



**GREEN
CLIMATE
FUND**

Meeting of the Board
4 – 7 October 2021
Virtual meeting
Provisional agenda item 8

GCF/B.30/Inf.11/Add.04

27 September 2021

Annual Update on Complementarity and Coherence

Summary

This report provides a summary of activities conducted by the Secretariat in relation to complying with the guidance of the Board (decision B.17/04) to strengthen complementarity and enhance coherence among operations and processes across climate finance institutions. The document reports on the progress made and outputs from implementing the operational framework on the complementarity and coherence for consideration by the Board.

Introduction

1. By decision B.17/04, the Board adopted an operational framework on complementarity and coherence (hereafter “operational framework”) with a view to strengthening complementarity and enhancing coherence among operations and processes across climate finance institutions. The Board also requested the Secretariat to present a report on the progress made and outputs from the operational framework for consideration by the Board in 2018, and to provide an annual update thereafter. This document responds to that request.
2. The operational framework is based on four pillars:
 - (i) Pillar I: Board-level discussions on fund-to-fund arrangements;
 - (ii) Pillar II: enhanced complementarity at the activity level;
 - (iii) Pillar III: promotion of coherence at the national programming level; and
 - (iv) Pillar IV: complementarity at the level of delivery of climate finance through an established dialogue.
3. The implementation of the operational framework has focused on collaboration with the Global Environment Facility (GEF), including the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF), the Climate Investment Funds (CIF) and the Adaptation Fund (AF).
4. Progress on these mandates is included in this report with a summary of activities outlined in table 1 below.

Table 1: Summary and update on 2020-2021 activities			
	Global Environment Facility, including LDCF and SCCF	Adaptation Fund	Climate Investment Funds
Pillar I: Board-level discussions on fund-to-fund arrangements	Pursuant to the guidance from the Conference of the Parties (COP) (decisions 11/CP.23 and 8/CP.21), GEF and GCF jointly developed a Long-Term Vision on Complementarity, Coherence, and Collaboration between GCF and GEF (LTV). A Steering Committee was established to support the operationalization of the LTV.	The GCF and AF have continued to identify a way to expedite the reaccreditation of entities that are accredited to both funds.	
Pillar II: enhanced complementarity at the activity level	<p>GCF continued to strengthen complementarity at the operational level and within the existing business models and policies of the different funds, including through country programmes, entity work programmes, readiness programme, accreditation, coordinated engagement with the accredited entities, collaborative monitoring and evaluation approaches and knowledge management, as well as coordinated engagement led by the Independent Evaluation Unit.</p> <p>The knowledge and information exchanges between the secretariats of the AF, CIF, GCF and GEF have continued to be focused on understanding the implications of the COVID-19 pandemic on the operations and performance of the respective secretariats. Concurrently, the four climate funds shared their experiences in establishing and managing various countermeasures to mitigate the pandemic's negative effects and provide tailored support to developing countries in advancing their green recovery responses.</p>		
Pillar III: promotion of coherence at the national programming level	GCF continued to work with other climate funds in enhancing national programming-level complementarity and coherence through existing windows, including the Readiness and Preparatory Support Programme, and funding proposals.		
	GCF and GEF continued to build on the synergy opportunities with GEF's "Global Programme to Support Countries with the Shift to Electric Mobility" and put this into practice by utilizing GEF's experience with	The GCF and AF secretariats continued to advance the operationalization of the pilot "Coordinated Scaling Up Approach."	The GCF and CIF secretariats conducted a series of technical discussions with a view to potentially developing a long-term plan on complementarity in the context of

