e. successfully tested) for the first time in a country or region or community by the project. Innovations that had already been demonstrated elsewhere but never in the country, region or community supported (funded) by the GCF or countries where the project is implemented can be counted under this indicator. For instance, a newly developed solar mini-grid software management system being tested for the first time or an irrigation technology already successfully tested in another country but applied for the first time in the target country.</p> <p>Conditions which facilitate development, transfer and uptake of innovation may include incentives (such as access to funding, subsidies or tax breaks), that promote risk and do not penalize failure. Promoting transfer/uptake can be done in monetary or non-monetary form. It may include marketing, capacity building, training, technical demonstrations, etc. It can be a commercial activity (e.g. a company selling an innovative energy efficiency solution) or non-commercial (e.g. a civil society organization actively promoting uptake of an innovative rainwater harvesting technique).</p> <p>The assessment will be undertaken at project/programme, sectoral, local or national levels. Conditions which facilitates effective development, uptake, transfer of innovations is divided into series of elements that are assessed using a scorecard-based approach. These are:</p> <ul style="list-style-type: none"> • Degree to which there is evidence of deployment and uptake of innovation. • Degree of financial support for the delivery of innovation. • Level of human resources available for development, uptake, transfer and scale up of innovations. • Degree to which there is capacity to effectively promote and disseminate value and use of innovations. • Degree to which there are mechanisms in place to acknowledge and incentivize taking of risks for innovations. <p>Based on assessment of the relevant elements, the indicator provides a single “score” for each project/programme that can be tracked over time. Data for all projects/programmes can also be aggregated to provide “scores”, according to country groupings and on a regional basis or at the global level.</p>																								
<p>Disaggregation</p>	<p>Scoring will be based on the scope of the GCF intervention and the environment in which it is operating. The default will be at project/programme level though a different area may be assessed, and this could focus on a specific institution (public, private, civil society) or appropriate combination of these.</p> <p>Scoring on individual elements of the scorecard will also allow an analysis of where GCF can focus to promote transfer and broad replication of successful CC innovations.</p>																								
<p>Methodology</p>	<p>Indicator measurement is undertaken through a scorecard-based approach, whereby various elements of conditions for innovation are assessed against a four-point scale with values ranging from 0 (no capacity) to 3 (high capacity).</p> <p>Annual assessments will be undertaken by AEs as part of the APR. Scoring should be undertaken on all elements that GCF is trying to contribute but not all aspects of the scorecard may need to be assessed.</p> <p>The draft scorecard is as follows:</p> <table border="1" data-bbox="456 1729 1361 2045"> <thead> <tr> <th>Limited innovation</th> <th>0</th> <th>1</th> <th>2</th> <th>3</th> <th>High innovation</th> </tr> </thead> <tbody> <tr> <td>No evidence of innovations being deployed</td> <td></td> <td></td> <td></td> <td></td> <td>Strong evidence of successful deployment and uptake of innovations</td> </tr> <tr> <td>No significant financial resources for demonstration or uptake of innovations</td> <td></td> <td></td> <td></td> <td></td> <td>Wider financial support for the delivery of innovations</td> </tr> <tr> <td>No project/programme staff able to work on innovations</td> <td></td> <td></td> <td></td> <td></td> <td>Model in place which allows staff to be deployed in a timely way to develop and transfer innovations</td> </tr> </tbody> </table>	Limited innovation	0	1	2	3	High innovation	No evidence of innovations being deployed					Strong evidence of successful deployment and uptake of innovations	No significant financial resources for demonstration or uptake of innovations					Wider financial support for the delivery of innovations	No project/programme staff able to work on innovations					Model in place which allows staff to be deployed in a timely way to develop and transfer innovations
Limited innovation	0	1	2	3	High innovation																				
No evidence of innovations being deployed					Strong evidence of successful deployment and uptake of innovations																				
No significant financial resources for demonstration or uptake of innovations					Wider financial support for the delivery of innovations																				
No project/programme staff able to work on innovations					Model in place which allows staff to be deployed in a timely way to develop and transfer innovations																				

	No sectoral, local or national level capacity to promote and disseminate innovations				Mechanisms available and used to promote innovations to wide range of audiences at sectoral, local or national level
	No incentivization or risk mitigation strategies at sectoral, local or national level to support innovations				Clear evidence of incentivization for developing and testing innovations, including acknowledgement and acceptance of possible failure at sectoral, local or national level.
	<p>The process is, to a large extent, reliant on professional knowledge and judgement, so it is important AEs have these validated by other sectoral, local or national stakeholders. There will invariably be variation in assessments with different weights/importance placed on different aspects of capacity. Any change in score will also require a short narrative explanation to provide transparency and also to assist learning about the trajectory of improvement.</p> <p>Subjectivity cannot be entirely eliminated from the assessments, but a process of review and benchmarking can help to mitigate bias, improve consistency and allow assessors to learn from each other. It is recommended that – once all annual assessments have been completed – some form of portfolio validation exercise be undertaken. A participatory approach bringing AE, NDA representatives and GCF Secretariat staff that allows for validation is encouraged. An alternative is that a lead assessor (or small group) takes on the task of validating/peer reviewing a sample of assessments, with a view to assessing levels of consistency/difference across the whole portfolio.</p>				
Data Sources	<p>APRs. Learning and development strategies, prospectus and capacity assessments. Minutes of forums/training workshops and other events around the innovation. Promotional material (training manuals, brochures, videos, newspaper articles etc.). Feedback from external stakeholders – customers, market networks. Surveys. Other secondary data like national statistics.</p>				
Baseline	<p>The first scorecard-based assessment in any given project/programme will provide the baseline value against which future scorecard assessments can be compared.</p> <p>The global baseline value can be calculated once all projects/programmes have completed their first scorecard assessments.</p>				
Frequency	Project/programme-duration, updated annually.				
Reporting Responsibility	<p>AEs undertake the assessment based on the guidance and template available via the Results Handbook.</p> <p>Scorecards will be aggregated, and further analysis (country, regional, global groupings) will be done by GCF Secretariat.</p>				
Reporting Format	Underlying data provided via APRs, then aggregated and reported via GCF website and to the Board.				
Core Indicator 7	Degree to which GCF investments contribute to market development/transformation at the sectoral, local, or national level				
Unit	Projects/programmes are measured and reported against a four-point scale, where 0 = no new market development and transformation, and 3 = high level of market development and transformation through improved business model track record and increased job creation.				
Rationale	<p>Through its projects/programmes, the GCF is committed to creating new markets and business activities at the sectoral, local or national level. This means an enabling environment would need to be created which would entail reducing costs and risks, eliminating barriers to the deployment of low-emission and climate-resilient solutions and maximising the opportunities for economic opportunities and market access for women and other socially excluded groups.</p> <p>The indicator is well-aligned to the GCF's Investment Framework criterion 2 (Paradigm shift potential) and in particular to the assessment factor "extent to which the</p>				

