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Report on the activities of the Secretariat

Summary

This report provides an executive summary on progress against the 2022 Secretariat Work programme, a status update on the key performance indicators identified in the work programme results framework and an update to the GCF-1 financial plan. All data and information is for the reporting period of 1 January – 30 March 2022.

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I.   Executive Summary

1.   This report on the activities of the Secretariat provides an executive summary of notable areas of progress made by the Secretariat in implementing its 2022 Work Programme, which was approved at the thirtieth meeting of the Board (B.30) for the time frame 1 January – 31 March 2022. It also contains the progress status of all KPIs (annex I), an update to the GCF-1 financial plan (annex II), and the list of information requests received from the Board during the reporting period (annex III). Given the proximity in dates of the four Board Meetings scheduled in 2022, comprehensive activity reports each covering four months reporting periods will be prepared for B.33, B.34 and B.35, covering respectively the January – April, May – August, September-December 2022 reporting periods.

2.   The 2022 work programme builds on many of the streams of work delivered under the Secretariat's 2021 programme and budget and it does so within the significant context of being the first Secretariat work programme developed after the Board's endorsement of the GCF Updated Strategic Plan for 2020-2023 (USP), which established new programming goals, strategic and institutional priorities for the first replenishment period (GCF-1). This is a work programme that aims to equip the Fund for delivery through the second half of GCF-1, by responding to the Board's ambitions and aligning as much as possible with the directions set out in the USP. Most notably it introduces a key new GCF-1 priority of beginning preparations for a successful second replenishment cycle.

3.   The 2022 Work Programme contains six priorities and related performance metrics:

(a)   Supporting origination of country-driven, paradigm-shifting investments and enhancing direct access;

(b)   Project development and appraisal to build a USP-aligned, impactful GCF portfolio;

(c)   Management of portfolio implementation for results and knowledge;

(d)   Supporting the Board and helping to advance consolidation of the GCF policy and governance frameworks;

(e)   Facilitating access and accelerating implementation by improving process efficiency, effectiveness, transparency and speed of delivery; and

(f)   Consolidating institutional capacity, culture and performance in preparation for the GCF second replenishment.

4.   At the first Board Meeting of the year the Board approved an additional USD 187.6M in funding proposals. Programming volumes for B.31 were lower compared to the average volumes per Board Meeting in 2021 due to the limited available commitment authority. In line with its GCF-1 financial plan the Secretariat has been working to frontload contributions scheduled for December 2022 to ensure an adequate pipeline flow throughout 2022. As a result, programming volumes are expected to pick up in the second half of 2022 and the Secretariat expects to at least meet the lower bound of the programming range target for 2022. Achieving the higher bound would require the mobilization of additional resources. An updated GCF-1 Financial Plan as at 31 March 2022 is provided in Annex III.

5.   Approvals also advanced on the Readiness and Project Preparation front, with 28 new Readiness approvals and 141 countries now accessing Readiness support. The year also began with a significant number of initiatives to enhance the efficiency, effectiveness, and relevance of the Readiness Programme through a dedicated Readiness Action Plan (RAP). The RAP seeks to explore untapped opportunities for improving current operational procedures governing the Readiness programme. The results of the RAP will be codified in an updated operational Readiness Programming Manual and Operational Manual during the second part of the year.

6. On the results-management front the Secretariat has finalized the Readiness Results Management Framework (RRMF) which will enable a consistent and coherent approach for tracking and measuring results from both non-adaptation planning and adaptation planning Readiness support. The RAP will also aim to further systematize approaches for understanding results and drawing lessons for programming. In addition, the tracking system for the development and submission of Concept Notes (CNs) and Funding Proposals (FPs) developed with Readiness support will be revamped. In parallel, the Secretariat has established an origination taskforce that aims to further orient current Readiness support and country and entity programming efforts towards supporting the origination of high-quality paradigm-shifting proposals in alignment with the GCF mission and USP goals.