	<p>the Great Green Wall for the development of the GCF's Great Green Wall umbrella programme.</p> <p>The GCF portfolio added an additional 14 approved funding proposals since the twenty-seventh meeting of the Board (B.27), actively seeking synergies with GEF.</p>	<p>The GCF and AF secretariats have been supporting the Community of Practice of Direct Access Entities (CPDAE) committee for the development and submission of a GCF readiness proposal to fund the initiative's action plan for strengthening DAEs.</p>	<p>programming, knowledge management, and communication/outreach.</p>
<p>Pillar IV: complementarity at the level of delivery of climate finance through an established dialogue</p>	<p>In 2020, given that the twenty-sixth session of the Conference of the Parties (COP 26) was postponed to 2021, the fourth Annual Dialogue was held virtually. The Fifth Annual Dialogue of the Climate Funds will take place in November 2021 on the margins of COP 26 in Glasgow, the United Kingdom.</p> <p>In addition, the secretariats of the four climate funds have been engaged in discussions to make progress on the development and operationalization of the Climate Finance Synergies Partnership, which aims to provide a forum for continuous and systematic learning and knowledge management between climate funds, countries and other relevant stakeholders.</p>		

Abbreviation: AF = Adaptation Fund, CIF = Climate Investment Funds, DAEs = Direct Access Entities, GCF = Green Climate Fund, GEF = Global Environment Facility

II. Update on progress across the four pillars

2.1 Pillar I: Board-level discussions on fund-to-fund arrangements

5. Under this pillar, boards/governing bodies of the various funds can explore and pursue opportunities for complementarity and coherence that might entail changes to their existing business models, governance structures, and/or key policies.

6. During B.29 and the sixtieth meeting of the GEF Council, the GEF and GCF secretariats presented a Long-Term Vision on Complementarity, Coherence, and Collaboration between GCF and GEF (LTV). The document aims to guide the ongoing and future GCF-GEF collaboration while recognizing the complementary nature of the missions and the comparative advantages of the two institutions. Through the LTV, the two institutions envisage scaling up synergy between their investments and foster coordination by collaborative programming, knowledge exchanges, and joint communication and outreach, building on the successful outcomes of a pilot Coordinated Engagement exercise since 2018. Based on the overwhelmingly positive response the LTV received from both the GCF Board and GEF Council, the secretariats established a Steering Committee of the LTV to advance the operationalization of the LTV.

7. Pursuant to GCF Board decision B.08/03, which established a fast-track accreditation process, the GCF and AF secretariats have continued to explore ways to expedite the reaccreditation of entities that are accredited to both funds.

2.2 Pillar II: Enhanced complementarity at the activity level

8. Under this pillar, GCF seeks to strengthen complementarity at the operational level and within the existing business models and policies of the different funds. Building on the ongoing efforts to encourage systematic complementarity across the operations and programming of GCF, the Secretariat continued to monitor and strengthen the complementarity and coherence aspect of the country programmes and entity work programmes. A summary of updates is provided in table 2.