	<p>project/programme creates new markets and business activities at the local, national or international levels” as well as with sub-criterion 3 (contribution to the creation of an enabling environment) to ensure data gathered through this indicator can be used to track and compare actual progress against initial proposals. The indicator is also partially aligned with SDG 5 ‘Gender equality: achieve gender equality and empower all women and girls.’</p>																		
<p>Definition</p>	<p>The indicator is used to measure whether GCF activities are supporting and informing market development and transformation through improved and sustainable business models and increased job creation, particularly in the green sector.</p> <p>Assessment will be undertaken at the project/programme level. Effective market development and transformation is divided into a series of elements assessed using a scorecard-based approach. These elements are:</p> <ul style="list-style-type: none"> • Evidence of emerging signs (e.g. reduced costs and risks, eliminating barriers) that GCF’s investments are contributing towards market development/transformation or other type of systems change. • Extent to which there is routine reflection on the performance of both what has and has not worked in relation to market development and transformation. • Extent to which GCF’s investments will change incentives for market participants by reducing costs and risks and eliminating barriers to the deployment of low-emission solutions. • Evidence (market consolidation, job creation, skills mainstreaming) GCF investments are contributing towards a market or other type of systems change. <p>Based on assessment of all the above elements, the indicator provides a single “score” for each project/programme that can be tracked over time. Data for all projects/programmes can also be aggregated to provide “scores” at the global level, on a regional basis or according to country groupings.</p>																		
<p>Disaggregation</p>	<p>Scoring is undertaken at the project/programme-level, so once all project/programme assessments have been completed it will be possible to analyze trends for different country groups, according to analytical needs: for example, aggregate “scores” could be calculated and tracked by region and country groupings, for Readiness Programme participants, etc.</p>																		
<p>Methodology</p>	<p>Indicator measurement is undertaken through a scorecard-based approach, whereby various elements of a project’s/programme’s capacity to contribute to market development and transformation are assessed against a four-point scale with values ranging from 0 (no evidence or capacity) to 3 (high evidence or capacity).</p> <p>Annual assessments will be undertaken by the AEs as part of the APR.</p> <p>The scoring exercise will be part of an annual performance assessment. The scorecard will be part of an annual report, and there will be space provided next to each scorecard to provide additional information to justify each score. The full scorecard is as follows:</p> <table border="1" data-bbox="464 1541 1362 2065"> <thead> <tr> <th data-bbox="464 1541 820 1644">No market development and transformation</th> <th data-bbox="820 1541 871 1644">0</th> <th data-bbox="871 1541 922 1644">1</th> <th data-bbox="922 1541 973 1644">2</th> <th data-bbox="973 1541 1024 1644">3</th> <th data-bbox="1024 1541 1362 1644">High level of market development and transformation</th> </tr> </thead> <tbody> <tr> <td data-bbox="464 1644 820 1939">No evidence of projects/programmes contributing towards market development and transformation</td> <td data-bbox="820 1644 871 1939"></td> <td data-bbox="871 1644 922 1939"></td> <td data-bbox="922 1644 973 1939"></td> <td data-bbox="973 1644 1024 1939"></td> <td data-bbox="1024 1644 1362 1939">Strong evidence (new sources of finance, market consolidation, job creation – particularly for women and other excluded groups skills mainstreaming) of projects/programmes contributing towards market development and transformation</td> </tr> <tr> <td data-bbox="464 1939 820 2065">No evidence of how projects/programmes influence incentives for market participants by reducing costs,</td> <td data-bbox="820 1939 871 2065"></td> <td data-bbox="871 1939 922 2065"></td> <td data-bbox="922 1939 973 2065"></td> <td data-bbox="973 1939 1024 2065"></td> <td data-bbox="1024 1939 1362 2065">Strong evidence of how projects/programmes influence incentives for market participants by</td> </tr> </tbody> </table>	No market development and transformation	0	1	2	3	High level of market development and transformation	No evidence of projects/programmes contributing towards market development and transformation					Strong evidence (new sources of finance, market consolidation, job creation – particularly for women and other excluded groups skills mainstreaming) of projects/programmes contributing towards market development and transformation	No evidence of how projects/programmes influence incentives for market participants by reducing costs,					Strong evidence of how projects/programmes influence incentives for market participants by
No market development and transformation	0	1	2	3	High level of market development and transformation														
No evidence of projects/programmes contributing towards market development and transformation					Strong evidence (new sources of finance, market consolidation, job creation – particularly for women and other excluded groups skills mainstreaming) of projects/programmes contributing towards market development and transformation														
No evidence of how projects/programmes influence incentives for market participants by reducing costs,					Strong evidence of how projects/programmes influence incentives for market participants by														