7. Meeting the USP portfolio goals and strategic objectives is inherently reliant on ensuring quality at pipeline entry. The Secretariat's ongoing work in support for origination has seen the GCF project appraisal manual undergoing internal consultation and additional tools being evolved, including: A Concept Note Checklist; an Innovation and Additionality Tool; t; a Climate Guidance tool; an Economic and Financial Analysis Handbook and a Simplified Approval Process (SAP) Toolkit. Work also advanced on the sector guides and a progress snapshot of the ten sector guides is provided in the figure below. The two most advanced guides have been translated and published on the GCF website during the reporting period while the last batch is nearing internal Secretariat finalization for consultation release.

Table 1: Progress status of ten sector guides

		Zero draft for consultation	Editing company	Conducting consultation & webinars	Consolidate comments	Version 1 publication	Translation (ES/FR)
Batch1	Cities						
	Agriculture						
Batch 2	Ecosystems						In review
	Forestry						
	Energy Access					Tentative date: End of April 2022	
Batch 3	Health					Tentative date: End of July 2022	
	Water						
	Transport						
Batch 4	Energy Efficiency			Tentative date: End of April 2022			
	CIEWS						

8. The Secretariat has also seized the opportunity of improved global travel conditions and restrictions to field two programming missions to the Pacific and the Caribbean. These were dedicated to scoping the concept of a regional Green Bank project, supporting active pipeline discussions with AEs and national counterparts and to advancing project implementation of the Global Fund for Coral Reefs (GFCR) project. This is the first and only blended finance initiative dedicated to coral reefs globally and GCF's first anchor position in an at-scale private sector programme in the blue economy.

9. Portfolio implementation also saw steady progress over the first quarter, with the implementation rate reaching 82% of current portfolio (USD 7 billion in portfolio value) and disbursement reaching a cumulative USD 2528.58 M. 17-20 additional projects received first disbursements during the reporting period. Adaptative portfolio management continues to require substantial Secretariat bandwidth due to both ongoing Covid-19 impacts on matters such as supply chain redesign as well as other factors related to changes in political

circumstances or available co-financing. Portfolio management systems have in parallel been strengthened through additional automated modules and the Secretariat has begun using the PPMS (Portfolio Performance Management System) to conduct internal assessments on project implementation performance and manage project risk data.

10. In complement to portfolio management efforts, a series of initiatives have been taken to strengthen GCF risk management and project integrity risk systems, including the development of the next generation Risk Management Framework 2.0, the strengthening of the Division of Portfolio Management, the development of risk self-assessments across the Secretariat, and the further systematization of processes including through the development of the Appraisal manual. As part of the continuous strengthening of GCF's risk management, the Secretariat is supporting the Independent Integrity Unit to launch two pilot proactive integrity reviews designed to act as a data-driven preventative measure.

11. In support for the fourth priority under the 2022 Work Programme the Secretariat has led a series of onboarding sessions to familiarize new Board Members, Alternates and advisors with the current status of GCF operations, key strategic planning, programming and policy frameworks and signal top priorities for the year ahead. In addition, the newly developed Board Portal has been fully operationalized to enable quicker Board access to essential GCF-wide information.

12. The Secretariat continued the development of outstanding policy mandates under the 2020-2023 Board Work Plan in anticipation of B.31 publication, however only one outstanding policy paper was published for B.31, the Updated Accreditation Framework. Most notably, the policy was approved by the Board, following a development period of over four years, marking a significant decision for improving and enhancing GCF's accreditation modality and process. Following B.31 the Secretariat has begun policy implementation, including the development of an AE portfolio analysis mandated for B.32 to inform an Accreditation Strategy for B.33. In addition, the Secretariat has initiated preparations for the operationalization of the new Project Specific Assessment Approach (PSAA) window, which is expected to enable a wider range of partners to engage with the GCF.

13. Following B.31 decisions and discussions, the Secretariat also kick-started a series of consultation processes and technical sessions for policy papers anticipated for submission at the upcoming Board Meetings. An overview of the status of Secretariat-led policy items anticipated for 2022 is contained in Annex II. In addition to these items the Secretariat is also supporting the Co-Chairs and Board Committees on policy matters under their oversight. The 2022 policy agenda is expected to be finalized with the Board's consideration of the updated Board Work Plan.