Table 2: Progress on enhancing complementarity at the activity level

Readiness and capacity-building	<p>Readiness and Preparatory Support Programme (Readiness Programme). The GCF readiness support continues to benefit from the 2020–2021 work programme adopted at B.26, in which the complementarity and coherence theme is embedded concretely across the relevant objectives: objective 1 on capacity-building templates, in the context of the support for national designated authorities (NDAs), enhancing complementarity and coherence between the activities of GCF and those of other relevant climate finance mechanisms and institutions, to better mobilize the full range of financial and technical capacities; and objective 2 on strategic frameworks in the national context, which envisages enhancing collaboration with other funds through the implementation of the operational framework for aligning programming at the national level.</p> <p>In addition, 14 readiness grants (worth approximately USD 4.1 million) were approved under the climate-resilient rapid readiness request for proposal (RFP) track. The RFP track aims to help developing countries establish climate-resilient recovery strategies and incorporate them into nationally determined contributions (NDCs) and stimulus packages and to design paradigm-shifting projects contributing to both recovery and climate ambitions. The Secretariat created the RFP track as a direct response to the COVID-19 pandemic.</p>
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	<p>Partnerships. As of September 2021, GCF has eight delivery partners that are accredited to GEF (i.e. GEF agencies) and 26 that are also accredited to the AF (i.e. implementing entities).</p>
<p>Nationally determined contributions (NDCs), national adaptation plans (NAPs)</p>	<p>NAPs and NDCs. Countries are leveraging GCF resources under the Readiness Programme for adaptation planning to develop national strategies on adaptation finance, which can then consider various streams of finance, such as the GEF and NDC-Partnership, among others. As at August 2021, 69 NAP planning supports have been extended to countries, amounting to approximately USD 162 million. Currently, 34 NAP proposals are at various stages of review. Three proposals have been technically cleared by the Secretariat. GCF also supports countries' NDCs through: readiness grants for developing country programmes and entity work programmes; concept notes to implement NDCs; NDC update/enhancement; sectoral strategies and investment plans to implement NDCs; and enabling environment for NDCs.</p> <p>A total of 100 countries have requested NAP support from GCF, among which 72 proposals have been approved or technically cleared. As at 1 September 2021, USD 162 million is committed to the approved proposals, while USD 8.43 million is committed to the technically cleared proposals, and USD 72 million to proposals at various stages of review.</p>
<p>Accredited entity (AE) matters</p>	<p>Of the 113 entities that have been approved by the Board for accreditation as at 31 July 2021, 50 entities have undergone the fast-track accreditation process as an entity accredited to the GEF, AF or the Directorate-General for International Development and Cooperation of the European Commission. Since the last report, 1 of 14 entities has been accredited through fast-track accreditation.</p> <p>Shared AEs with other climate funds:</p> <ul style="list-style-type: none"> • AF: ADA Morocco, ADB, AfDB, BOAD, BTFC, CABEI, CAF, CDB, CSE, DIPROSE (formerly UCAR), DoE_ATG, EBRD, EPIU, FAO, FNEC, IDB, IFAD, Kemitraan, MCT, MFEM_COK, MOE (formerly MINIRENA), MOFEC, MWE, NABARD, NEMA, OSS, PACT, PROFONANPE, SANBI, SPREP, UNDP, UNEP, WB, WFP and WMO; • GEF: ADB, AfDB, BOAD, CAF, CI, DBSA, EBRD, FAO, FECO, FUNBIO, IDB, IFAD, IUCN, UNDP, UNEP, UNIDO, WB and WWF; and • CIF: ADB, AfDB, EBRD, IDB, IFC and WB. <p>Coordinated AE engagement. In coordination with the AF, GCF is supporting the CPDAE Committee in the development and submission of a readiness proposal to finance the initiative's action plan.</p> <p>In the context of the pilot work with GEF on e-mobility, the GCF and GEF secretariats are engaging in discussions with common AEs on synergies between e-mobility projects being considered under the seventh replenishment of resources of the GEF Trust Fund (GEF-7) and potential scaled-up and/or parallel projects with GCF. A similar approach is being developed to promote firm coordination between the AEs of GCF and agencies of the GEF for the Great Green Wall initiative.</p>
<p>Monitoring and evaluation approaches and knowledge management</p>	<p>After engaging with other funds and agreeing on relevant themes to discuss in the context of the collaboration platform on results, indicators and methodologies for measuring impact, it was agreed that a common platform be established to continue enhancing the understanding of funds' indicators and methodologies as well as prospects for the years ahead. The platform has enabled the participants to gain insights into and greater understanding of the results frameworks of each other's organizations. In January 2021, the first virtual meeting highlighted the fundamental nuances and conceptions on results management of GCF, the NAMA Facility and GEF. The second meeting presented an opportunity to understand the assessment of mitigation results work across portfolios and the potential challenges in measuring and tracking indirect greenhouse gas emissions.</p>