	risks and eliminating barriers to the deployment of low-emission solutions				reducing costs, risks and eliminating barriers to the deployment of low-emission solutions
	No reflection on performance of what has or not worked in relation to market development and transformation at the project/programme level				Routine reflection on performance of what has or not worked in relation to market development and transformation at the project/programme level
	No sharing of best practices between and among projects/programmes on innovative approaches to address market development and transformation				Strong evidence of sharing of best practices between and among projects/programmes on innovative approaches to address market development and transformation
	<p>The process is to a large extent reliant on professional knowledge and judgement, so it is important Aes have these validated by other local stakeholders. There will invariably be some variation in assessments with different weights/importance placed on different aspects of capacity. Any change in score will also require a short narrative explanation to provide transparency and also to assist learning about the trajectory of improvement.</p> <p>Subjectivity cannot be entirely eliminated from the assessments, but a process of review and benchmarking can help to mitigate bias, improve consistency and allow assessors to learn from each other. It is encouraged that – once all annual assessments have been completed – some form of portfolio validation exercise be undertaken. This could involve an annual participatory assessment that brings AE, NDA representatives and GCF Secretariat staff together to compare assessments and approaches.</p>				
Data Sources	APRs Interim and final evaluations Stakeholder consultations reports				
Baseline	The first scorecard-based assessment in any given project/programme will provide the baseline value against which future scorecard assessments can be compared. The global baseline score can be calculated once all projects/programmes have completed their first scorecard assessments.				
Frequency	Project/programme-duration, updated annually.				
Reporting Responsibility	AEs undertake the assessment based on the guidance and template available via the Results Handbook. Scorecards will be aggregated and further analysis (country, regional, global groupings) will be done by GCF Secretariat.				
Reporting Format	Underlying data provided via APRs, then aggregated and reported via GCF website and to the Board.				
Core Indicator 8	Degree to which GCF investments contribute to effective knowledge generation and learning processes, and use of good practices, methodologies and standards.				
Unit	Projects/programmes are measured and reported against a four-point scale, where 0 = no knowledge generation, capture and learning, and 3 = high knowledge generation, capture and learning.				
Rationale	<p>The GCF is committed to becoming a knowledge leader in the field of climate finance. This means it needs to effectively learn from its portfolio and share and disseminates this learning. This requires the creation of a systematic learning culture and also ensuring that generated knowledge informs others in an engaging and accessible manner.</p> <p>The GCF acknowledges developing countries need sustained investment in knowledge, institutional and human capacities to realize their climate ambitions. One aim of the GCF is to build a global thought-leadership role, leveraging its knowledge and the knowledge of its wide partnership network to synthesize learning and enable replication of proven interventions that can, at scale, shift global financial flows in line with the Sustainable Development Goals and Paris Agreement.</p>				

	<p>This indicator is aligned with SDG 13.3 'Improve education, awareness raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning.'</p> <p>The indicator is also well-aligned to the GCF's Investment Framework criterion 2 (paradigm shift potential) and in particular to the assessment factor "existence of a monitoring and evaluation plan and a plan for sharing lessons learned so that they can be incorporated within other projects". It is also partially aligned with the GCF's Investment Framework sub-criterion 1 (potential for scaling-up and replication) and sub-criterion 2 (knowledge and learning potential) so data gathered through this indicator can be used to track and compare actual progress against initial proposals.</p>																		
<p>Definition</p>	<p>The indicator is used to measure whether GCF activities are supporting and informing improved CC investments by effective knowledge generation, capture and learning.</p> <p>Assessment will be undertaken at the project/programme level. Effective knowledge generation, learning is divided into a series of elements that are assessed using a scorecard-based approach. These elements are:</p> <ul style="list-style-type: none"> • Extent to which there is routine documented reflection on the performance of both what has and has not worked in CC interventions. • Extent to which there is an effective institutional system for monitoring, evaluation, action, learning and knowledge management. • Extent to which learning leads to action either through clear evidence of a change in direction, scale up of approach, or uptake by others. • Extent to which there is an effective hub or mechanism for the facilitation of effective peer knowledge exchange. <p>Extent to which there is evidence of learning and sharing good practices between and among actors at sectoral, local or national level. Based on assessment of all the above elements, the indicator provides a single "score" for each project/programme that can be tracked over time. Data for all projects/programmes can also be aggregated to provide "scores" at sectoral and global levels, on a regional basis or according to country groupings.</p>																		
<p>Disaggregation</p>	<p>Scoring is undertaken at the project/programme level, so once all projects/programmes assessments have been completed it will be possible to analyze trends for different country groups, according to analytical needs: for example, aggregate "scores" could be calculated and tracked by region and country groupings, for Readiness Programme participants, etc.</p>																		
<p>Methodology</p>	<p>Indicator measurement is undertaken through a scorecard-based approach, whereby various elements of a project's/programme's institutional capacity are assessed against a four-point scale with values ranging from 0 (no capacity) to 3 (high capacity).</p> <p>Annual assessments will be undertaken by AEs as part of the APR. It is recommended scoring is done participatively with other stakeholders (NDAs, civil society and other stakeholders). Possible participative processes are explained in further detail in the results handbook (to be developed, post adoption of the IRMF by the Board).</p> <p>The scoring exercise will be part of an annual performance assessment. The scorecard will be part of an annual report, and there will be space provided next to each scorecard to provide additional information to justify each score. The full scorecard is as follows:</p> <table border="1" data-bbox="467 1760 1362 2063"> <thead> <tr> <th data-bbox="467 1760 820 1861">No knowledge generation, capture and learning</th> <th data-bbox="820 1760 868 1861">0</th> <th data-bbox="868 1760 916 1861">1</th> <th data-bbox="916 1760 963 1861">2</th> <th data-bbox="963 1760 1011 1861">3</th> <th data-bbox="1011 1760 1362 1861">High level of knowledge generation, capture and learning</th> </tr> </thead> <tbody> <tr> <td data-bbox="467 1861 820 1989">No routine capture of lessons learned by projects/programmes</td> <td data-bbox="820 1861 868 1989"></td> <td data-bbox="868 1861 916 1989"></td> <td data-bbox="916 1861 963 1989"></td> <td data-bbox="963 1861 1011 1989"></td> <td data-bbox="1011 1861 1362 1989">Routine and systemized documented reflection of what has and has not worked at the project/programme level</td> </tr> <tr> <td data-bbox="467 1989 820 2063">No effective project/programme level</td> <td data-bbox="820 1989 868 2063"></td> <td data-bbox="868 1989 916 2063"></td> <td data-bbox="916 1989 963 2063"></td> <td data-bbox="963 1989 1011 2063"></td> <td data-bbox="1011 1989 1362 2063">Effective and resourced monitoring, evaluation, action</td> </tr> </tbody> </table>	No knowledge generation, capture and learning	0	1	2	3	High level of knowledge generation, capture and learning	No routine capture of lessons learned by projects/programmes					Routine and systemized documented reflection of what has and has not worked at the project/programme level	No effective project/programme level					Effective and resourced monitoring, evaluation, action
No knowledge generation, capture and learning	0	1	2	3	High level of knowledge generation, capture and learning														
No routine capture of lessons learned by projects/programmes					Routine and systemized documented reflection of what has and has not worked at the project/programme level														
No effective project/programme level					Effective and resourced monitoring, evaluation, action														