14. The Secretariat has also been advancing an overall policy review of the coherence, completeness, and impact of GCF policy frameworks, mandated under the USP and the 2020-2023 Board Work Plan. Initial findings from the review reiterate the complexity of GCF's policy frameworks and policy making pathways and indicate that GCF policies have historically been difficult to understand, access and apply in a consistent manner by GCF stakeholders. This is largely due to numerous GCF actors being tasked with policy development and implementation, the wide range of consultation avenues being available and the absence of a Fund-wide approved policy template and policy-making processes. While the Secretariat has developed a standard policy template and codified its policy processes under its Policy Manual, the Manual has jurisdiction over Secretariat-led items only. The Policy Template being used by the Secretariat is attached in Annex IV and it has been designed to ensure all Secretariat-led policy proposals follow a common structure and approach. A new Policies & Strategies webpage has also been made available by the Secretariat, seeking to make policy resources easier to access and navigate by all GCF stakeholders. The webpage builds on a Policy Map which clusters

policies and Board decisions across the key policy frameworks guiding GCF operations, in alignment with its business model and the Governing Instrument.

15. On the institutional front notable highlights include the advancement of GCF's digital strategy through the finalization and launch of the Digital Accreditation Platform (DAP); evolving GCF's data strategy; launching the Board Portal; conducting a new staff engagement survey to inform the update of the 2022 Peoples Plan; the near completion of the GCF onboarding programme and initiating the redesign of the Secretariat HQ offices. The Secretariat has also sought to make data more available to stakeholders and strengthen its communication on results. Notably, it launched the 2021 Annual Report which highlights Fund-wide progress in delivering results on programming, implementation and delivering the USP goals over the course of 2021.

16. Once again taking advantage of improved global travel conditions, the Secretariat participated in UNEA-5 and fielded a mission led by the Executive Director to outreach to the COP27 presidency in Egypt. The mission identified several avenues for GCF to contribute to the efforts of the COP 27 Presidency. Both missions also enabled field visits to adaptation project sites targeting resilient agriculture and coastal resilience.

17. Finally, during Q1 of 2022 the Secretariat continued to operate under the COVID-19 regulations of the Republic of Korea (ROK). The country has progressed through the Omicron variant wave, which reached a peak in mid-March with over six hundred thousand cases in a single day. Strict social distancing requirements remained in place during the reporting period. The pandemic in ROK has since progressively subsided in terms of reported cases and public health system impacts. From mid-April the ROK government has lifted social distancing measures and has signalled its intention to progressively remove other pandemic responses, such as mask mandates and quarantine obligations both for positive COVID cases and for international arrivals to ROK.

18. The Secretariat has continued to monitor and respond to pandemic conditions while preparing for a post-pandemic resumption of operations in GCF. Notable activities during this time have included:

(a) Ongoing support for GCF Personnel and their dependents in obtaining access to COVID-19 vaccinations, now broadly available for those in Korea aged 5+ years.

(b) Planning for the resumption of 'new normal' work and a staging down of crisis conditions, which has included consideration of the 3 primary areas impacted by the pandemic: 1.) Returning to office environments, 2.) Resumption of official travel, and 3.) Resumption of in-person official meetings and events hosted by GCF.

(c) Continuation of the Office Restack Project, an internal project aimed at redesigning and refitting the internal space of GCF headquarters at G-Tower to promote greater social distance between colleagues in their day-to-day work while supporting flexible collaboration spaces.

(d) Update of the Travel Safety and Security Addendum to the GCF Administrative Instructions for Official Travel, which defines the process for identifying, addressing, and mitigating Safety and Security risks to GCF personnel engaging in Official Travel.