	<p>The third meeting allowed the participants to delve into what adaptation means across the funds and how it is assessed from a results management perspective. The fourth meeting is expected to take place on the 28th of September, to discuss an approach towards the tracking and assessment of co-benefits. The GCF Secretariat aims to develop a concrete outcome from this meeting in order to produce strong knowledge products.</p>
<p>Work of the Independent Evaluation Unit (IEU)</p>	<p>The IEU has worked closely with other climate funds in order to execute its function.</p> <p>CIF: The IEU has been part of several events conducted by the Transformational Change Learning Partnership Initiative (TCLP) of the CIF. The CIF and IEU have also co-developed and co-funded a transformational change evidence review. The final report of this global evidence review is currently undergoing final editing and formatting. The ad interim Head of the IEU is also currently a member of the TCLP steering committee, providing strategic and operational inputs to the initiative.</p> <p>GEF: The IEU has worked closely with the GEF Independent Evaluation Office, with the Deputy Director of GEF Independent Evaluation Office invited to participate on the advisory panel for the IEU's independent evaluation of GCF's portfolio in the small island developing States and the independent evaluation of GCF's approach to the private sector.</p> <p>AF: The IEU has also enhanced collaboration with the Adaptation Fund's Technical Evaluation Reference Group (AF-TERG). The IEU and the AF-TERG have exchanged experience on the development of an institutional evaluation policy. The AF-TERG is expected to provide insights as the IEU builds its work to support the development of capacity of DAEs. Further, the AF-TERG and the IEU have explored ways to collaborate for COP 26 and other events of mutual interest.</p> <p>The IEU was invited to a Wilton Park Transformational Change dialogue virtual event on 8 September 2021 to discuss with other climate funds and multilateral development banks (MDBs) current pathways towards transformational climate action.</p>

Abbreviation: AF = Adaptation Fund; ADA Morocco = Agency for Agricultural Development of Morocco, ADB = Asian Development Bank, AfDB = African Development Bank, BOAD = West African Development Bank, BTFC = Bhutan Trust Fund for Environment Conservation, CABEL = Central American Bank for Economic Integration, CAF = Development Bank of Latin America, CDB = Caribbean Development Bank, CSE = Centre de Suivi Ecologique, CI = Conservation International, CIF = Climate Investment Funds, DBSA = Development Bank of Southern Africa, DIPROSE (formerly UCAR) = General Directorate of Sectoral and Special Programs and Projects, DoE_ATG = Department of Environment of Antigua and Barbuda, EBRD = European Bank for Reconstruction and Development, EPIU = Environmental Project Implementation Unit, FAO = Food and Agriculture Organization of the United Nations, FECO = China's Foreign Economic Cooperation Office, FNEC = Fonds National pour l'Environnement et le Climat, FUNBIO = Brazilian Biodiversity Fund GEF = Global Environment Facility, IDB = Inter American Development Bank, IFAD = International Fund for Agricultural Development, IFC = International Finance Corporation, IUCN = International Union for Conservation of Nature, Kemitraan = Partnership for Governance Reform in Indonesia, MCT = Micronesia Conservation Trust, MFEM_COK = Ministry of Finance and Economic Management for the Cook Islands, MOE (formerly MINIRENA) = Ministry of Environment of Rwanda, MOFEC = Ministry of Finance and Economic Cooperation of the Federal Democratic Republic of Ethiopia, MWE = Ministry of Water and Environment of Uganda, NABARD = National Bank for Agriculture and Rural Development, NEMA = National Environment Management Authority, OSS = Sahara and Sahel Observatory, PACT = Protected Areas Conservation Trust, PROFONANPE = Peruvian Trust Fund for National Parks and Protected Areas, SANBI = South African National Biodiversity Institute, SPREP = Secretariat of the Pacific Regional Environment Programme, UNDP = United Nations Development Programme, UNEP = United Nations Environment Programme, UNIDO = United Nations Industrial Development Organization, WB = World Bank, WFP = World Food Programme, WMO = World Meteorological Organization, WWF = World Wildlife Fund

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

9. Under pillar III, the operational framework seeks to advance promotion of coherence at the national programming level, through country programmes, pipeline development and country-driven coordination. This may include activities dedicated to promoting a GCF-GEF

coordinated engagement initiative, scaling up AF projects and advancing discussions with CIF on their new action areas and the first replenishment period of GCF (GCF-1).

10. The work of the Secretariat for enhancing coherence at the level of national programming work continues to benefit from the updated entity work programme (EWP) guidelines, which includes information on complementarity and coherence, their role in the overall climate finance landscape and on whether other climate funds either have led to the listed projects/programmes, are being accessed in parallel, or may be accessed in the future. Throughout the reporting period of this annual update, the Secretariat has continued to monitor and provide inputs to the submitted EWPs to ensure complementarity and coherence components are appropriately represented in the documents.