	monitoring, evaluation, action and learning systems				and learning systems which influences project/programme design
	No evidence of routine changes in direction, uptake by others, or going to scale based on learning at project/programme level (by actors, sectors or country)				Strong evidence of routine changes in direction, uptake by others, or going to scale based on learning at project/programme level (by actors, sectors or country)
	No mechanism for sharing relevant knowledge between and among projects/programmes or at sectoral, local and national level				Credible learning hub/mechanism in place which facilitates effective peer-to-peer knowledge exchange between and among projects/programmes or at sectoral, local and national level
	No sharing of good practices between and among projects/programmes or at sectoral, local and national level				Evidence of widespread learning and sharing of good practices between and among projects/programmes or at sectoral, local and national level
	<p>The process is to a large extent reliant on professional knowledge and judgement, so it is important AEs have these validated by other sectoral/local/national stakeholders. There will invariably be some variation in assessments with different weights/importance placed on different aspects of capacity. Any change in score will also require a short narrative explanation to provide transparency and also to assist learning about the trajectory of improvement.</p> <p>Subjectivity cannot be entirely eliminated from the assessments, but a process of review and benchmarking can help to mitigate bias, improve consistency and allow assessors to learn from each other at sectoral/local/national/global levels. It is encouraged that – once all annual assessments have been completed – some form of portfolio validation exercise be undertaken where relevant. This could involve an annual participatory assessment that brings AE, NDA representatives and GCF Secretariat staff together to compare assessments and approaches.</p>				
Data Sources	<ul style="list-style-type: none"> • NDA records and experience • Training records • Conference/outreach event agendas • Publications/training manuals/dissemination materials • Project/Programme APRs, interim and final evaluations, stakeholder consultations reports 				
Baseline	<p>The first scorecard-based assessment in any project/programme will provide the baseline value against which future scorecard assessments can be compared.</p> <p>The global baseline score can be calculated once all projects/programmes have completed their first scorecard assessments.</p>				
Frequency	Project/programme-duration, updated annually.				
Reporting Responsibility	<p>AEs will report annually based on the guidance and template available via the Results Handbook.</p> <p>Scorecards aggregated and further analysis (global, regional, country groupings, etc.) done by GCF Secretariat.</p>				
Reporting Format	Underlying data provided via APRs, then aggregated and reported via GCF website and to the Board.				

Annex VI: Linkages between the IRMF and the initial IF

IRMF indicators	Investment Framework (criterion)	Investment Framework (sub-criterion)
Paradigm shift potential - Scale	Paradigm shift potential	Potential for expanding the scale and impact of the proposed programme or project (scalability)
Paradigm shift potential - Depth	Paradigm shift potential	Potential for expanding the proposal's impact without equally increasing its cost base (scalability)
Paradigm shift potential - Sustainability	Paradigm shift potential	Sustainability of outcomes and results beyond completion of the intervention
Core 1: GHG emissions reduced, avoided or removed/ sequestered	Impact potential (mitigation impact) Sustainable development potential	Contribution to the shift to low-emission sustainable development pathways
Core 2: Direct and indirect beneficiaries reached	Impact potential (Adaptation impact) Sustainable development potential	Contribution to increased climate-resilient sustainable development for most vulnerable people and communities
Core 3: Value of improved physical assets made more adaptable to the effects of climate change and or able to reduce GHG emissions	Impact potential (Adaptation impact) Sustainable development potential	Contribution to the shift to low-emission sustainable development pathways and or increased climate-resilient sustainable development for most vulnerable people and communities
Core 4: Hectares of natural resource assets brought under improved low emission and/or climate resilient management practices	Impact potential (Adaptation impact) Sustainable development potential	Contribution to the shift to low-emission sustainable development pathways and or increased climate-resilient sustainable development for most vulnerable people and communities
Core 5: Degree to which GCF investments contribute to strengthening institutional and regulatory frameworks for low emission climate-resilient development pathways	Paradigm shift potential	Potential for strengthened regulatory frameworks and policies to drive investment in low-emission technologies and activities
Core 6: Degree to which GCF investments contribute to technologies and innovation not previously or widely demonstrated in a particular context.	Paradigm shift potential	Innovation
Core 7: Degree to which GCF investments contribute to market development/transformation at the sectoral, local, or national level.	Paradigm shift potential	Market development and transformation
Core 8: Degree to which GCF investments contribute to effective knowledge generation and learning processes, and use of good practices, methodologies and standards.	Paradigm shift potential	Contribution to the creation or strengthening of knowledge, collective learning