Annex I: 2022 Status of Key performance indicators (KPIs) as of 31 March 2022

KPI	Description	Target	Q1 progress
1.1	Coordinated engagement of NDAs, AEs and DPs on USP and GCF-1 programming goals	Fund-level programming communications and guidance developed and maintained	35%
		10 dedicated programming engagements	2 programming engagements
		Collaborative plans with other climate funds on complementarity and coherence implemented	30%
1.2	Number of country programmes and multi-annual entity work programmes endorsed with aligned, GCF-facing investment plans and pipelines	30 country programmes (including national DAEs);	8 country programmes
		5 IAE entity work programmes 3 regional DAE entity work programmes	0 IAE entity work programme 1 regional DAE entity work programme
1.3	Implementation of DAE action plan with system in place for monitoring progress and results	50% reflecting initiation of key activities in 2022 toward full delivery by 2023	In progress
1.4	Readiness support delivered to enhance country access to GCF	81 readiness requests approved (55 Single year; 10 Multi-year; 16 Adaptation Planning)	28 readiness requests approved (24 Single year; 0 Multi-year; 4 Adaptation Planning)
		141 countries accessing readiness	141 countries accessing readiness
1.5	High-quality, country driven concept notes developed through readiness, TA and/or regional desk support	Concept notes supported: At least 40	4 CNs supported
		Concept notes entering GCF pipeline: 20	2 CNs entered GCF pipeline
1.6	Number of AMAs signed (incl. DAE and private)	3-5 (1-3 IAE AMAs; 2 DAE AMAs, including 3 private)	1 (1 IAE AMA signed; 0 DAE AMAs signed)
1.7	Number of entities submitted for reaccreditation	15	6
2.1		TOTAL: 39-46 (1770-2420M)	TOTAL: 4 (301.5M)

KPI	Description	Target	Q1 progress
	Total number and volume of FPs submitted to ITAP	PAP: 32-37 (1700-2330M)	PAP: 3 (291.5M)
		SAP: 7-9 (70-90M)	SAP: 1 (10M)
2.1.1	Adaptation proposals (including cross-cutting) submitted to iTAP	18-22 (800-1100M*)	2 (92.5M)
2.1.2	DAE proposals submitted to iTAP	9-14 (350-550M*)	2 (75.2M)
2.1.3	Private sector proposals submitted to iTAP	12-14 (750-900M*)	2 (210M)
2.2	Number of AEs/FPs receiving active PPF or project development support through grants or TA	12, including 8 DAEs	3
2.3	USP and Board directions on private sector strategy implemented	100%	Private sector strategy developed and presented for Board consultation
2.4	Delivery of practical tools to guide project development and appraisal	Completion and socialization of 8 sector guides	8 sector guides consulted on Of these, 4 sector guides have been published on GCF website and 2 have been translated into English/French
		Operationalization of project appraisal manual: 100%	50% rollout into processes through updates to the appraisal guidance
2.5	Percentage of approved FPs including gender assessments, gender action plans and gender disaggregated data	100%	100%
3.1	Number of FAAs signed	28	2
3.2	% of projects under implementation	80%	82%
3.3	Aggregate disbursements for funded activities	+913-1,193M in 2022 for cumulative total of 3,376M - 3,391M	+223.9M in 2022 2528.58 M cumulative disbursements
3.4	% of approved readiness requests receiving disbursements	>90%	86%

KPI	Description	Target	Q1 progress
3.5	Readiness & funded activities reports reviewed for results	Readiness Reports (IPRs & CRs): 200	36
		Funded Activities (APRs, interim and final evaluations, inception/baseline): 155	25
3.6	Readiness/Funded activities change requests processed	Readiness/PPFs amendments processed: 50	5
		Number of FA minor/major changes processed: 40	11
3.7	Knowledge generated from implementation of readiness and funded activity portfolio	Learning loop established for the Readiness and Preparatory Support Programme	47%
		22 evidence-based knowledge products generated showcasing GCF results	3 evidence-based knowledge-based products generated
4.1	Secretariat-led policy documents delivered to the Co-Chairs, in line with the updated Board workplan, for Board consultations or publication for a Board meeting	100% (13 Secretariat-led items anticipated for 2022)1	38% (5 Secretariat-led items presented for Board consultation/publication in April 2022)
4.2	Secretariat-led information and standard operational documents delivered to the Co-Chairs in line with the provisional agenda at least 21 calendar days before a Board meeting	100%	87%
4.3	Secretariat-led policy drafts developed in line with the Secretariat policy manual, including impact assessment, implementation plans and resourcing requirements	100%	85% for the five applicable Secretariat-led items
4.4	Policy implementation planning, monitoring and reporting in place for all newly approved policies	100%	Not initiated. No new approvals until the end of March, implementation process kick-started in April

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1 The update to the 2020-2023 Board Work Plan was not presented or considered by the Board at the first meeting of 2022 so final target numbers may adjust.