11. During the reporting period, the secretariat engaged with six countries, namely: Afghanistan, Bhutan, Dominica, Fiji, Marshall Islands, and Saint Lucia, by providing technical inputs focused on complementarity and coherence to their country programmes under development.

2.3.1. GCF-GEF engagement

12. During the reporting period, the GCF Secretariat continued to make progress on maximizing synergies with the GEF-7 Global e-Mobility Program and other transport-related projects in GEF's portfolio and pipelines, which has led to the mapping of countries that have expressed interest or are requesting support from both funds to work in this field and identifying ways to support the relevant stakeholders in engaging both funds in their respective electric mobility plans in accordance with national priorities. Similarly, the two secretariats held several technical consultations on operationalizing the linkages between GEF and GCF portfolios under the Great Green Wall initiative, further calibrating the scope of joint support to the region and informing the programming work of GCF-1 and GEF-8.

13. The two secretariats are currently coordinating to host a joint pavilion at COP 26, taking into account potential scenarios for the joint presence, including arranging a strong virtual access point in a studio-type setting. The secretariats will be organizing several events at this venue to promote and highlight the collaboration between the ongoing and future workstreams of the two sister funds.

2.3.2. GCF-AF engagement

14. Both secretariats continue to develop a structured approach for enhancing efforts to scale up successful AF projects under implementation that could benefit from GCF support for continuation, replication and/or scalability. The operationalization of a "Coordinated Scaling Up Approach" is on track, according to the proposed roadmap. Currently, the technical teams have been working together to seize the interest of countries on this innovative approach. In this regard, Mongolia has shown interest and sees the potential to execute a pilot phase for the AF project under execution. The AF and GCF are currently looking for the development of the next steps within the agreed roadmap.

15. As referenced in table 4, many approved funding proposals over the reporting period are synergistic with AF investments. As for example, FP157 in Cuba.

2.3.3. GCF-CIF engagement

16. By decision B.20/05, the Board requested the Secretariat "to collaborate with the CIF Administrative Unit (AU) to advise national designated authorities on how programming opportunities identified by CIF beneficiary countries may be brought to GCF programming".

17. Over the reporting period, the Secretariat continued to engage with the CIF AU to identify and advance the best ways to strengthen collaboration between the two funds. In particular, the working teams of the two funds held a series of technical discussions with a view to potentially developing a long-term plan on complementarity in the context of programming, knowledge management, and communication/outreach. Such consultative processes took into full consideration the CIF AU's post-2021 programming efforts and its consultation with donors, and the GCF updated Strategic Plan 2020–2023.

18. The Secretariat is also exploring the possibility of organizing a side event at COP 26 with the CIF AU to elaborate the GCF and CIF cooperation with MDBs in bringing innovative climate finance to transformative projects on the ground.

2.3.4. Readiness and Preparatory Support Programme

19. In order to support developing countries in coping with the severe impacts of the COVID-19 pandemic, the Secretariat launched the climate-resilient rapid readiness request for proposal (RFP) track. The RFP under the readiness programme aims to facilitate the efforts of developing countries in establishing climate-resilient recovery strategies and incorporating them into NDCs and stimulus packages, and designing paradigm-shifting projects in contribution to both recovery and climate ambitions. Fourteen readiness grants (worth approximately USD 4.1 million) were approved under the RFP track. These grants are all highly complementary with work undertaken by the various MDBs and NDC-Partnership, among others.

20. The GCF Readiness Programme continues to serve as one of the main windows of GCF to promote coherence at the national programming level. Table 3 presents examples from those proposals demonstrating a high level of national programming coherence.