Annex VII: Linkages between the IRMF and the GCF's result areas

IRMF indicators	GCF Suggested Result Areas
Core 1: GHG emissions reduced, avoided or removed /sequestered	Mitigation Result Area (MRA) 1: Energy generation and access MRA 2: Low-emission transport MRA 3: Buildings, cities, industries and appliances MRA 4: Forests and land use
1.1 Annual energy savings (Unit: Megawatt-hours)	MRA 3: Buildings, cities, industries and appliances
1.2 Megawatt-hours energy storage system installed (Unit: Megawatt-hours)	MRA 1: Energy generation and access
1.3 Installed renewable energy capacity (MW)	MRA 1: Energy generation and access
1.4 Renewable energy generated (Unit: Megawatt-Hours, MWh)	MRA 1: Energy generation and access
1.5 Improved low-emission vehicle fuel economy (Unit: Volume of fuel per kilometer travelled)	MRA 2: Low emissions transport
Core 2: Direct and indirect beneficiaries reached	Adaptation Result Area (ARA) 1: Most vulnerable people and communities ARA 2: Health, well-being, food and water security ARA 3: Infrastructure and built environment ARA 4: Ecosystems and ecosystem services
2.1 Direct beneficiaries (female/male) adopting improved and/or new climate-resilient livelihood options (Unit: number of individuals)	ARA 1: Most vulnerable people and communities
2.2 Direct beneficiaries (female/male) with improved food security (Unit: number of individuals)	ARA 2: Health, well-being, food and water security
2.3 Direct beneficiaries (female/male) with more climate-resilient water security (Unit: number of individuals)	ARA 2: Health, well-being, food and water security
2.4 Direct beneficiaries (female/male) covered by new or improved early warning systems (Unit: number of individuals)	ARA 1: Most vulnerable people and communities
2.5 Direct beneficiaries (female/male) adopting innovations that strengthen climate change resilience (Unit: number of individuals)	ARA 1: Most vulnerable people and communities ARA 2: Health, well-being, food and water security ARA 3: Infrastructure and built environment ARA 4: Ecosystems and ecosystem services
2.6 Direct beneficiaries (female/male) living in buildings that have increased resilience against climate hazards (Unit: number of individuals)	Area 3: Infrastructure and built environment
2.7 Change in expected losses of lives due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention (Unit: number of individuals)	ARA 1: Most vulnerable people and communities
Core 3: Value of improved physical assets made more adaptable to the effects of climate change and or able to reduce GHG emissions	MRA 1: Energy generation and access MRA 2: Low-emission transport MRA 3: Buildings, cities, industries and appliances MRA 4: Forests and land use ARA 1: Most vulnerable people and communities

IRMF indicators	GCF Suggested Result Areas
	ARA 2: Health, well-being, food, and water security ARA 3: Infrastructure and built environment ARA 4: Ecosystems and ecosystem services
3.1 Change in expected losses of economic assets due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention (Unit: value in USD)	ARA 1: Most vulnerable people and communities ARA 2: Health, well-being, food, and water security ARA 3: Infrastructure and built environment
Core 4: Hectares of natural resource assets brought under improved low emission and/or climate resilient management practices	MRA 4: Forestry and land use ARA 1: Most vulnerable people and communities ARA 2: Health, well-being, food, and water security ARA 3: Infrastructure and built environment ARA 4: Ecosystems and ecosystem services
4.1 Number of livestock brought under sustainable management practices (unit: number of livestock)	ARA 1: Most vulnerable people and communities
Core 5: Degree to which GCF investments contribute to strengthening institutional and regulatory frameworks for low emission climate-resilient development pathways.	All eight result areas
Core 6: Degree to which GCF investments contribute to technologies and innovation not previously or widely demonstrated in a particular context	All eight result areas
Core 7: Degree to which GCF investments contribute to market development/transformation at the sectoral, local, or national level	All eight result areas
Core 8: Degree to which GCF investments contribute to effective knowledge generation and learning processes, and use of good practices, methodologies and standards	All eight result areas

Annex VIII: Overview of roles and responsibilities

1. The overall roles and responsibilities of respective GCF stakeholders for the approach proposed within the IRMF are outlined below. In accordance with the proposed results architecture of the IRMF, it shows (i) which stakeholders are engaged at different levels of the results chain and (ii) what are their respective mandates. At the far right-hand side of the table presented below are “Notes” which highlight what type of measurement, data aggregation and qualitative assessments are required to be collected by the Secretariat and relevant stakeholders.

IRMF		Mandate of GCF stakeholders			Notes
Results architecture	Measurement	NDA	AE	GCF Secretariat	
GCF IMPACT	Paradigm shift potential Three dimensions: 1) Scale 2) Depth 3) Sustainability	Facilitate participatory workshops with AEs and relevant stakeholders.	1) Assess paradigm shift potential by scoring relevant three dimensions in <u>interim and final evaluations</u> . 2) Update <u>annually</u> through APRs in narratives 3) Hold participatory workshops ¹ at the <u>interim and final evaluation stages</u> to assess.	1) Aggregate project/programme data at the Fund-level and conduct portfolio-level analysis. 2) Support AEs to conduct participatory “self-assessment” workshops. 3) Ex-post verification: conduct ex-post verifications. 4) Ex-post review: Conduct ex-post review for a sample of projects/programmes to assess the credibility of results achieved over the lifespan of an asset/investment.	The proposal should outline the degree of changes in measuring paradigm shift potential with three dimensions using a scorecard-based approach. The main objective of this assessment is for the GCF Secretariat to determine whether there has been a contribution to paradigm shift potential due to GCF’s interventions. These studies will also provide useful information, which may be used in GCF publications as compelling “story telling” of change promoted through GCF interventions.
	GCF OUTCOMES	Reduced Emissions and Increased Resilience	Facilitate participatory	Measure and report relevant indicators	Data coming from project/programme level indicators

¹ Workshops will be held on a voluntary basis, but AEs are encouraged to conduct these based on participatory principles outlined in the MAF.