KPI	Description	Target	Q1 progress
4.5	Overall policy review delivered for Board consideration	100%	80%
4.6	COP guidance addressed including through collaboration with the UNFCCC and on-time submission of COP report	11th GCF report to the COP submitted on time demonstrating how COP guidance has been addressed	Report to be submitted in Q2/Q3
5.1	% of requests reviewed within target service standards	Accreditation: 90% stage I applications reviewed within 105 days	65%
		Readiness (non-NAP): 70% reviewed within 35 days	In progress
		Readiness (NAP): 70% reviewed within 45 days	95%
		PPF: 80% reviewed within 21 days	125%
		CN review: Public: 50% reviewed within 30 days; Private 75% reviewed within 30 days	Public: 113%; Private: 133%
		FP review: 70% within 75 days	143%
		SAP CN review: 70-75% within 21 days	29%
		SAP FP review: 70-75% within 30 days	In progress
		Minor portfolio change requests reviewed: 75% within 30 days Major portfolio change requests reviewed: 60% within 180 days	Minor portfolio change requests: 93% Major portfolio change requests: 0% (0/1 major portfolio change requests processed within service standard)
5.2	Project cycle/IPT reviews undertaken in line with the Operations Manual and project appraisal manual	80%	85%
5.3	Digital agenda – 2022 work plan delivered, including advancing systems integration, and automation of financial management, recruitment and procurement systems	100%	25.5%
5.4	Initiate implementation of the data management strategy	100%	25%

KPI	Description	Target	Q1 progress
5.5	Establishment of operations control and change management functions to oversee corporate performance and organizational reforms	100%	30%
6.1	Vertical alignment between strategic directions, work programme and staff performance plans	100%	2022 Work Programme fully aligned with USP 2022 Staff Performance Plans aligned with 2022 WP – target finalization and validation scheduled for end April
6.2	End of year fill ratio	90%	73%
6.3	Staff undertaking GCF onboarding and core knowledge training	100%	48%
6.4	SMT fosters a respectful, harmonious and safe work environment	100% implementation of engagement survey action plan	Engagement survey completed in March, final results pending analysis in April
6.5	Coverage of privileges and immunities expanded	3 agreements and explore other options to fulfill mandate; pursuit of the initiative with the UN for P&Is at the multilateral level	0 new agreements
6.6	On-time preparation for and launch of the GCF-2 replenishment process	On time submission and approval of documents, hosting of meetings and consultations	Not yet due
6.7	Partnerships strengthened and targeted outcomes delivered	At least 4 strategic partner engagements executed with potential to drive programming outcomes	1 strategic partnership engagement plan developed
6.8	Percentage of high risks audited or reviewed in a year	90%	Not yet due