Table 3. Readiness-supported programming synergies	
Country (delivery partner)	Progress
Saint Vincent and the Grenadines (FAO)	The readiness proposal received a USD 300,000 readiness grant to facilitate resilient recovery of Saint Vincent and the Grenadines. The grant makes direct references to establishing synergies with support from World Bank and the IMF Rapid Credit Facility mechanism.
Ecuador (GIZ)	The grant approved in November 2019 supports the NDA to improve complementarity and coherence between the activities of GCF and the activities of other relevant institutions and to better mobilize the full range of financial and technical capacities, including by focusing on the optimization of organizational and human capacities inside the NDA, and by enhancing efficiency and transparency through digital solutions.
Bangladesh (FAO and UNDP)	A recent grant under implementation with FAO provides a suite of support to enhance programming capacities of the NDA and investment identification and development by micro, small and medium-sized enterprises. In parallel, FAO is implementing a GEF Capacity-building Initiative for Transparency project. FAO will coordinate with UNDP, as the delivery partner for the GCF adaptation planning grant in Bangladesh. This will ensure that efforts related to enhanced transparency framework/monitoring, verification and reporting for NDCs and NAPs will be complementary and produce synergistic benefits for the NDA.

Albania (Urban Research Institute)	Albania will produce a strengthened and enhanced NDC through this approved grant. Working in coordination with the support provided by NDC-Partnership, the national delivery partner, the Urban Research Institute, will also improve data and coordination capacities while building high-level political will for an ambitious NDC that addresses adaptation aspects and mainstreams gender considerations.
Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua and Panama (Wildlife Conservation Society)	This regional grant will identify projects and programmes for nature-based climate solutions and build the capacity of governments and indigenous and local communities to engage in national and regional decision-making and to catalyse a model for sustainable regional development in Central America that protects the Five Great Forests. It builds on previous support from GEF, World Bank, UNDP, USAID, and the Governments of Germany and the Netherlands.

Abbreviation: FAO = Food and Agriculture Organization of the United Nations, GIZ = Deutsche Gesellschaft für Internationale Zusammenarbeit, IMF = International Monetary Fund, USAID = US Agency for International Development, UNDP = United Nations Development Programme

21. Table 4 provides detailed information on how complementarity and coherence is being achieved, including examples of funding proposals approved since the previous Annual Update on Complementarity and Coherence.

Table 4: Funding proposals approved since B.27 which are complementary and in coherence with other climate funds	
Funding proposal (FP) scaling-up experiences and activities implemented with the support of other climate funds	<ul style="list-style-type: none"> FP 157: Coastal Resilience to Climate Change in Cuba through Ecosystem Based Adaptation - "MI COSTA" responds to the coastal adaptation needs of Cuba due to slow onset events by rehabilitating ecosystem functions and connections within mangroves and swamp forests and reducing anthropic pressures on marine coastal ecosystems. The project builds on lessons learned from past and ongoing projects, such as the Adaptation Fund project 'Manglar Vivo' and the GEF-funded "Sabana Camaguey" project.
FP implementing lessons learned in initiatives financed by other climate funds	<ul style="list-style-type: none"> FP 158: Ecosystem-Based Adaptation and Mitigation in Botswana's Communal Rangelands aims to tackle the accelerating degradation of rangeland ecosystems, which is leaving a devastating impact on the people dependent on these ecosystems for their livelihoods. Through the project, the Government of Botswana aims to significantly increase the adaptive capacity of the affected population through climate-responsive planning and management in communal rangelands, rangeland rehabilitation and improved livestock management, as well as value-chain and policy transformation. GCF investment will maximize its impact through building on the momentum established by several GEF investments, including a GEF-6 project in the Kgalagadi that upscales an innovative wildlife-livestock co-existence model and a GEF-5 sustainable land management project in the Ngamiland district.
FP attracting co-financing from another climate funds	<ul style="list-style-type: none"> FP 146: Bio-CLIMA: Integrated climate action to reduce deforestation and strengthen resilience in BOSAWÁS and Rio San Juan Biospheres aims to reverse the vicious cycle of deforestation and forest degradation in Nicaragua through a programmatic approach in the context of REDD+. This will be achieved via implementing sustainable landscape restoration and management, creating an enabling investment environment, and strong local capacities for territorial governance and law enforcement with the supporting tools and instruments needed. The project combines GEF and GCF resources to maximize complementarity and synergy in unlocking innovation