IRMF		Mandate of GCF stakeholders			Notes
Results architecture	Measurement	NDA	AE	GCF Secretariat	
	1) GHG emissions reduced, avoided or removed/sequestered 2) Direct and indirect beneficiaries reached 3) Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions 4) Hectares of natural resource assets brought under improved management practices	workshops with AEs and relevant stakeholders.	<u>annually</u> through APRs. Reporting requirements: Either Core 1 or Core 2, or both for cross-cutting; Core 3 and 4 as applicable.		will determine progress in terms of reduced emissions and increased resilience. Data from these indicators will be used to report progress of GCF interventions per country, region, or aggregated at the portfolio level.
	Systemic Change 1) Degree to which GCF investments contribute to strengthening institutional and regulatory frameworks for low emission climate-resilient development pathways 2) Degree to which GCF's investments contribute to technologies and innovation not previously or widely demonstrated in a particular context 3) Degree to which GCF's investments contribute to	Facilitate participatory workshops with AEs and relevant stakeholders.	Measure and report relevant indicators <u>annually</u> through APRs in scorecards and narratives. Reporting requirements: At least two core indicators including knowledge generation, capture and learning.		A two-track approach is applied in assessing the four core indicators: 1) In line with the four core indicators, a qualitative scorecard assessment is applied. 2) Measuring 'quantitative' aspects from AEs through the RTT.

IRMF		Mandate of GCF stakeholders			Notes
Results architecture	Measurement	NDA	AE	GCF Secretariat	
	<p>new markets and business activities at the sectoral, local, or national level and create enabling environments for market development/transformation</p> <p>4) Degree to which GCF's investments contribute to effective knowledge generation and learning processes, and use of good practices, methodologies and standards</p>				

Annex IX: Results Tracking Tool

1. The Results Tracking Tool set out below has been designed to enable integrated reporting of progress toward the delivery of the updated Strategic Plan of the GCF: 2020-23. Progress on the implementation of the Strategic Plan will be reported by the Secretariat at the first Board meeting of each year from 2021, including potential course corrections required and tracking of results. The Results Tracking Tool is a reporting and accountability tool that will allow the GCF to track how resources deliver climate results during the 2020-23 programming period, also linking this to institutional results.
2. This Results Tracking Tool follows the climate results architecture of the integrated results management framework (IRMF). Its structure would need to be aligned with the final Board-approved IRMF, to ensure consistency in what is being measured and the range of indicators used.
3. In relation to climate results, the Results Tracking Tool for GCF-1 will principally track expected climate results as detailed under funding proposals relative to programmed amounts, given reported data on actual results across the range of indicators is expected to be limited during the GCF-1 period. The RTT presented in this Annex shows a potential utilization of iRMF core and supplementary indicators, based on the likelihood of a certain indicator being used to track results in a specific result area. This will be further updated and refined depending on the range of projects and related indicators that will emerge from incoming funding proposals.
4. For the two core indicators of tonnes of emissions reduced/avoided and beneficiaries, the RTT will also track actual climate results reported through project implementation relative to disbursed amounts. Increased reporting of actual results is expected under the RTTs for subsequent programming periods, as more projects report implementation data.
5. The data under the Results Tracking Tool, both for expected and actual results, will be updated on an annual basis as part of the reporting under the 2020-23 Strategic Plan, to reflect changes that may occur due to project cancellations or restructuring. Material changes will also be flagged as part of this analysis, to inform any required course corrections.
6. The RTT below reflects IRM and GCF-1 expected results and resourcing as at 31 December 2020. It also shows actual results for the IRM portfolio under implementation as at 31 December 2019.
7. By the end of 2023 it is anticipated that the Results Tracking Tool would enable GCF to present a more comprehensive picture of how GCF resources have contributed to a range of climate and institutional results. Should the Board wish to explore this option, the Results Tracking Tool could also be used as a planning instrument for future GCF replenishments.

Table 1: Resourcing for climate impacts

		IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
Level 1: GCF Impact - Paradigm shift					
Depth	Number of GCF projects / % portfolio indicating that GCF support will be critical to deliver depth outcomes	New indicator	-	<i>To be reported</i>	Projected USD 8.9 billion in GCF-1
Scale	Number of GCF projects / % portfolio indicating that GCF support will be critical to deliver scale outcomes	New indicator	-	<i>To be reported</i>	
Sustainability	Number of GCF projects / % portfolio indicating that GCF support will be critical to deliver sustainability outcomes	New indicator	-	<i>To be reported</i>	
Level 2A: GCF Portfolio Outcomes¹					
Reduced emissions and enhanced resilience	Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced or avoided – <i>expected results</i>	834 million tCO ₂ eq	USD 3.1 billion	388 million tCO ₂ eq ²	USD 1.5 billion
		Average tonnes/ billion USD		Average tonnes/ billion USD	
		269M tCO ₂ eq / billion		254M tCO ₂ eq / billion	

¹IRM expected results have been adjusted to reflect the IRM portfolio as at 31 December 2020. IRM disbursement amounts and actual results are reflected as at 31 December 2019 in line with information provided under APRs. Funding volumes reflect the exchange rate as at 31 December 2020 (USD 1.000 = EUR 0.815)

² This value includes co-benefits of 3 million tCO₂eq reduction from an adaptation project SAP017.

		IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
	Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced or avoided – <i>actual results delivered through disbursements</i>	55 million tCO ₂ eq	0.6 billion	To be reported	To be reported
		Average tonnes/ billion USD		Average tonnes/ billion USD	
		87M tCO ₂ eq / billion		To be reported	
	Number of beneficiaries reached– <i>expected results</i>	347 million beneficiaries ³	USD 2.1 billion	61.4 million beneficiaries	USD 0.54 billion
		Average beneficiaries/ billion USD		Average beneficiaries/ billion USD	
		164M beneficiaries / billion		115M beneficiaries / billion	
	Number of beneficiaries – <i>actual results delivered through disbursements</i>	10 million beneficiaries	USD 0.3 billion	To be reported	To be reported
		Average beneficiaries/ billion USD		Average beneficiaries/ billion USD	
		38M beneficiaries / billion		To be reported	

³ This value includes co-benefits of 22 million beneficiaries from 10 mitigation projects

		IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
	Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions	New indicator	-	<i>To be reported</i>	USD 2.1 billion committed in 2020
	Hectares of natural resource assets brought under improved management practices	New indicator	-	<i>To be reported</i>	Projected USD 8.9 billion in GCF-1 Delivered through total programming budget
	Total expected co-financing	USD 13.3 billion	USD 5.2 billion	2.8 billion	USD 2.1 billion
	Total mobilized private sector finance	-	USD 5.2 billion	<i>To be reported</i>	USD 2.1 billion
	GHG abatement costs	USD 15.5 /tCO ₂ eq	USD 3.1 billion in GCF financing, and USD 9.8 billion in co-financing, for mitigation	USD 9.83/tCO ₂ eq	USD 1.5 billion in GCF financing, and USD 2.3 billion in co-financing, for mitigation
Systemic change	Institutional and regulatory frameworks				Projected USD 8.9 billion in GCF-1

		IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
					Delivered through total programming budget
	Number of GCF projects / % portfolio contributing to institutional and regulatory frameworks	New indicator	-	<i>To be reported</i>	
	Diffusion of climate change innovation				
	Number of GCF projects / % portfolio contributing diffusion of climate change technologies and innovation	New indicator	-	<i>To be reported</i>	
	Market development and transformation				
	Number of GCF projects / % portfolio contributing to market development and transformation	New indicator	-	<i>To be reported</i>	
	Knowledge generation, capture and learning				
	Number of GCF projects / % portfolio contributing to knowledge generation, capture and learning	New indicator	-	<i>To be reported</i>	
Level 2B: Result Area Outcomes⁴					

⁴ The expected results against each of the result areas have been estimated based on the percentage of funding allocated for the respective result area under the total FP amount. The delivery of results will be confirmed as more granular data becomes available from project implementation through the APRs, linking resourcing and actual results.

	IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
Reduced emissions through increased low-emission energy access and power generation				
GHG emissions reduced, avoided or removed/sequestered (Unit: Tonnes) (Core indicator 1)	423 million tCO ₂ eq	USD 1,872 million 36% of IRM portfolio	35 million tCO ₂ eq	USD 266 million 13% of GCF-1 portfolio
Annual energy savings (Unit: Megawatt-hours) (Supplementary indicator 1.1)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Megawatt-hours energy storage system installed (Unit: Megawatt-hours) ⁵ (Supplementary indicator 1.2)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Installed renewable energy capacity (Unit: Megawatts) ⁶ (Supplementary indicator 1.3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Renewable energy generated (Unit: Megawatt-Hours, MWh) (Supplementary indicator 1.4)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions (Unit: value of physical assets in USD) (Core indicator 3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Reduced emissions through increased access to low-emission transport				

⁵ This indicator applies to renewable energy sources or generators.

⁶ This indicator applies to renewable energy sources or generators.

	IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
GHG emissions reduced, avoided or removed/sequestered (Unit: Tonnes) (Core indicator 1)	26 million tCO ₂ eq	USD 140 million 3% of IRM portfolio	0 tCO ₂ eq	USD 0 million 0% of GCF-1 portfolio
Improved low-emissions vehicle fuel economy (Unit: Volume of Fuel per kilometre) (Supplementary indicator 1.5)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions (Unit: value of physical assets in USD) (Core indicator 3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Reduced emissions from buildings, cities, industries and appliances				
GHG emissions reduced, avoided or removed/sequestered (Unit: Tonnes) (Core indicator 1)	194 million tCO ₂ eq.	USD 581 million 11% of IRM portfolio	80 million tCO ₂ eq	USD 626 million 30% of GCF-1 portfolio
Annual energy savings (Unit: Megawatt-hours) (Supplementary indicator 1.1)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions (Unit: Value of assets in USD) (Core indicator 3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Reduced emissions from land use, deforestation and forest degradation, and through sustainable forest management and conservation and enhancement of forest carbon stock				

	IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
GHG emissions reduced, avoided or removed/sequestered (Unit: Tonnes) (Core indicator 1)	191 million tCO ₂ eq	USD 501 million 10% of IRM portfolio	270 million tCO ₂ eq	USD 636 million 31% of GCF-1 portfolio
Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions (Unit: value of physical assets in USD) (Core indicator 3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Hectares of natural resource assets brought under improved management practices (Unit: Hectare) (Core indicator 4)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Increased resilience and enhanced livelihoods of the most vulnerable people, communities and regions				
Direct beneficiaries (female/male) adopting improved and/or new climate-resilient livelihood options (Unit: individual) (Core indicator 2, Supplementary indicator 2.1)	118 million beneficiaries (total direct and indirect)	USD 607 million 12% of IRM portfolio	32 million beneficiaries (total direct and indirect)	USD 261 million 13% of GCF-1 portfolio
Direct beneficiaries (female/male) covered by new or improved early warning systems (Unit: individual) (Supplementary indicator 2.4)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Direct beneficiaries (female/male) adopting innovations that strengthen climate change resilience (Unit: individual) (Supplementary indicator 2.5)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>

	IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions (Unit: value of physical assets in USD) (Core indicator 3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Change in expected losses of economic assets due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention (Unit: value in USD) (Supplementary indicator 3.1)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Hectares of natural resource assets brought under improved management practices (Unit: Hectare) (Core indicator 4)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Increased resilience of health and well-being, and food and water security				
Direct beneficiaries from increased resilience of health and well-being, and food and water security (Unit: Number of individuals) (Core indicator 1)	<i>90 million beneficiaries (total direct and indirect)</i>	USD 626 million 12% of IRM portfolio	<i>18 million beneficiaries (total direct and indirect)</i>	<i>USD 120 million 6 % of GCF-1 portfolio</i>
Direct beneficiaries (female/male) with improved food security (reduced food insecurity) (Unit: Number of individuals) (Supplementary indicator 2.2)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Direct beneficiaries (female/male) with more climate-resilient water security (Unit: Number of individuals) (Supplementary indicator 2.3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>

	IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
Change in expected losses of lives due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention (Unit: number of individuals) (Supplementary indicator 2.7)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions (Unit: value of physical assets in USD) (Core indicator 3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Change in expected losses of economic assets due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention (Unit: value in USD) (Supplementary indicator 3.1)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Hectares of natural resource assets brought under improved management practices (Unit: Hectare) (Core indicator 4)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Increased resilience of infrastructure and the built environment to climate change threats				
Direct beneficiaries of increased resilience of infrastructure and the built environment to climate change threats (Unit: Number of individuals) (Core indicator 1)	<i>89 million beneficiaries (total direct and indirect)</i>	USD 594 million 11% of IRM portfolio	<i>2 million beneficiaries (total direct and indirect)</i>	<i>USD 26 million 1% of GCF-1 portfolio</i>
Direct beneficiaries (female/male) living in buildings that have increased resilience against climate hazards (Unit: Number of individuals) (Supplementary indicator 2.6)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>

	IRM results baseline	IRM resourcing baseline	GCF-1 Results	Resourcing and programming for GCF-1
Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions (Unit: value of physical assets in USD) (Core indicator 3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Change in expected losses of economic assets due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention (Unit: value in USD) (Supplementary indicator 3.1)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Hectares of natural resource assets brought under improved management practices (Unit: Hectare) (Core indicator 4)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Improved resilience of ecosystems and ecosystem services				
Direct beneficiaries (female/male) benefitting from improved resilient of ecosystems and ecosystem services (Core indicator 1)	<i>27 million beneficiaries (total direct and indirect)</i>	USD 292 million 6% of IRM portfolio	<i>8 million beneficiaries (total direct and indirect)</i>	USD 129 million 6% of GCF-1 portfolio
Value of improved physical assets to adapt to the effects of climate change and or reduce GHG emissions (Unit: value of physical assets in USD) (Core indicator 3)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>
Hectares of natural resource assets brought under improved management practices (Unit: Hectare) (Core indicator 4)	New indicator	-	<i>To be reported</i>	<i>To be reported</i>

Table 2: Resourcing for organizational effectiveness and efficiency results

	IRM results baseline	GCF-1 Goals	Resourcing for GCF-1
Level 3: Institutional level outcomes			
Institutional outcome 1: Improving GCF processes			
Output 1.1: All major GCF processes are codified and communicated to stakeholders through dedicated manuals, guides and SOPs (e.g. operations, programming, project assessment, policy development, finance, procurement, HR,)	Ad hoc use of Administration Instructions for internal governance	Manuals, guides and SOPs are finalized and communicated to stakeholders	Delivered through GCF-1 administrative budget
Output 1.2: Stakeholders have real time access to information on proposal status and improved interaction with GCF through web-based tracking systems	Stakeholders do not have real-time access to the status of their proposals.	Accessible web-based real-time tracking platforms in place	
Output 1.3: Service standards for GCF/Secretariat processes are elaborated and implemented (Readiness, CNs, FPs, PPF, SAP, accreditation) and timelines for GCF/Secretariat processes are reduced	Service standards not in place or partially in place and timelines are not consistent	Service standards developed and Secretariat turnaround timelines are reduced	
Institutional outcome 2: Strengthening implementation, results and knowledge management			
Output 2.1: Implementation timelines are reduced <ul style="list-style-type: none"> An increasing number of FPs reaching Board consideration with pre-negotiated FAA Average number of conditions attached to projects is reduced 	New indicator	<i>To be reported</i>	
Output 2.2: GCF-1 portfolio is fully equipped to track and monitor results	New indicator	100% TBC	

	IRM results baseline	GCF-1 Goals	Resourcing for GCF-1
Output 2.3: GCF portfolio management system is strengthened, automated and includes early warning systems for key implementation issues	New indicator	Automated portfolio management system with early warnings in place	Delivered through GCF-1 administrative budget
Output 2.4: Responsiveness to implementation issues is enhanced, with all FPs with implementation issues responded to by the GCF within established timelines	New indicator	100% TBC	
Output 2.5: A knowledge management system is developed and mainstreamed through GCF processes	New indicator	KM system in place	
Institutional outcome 3: Improved stakeholder collaboration and engagement with impacted people and communities			
Output 3.1: All FPs are compliant with GCF's gender policy, indigenous peoples' policy and GCF's environmental and social standards	100%	100%	Delivered through GCF-1 administrative budget
Output 3.2: All GCF staff participate in gender, social inclusion and SEAH training	New indicator	100%	
Output 3.3: A GCF partnerships and communications strategy is developed and implemented	New indicator	<i>To be reported</i>	
Output 3.4: Contributor reports produced on time	New indicator	100%	
Institutional outcome 4: Enhanced institutional capacity			
Output 4.1: Increased coverage of privileges and immunities	New indicator	<i>To be reported</i>	Delivered through GCF-1 administrative budget
Output 4.2: Digitalization of operations through increasing the percentage of business processes that are digitized, automated or benefited from automation-enabled reengineering	New indicator	<i>To be reported</i>	
Output 4.4: Improved management of human resources	New indicators	<i>To be reported</i>	

	IRM results baseline	GCF-1 Goals	Resourcing for GCF-1
<ul style="list-style-type: none"> • A 95% fill ratio is maintained • 100% of staff undertake GCF onboarding/core knowledge training • 100% of staff with PMDSs aligned to institutional and divisional priorities 			
<p>Output 4.5: Improved management of financial resources</p> <ul style="list-style-type: none"> • Annual financial planning for programming is in place • Annual budget execution within 10% of allocation 	New indicators	<i>To be reported</i>	