	such as Emission Reduction Result-Based Payments within the Emission Reduction Program. GCF is deploying USD 64.1 million mixing loan and grant instruments, whereas GEF is co-financing a USD 8.3 million grant.
FP being implemented in parallel with and synergistically to other climate funds' interventions	<ul style="list-style-type: none"> • SAP 021: Community-based Landscape Management for Enhanced Climate Resilience and Reduction of Deforestation in Critical Watersheds utilizes a community-based natural resource management approach in regions of Timor-Leste's most food-insecure forest-adjacent communities. GCF is mobilizing USD 10 million in grant finance to complement GEF's USD 3.4 million parallel investment in biodiversity and ecosystem services conservation (i.e. "Securing the Long-term Conservation of Timor-Leste Biodiversity and Ecosystem Services through the Establishment of a Functioning National Protected Area Network and the Improvement of Natural Resource Management in Priority Catchment Corridors").

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

22. The Secretariat has advanced the operational framework through ongoing targeted dialogues with the other climate funds.

23. The fourth Annual Dialogue between climate funds took place virtually in November 2020 to share experiences and lessons learned while supporting developing countries facing additional challenges posed by the COVID-19 pandemic. The representatives of the funds conducted a stocktaking exercise on progress in implementing activities of the 2019 roadmap and agreed to add joint actions for the collaboration roadmap.

24. A series of dedicated engagements is anticipated to take place on the margins of COP 26, as outlined below:

- (a) The fifth Annual Dialogue between climate funds will take place on the margins of COP 26, using a hybrid online and offline platform. The dialogue will focus on discussing possibilities for furthering collaborative support to developing countries in raising their NDC ambitions and transitioning to more resilient and low-emission economies. The event will also take stock of the agreed activities in the joint funds' roadmap. The joint roadmap groups the collaboration activities into four topics, namely: 1) indicators; 2) programming, scaling up and blended finance; 3) knowledge management and capacity-building; and 4) communications and outreach. Updates on the progress made according to the roadmap can be found in the table below:

Table 5: Climate Funds Collaboration Roadmap 2020–2021

Topic	Activity	Time frame	Status
Indicators	1. Launch a climate funds collaboration platform on results, indicators, and methodologies for measuring impact	Kick-off call by early April 2020	Ongoing: Since the beginning of 2021, the funds have gathered virtually and discussed various topics related to methodologies and measurement On 28 September 2021, the 4 th workshop of the series is expected to be held virtually,

			with the topic "Co-benefits and result management" led by GEF and CIF
Programming, scaling up and blended finance	2. Identify options on joint programming, appropriate schemes to boost them and common areas to leverage the cooperative advantages responding to country demand, including to explore opportunities for scaling up, including sequencing finance and in particular using innovative financial instruments to scale up successful projects of other climate funds	Second half of 2021	Ongoing: Discussions started with CIF to identify synergies between their new programming areas (for which they are currently fundraising) and GCF's strategic plan The scaling-up approach of GCF-AF is being executed. Phase B of its operationalization is in progress.
	3. Organize a technical exchange between funds following adoption of ongoing strategic plan and programming documents to refine areas to leverage the strengths across the landscape, including to enhance due diligence	Second half of 2021	On hold: Due to the COVID-19 pandemic, this work has not started
	4. Engage with accredited entities for enhancing the adoption of blended finance	GCF to share concept note by 30 May 2020	On hold: Due to the COVID-19 pandemic, this work has not started
Knowledge management and capacity-building	5. Analyse opportunities for knowledge management initiatives and sharing of lessons learned, including exchanges of best practices about operational processes, and how to implement them	First half of 2022	Ongoing: The CIF and GCF outline a climate finance synergies partnership aiming to provide a forum for continuous and systematic learning and knowledge management between climate funds, countries, and other relevant stakeholders. Other climate funds will be welcome to join if interested
	6. Operationalize support for the implementation of the Action Plan of the Community of Practice of Direct Access Entities	AF and GCF to develop joint plan by 30 April 2020	On hold: Due to the COVID-19 pandemic, this work has not started. However, GCF and AF, together with GIZ as a delivery partner, have been supporting CPDAE in the development of a GCF Readiness Proposal to strengthen the capacity of CPDAE and its members to access climate finance. The CPDAE readiness proposal is anticipated to be submitted for an approval by Q4 2021
Communications and outreach	7. Jointly crafting an advocacy and communication plan towards COP 26 including side	28 February 2021	Completed

	events and a communiqué on COVID-19 support to countries		
	8. Joint advocacy campaign for COP 26	November 2021 (during COP 26)	Ongoing: Discussion between communications teams for COP 26

(b) At COP 26, a joint GCF-GEF pavilion will be set up at the venue to promote strong coherence and synergy through various structured dialogues. In this light, the Secretariat is organizing several events, including technical side events on GCF-1, LTV, blended finance, annual dialogue of climate funds, and an annual meeting with the UNFCCC constituted bodies, among others;

25. Despite the limitation imposed by the COVID-19 pandemic, the Secretariat continued to contribute to various events of strategic importance to GCF. GCF staff members attended various meetings of the constituted bodies to showcase the GCF's work on advancing complementarity and coherence with other climate funds.

26. On 26 July 2021 the heads of AF, CIF, GCF and GEF released a joint statement¹ to reaffirm their support for developing countries' robust climate-resilient recovery from the COVID-19 pandemic. The joint statement presents the actions taken by the climate funds to provide additional flexibility and support for adaptive management of project portfolios, streamline operational procedures accelerating access to climate finance, restructure projects, convert financial instruments, accelerate disbursements, integrate broader resilience into climate projects, and facilitate tailored COVID-19 recovery support windows. The statement further shows how the climate funds are scaling up their collaboration to promote complementarity and synergies across their respective programmes in support of developing country recovery efforts.

27. Under the activities of the Climate Funds Collaboration Roadmap 2020-2021, the Climate Funds Collaboration Platform on Results, Indicators, and Methodologies for Measuring Impact has resulted in three successful virtual workshops where the representatives from secretariats of the participating organizations have shared knowledge on common technical work across the climate finance delivery channels of mutual interest. The workshops are led by the various participating organizations on a rotational basis. Topics discussed have included, among others: results management frameworks; key aspects of results management in mitigation; and what adaptation means for the climate finance delivery channels. These workshops are intended to promote regular exchanges of current practices to better understand each fund's experiences and inform their operations. The fourth workshop is expected to take place on 28 September 2021.

III. Revision of outcomes of the operational framework on complementarity and coherence

28. Following the Board's adoption of the updated Strategic Plan for the Green Climate Fund (USP), the Secretariat seeks to apply the USP to inform sought outcomes and work of the operational framework on complementarity and coherence. The USP presents five key pillars to promote complementarity and coherence, consistent with decision B.17/04, namely: (i) complementing actors supporting the NDC update process (such as NDC Partnership) through

¹ <https://www.greenclimate.fund/statement/supporting-developing-countries-road-climate-resilient-recovery-covid-19-pandemic>

translating national priorities into investment programmes; (ii) working to scale up successes and advance programming synergies with other climate funds (such as GEF and AF); (iii) utilizing opportunities for blending, parallel and sequenced finance to improve predictability of finance and impact (for example, ongoing work with the CIF); (iv) defining through guidance how GCF programming in specific sectors and geographies will complement other climate finance in a country-driven manner (including the CIF, private investors and NAMA Facility); and (v) advancing knowledge collaboration to synthesize and broaden knowledge dissemination.

IV. Next steps

29. GCF and the partner climate funds will collaborate closely in the run-up to and during COP 26 to explore options to continue building on the collaboration across all aspects of work identified in this update, consistent with the operational framework approved by the Board in decision B.17/04. Updates will be provided to the Board as part of the Report of Activities of the Secretariat.