Annex II: Secretariat-led policy matters (2022) – status update

Policy/ Operational Item	Year targeted in original 2020-2023 workplan (WP), Updated 2021 WP, USP or other Board decision (note – a 2022 BWP update was not finalized)	Overview of history of publication & Board consultation	Policy development status
1. Further Development of the Simplified Approval Process (SAP)	• Targeted for 2020 in 20-23 Board WP • Rescheduled in 2021 WP update for B.28	Consulted Jan 25-Feb 5 2021 with all Board Members (BMs) and alternate BMs (ABMs) invited to submit comments. A proposal taking into account Board comments was published for B.28 (together with actual comments submitted and comment response matrix). Further consultations in which all BMs and ABMs were invited to submit comments was held in July and August of 2021 and another comment response matrix was prepared along with a summary of consultations prior to submission of a new proposal for B.30. After B.30 further consultations were held from Nov to Jan with mostly developing country Board members, including multiple consultations with one BM who had submitted comments after the B.30 publication date.	A comment response matrix covering the post B.30 comments received and a summary of consultations was prepared together with an updated proposal taking those comments into account. Document was prepared for B.31 publication and not published. Document was open for further input from 5 to 12 April; A technical session was held on 11 April. Document is being finalized for B.32 publication.
2. Review of RfPs and funding allocations	• Targeted in Board workplan for 2020 and 2023 • Rescheduled in 2021 WP update for B.29	All BMs and ABMs were invited to submit comments on an initial draft in Aug of 2021 (excluding the draft ToR for the Technology Incubators/Accelerators RfP). A second round of consultations were held in Nov of 2021 on the draft ToR for the Technology Incubators/Accelerators RfP	A comment response matrix was prepared along with an updated document that takes into account comments from the first draft. Secretariat is further updating to take account of comments received on the IEU RfP rapid assessment as well as the outcomes of the B.31 approval of the PSAA modality.
3. Private sector Strategy	• Called for in USP and targeted in	Review of initial modalities for the Private Sector Facility and related proposals were published for and discussed at B.23. More recently, all BMs and	A comment/response matrix was circulated to all BMs and ABMs in October 2021 addressing the comments received

	2020-2023 Board WP for 2021 • Rescheduled in 2021 WP update for B.29	ABMs were invited to submit comments in August 2021 on a proposed draft of a Private Sector Strategy. The Secretariat has subsequently responded to requests from several BMs for clarifications on the proposal.	during the consultation period and the file is also available in the secure Board Library. An updated proposal that takes into account those comments, the IEU evaluation and further analysis was finalized for B.31 publication and not published. Document was open for further input from 5 to 16 April; A technical session was held on 12 April. Document is being finalized for B.32 publication.
4. Steps to enhance Climate Rationale of GCF funded activities	• Called for in decision B.19/06 and USB para 20(c)(v); • Scheduled in 2021 WP update for B.30	All BMs and ABMs were invited to consult on a proposed climate rationale document in July and August 2021 and a technical session was held in September of 2021. A document and that took into account comments received and a comment/response matrix was published for B30 as GCF/B.30/04/add.01. The Secretariat has subsequently responded to requests from BMs for clarifications on the proposal.	The Secretariat revised the document published for B.30 based on feedback received from BMs on that draft. Draft was prepared for B.31 and not published. Document was open for further input from 11 to 18 April; A technical session was held on 13 April. Draft was being prepared for B.32 publication.
5. Approach and scope for providing support to adaptation activities	• Targeted in 2020-2023 Board WP for 2020 • Rescheduled in 2021 WP update for B.29	All BMs and ABMs were consulted by the Secretariat on a draft adaptation proposal that was published for (but not discussed at) B.20 and B.23. The 2020 Co-chairs requested the adaptation proposal along with other investment framework proposals, to be consulted with the Investment Committee (IC). IC held two webinars in July 2020 covering investment framework proposals. Following this input, the documents were redrafted, and updated versions were shared with the IC. Full BM/ABM consultation on the documents was held in Aug 2021, and a document taking into account BM and ABM comments was published for B.29 (INF).	The Secretariat is revising the B.29 draft taking into account the Secretariat's management response to the recommendations made by the IEU in their February 2021 evaluation of the GCF's adaptation portfolio and approach, the latest feedback from BMs and ABMs during B.31 particularly on the IEU Adaptation Evaluation. Paper is being prepared for B.32 publication.

6. Mapping eligibility and selection criteria	• Targeted in board workplan for 2020 • Rescheduled in 2021 WP update for B.29	Decision B.17/10 requested the Secretariat, under the guidance of the Co- Chairs, to develop a document that identified all elements related to project and programme eligibility and selection criteria. Iterations of the document were submitted to B.19, B. 20, B.21, B.23. The 2020 Co-Chairs sent the document along with other investment framework documents to the Investment Committee for Consultations. As noted above, the IC held consultations on the investment framework documents and they were redrafted as needed to take into account their comments. The latest version was submitted to B.29 as an INF document, but was not discussed.	The B.29 document is ready for republication as an INF documents – consequential updates can be made, if necessary when the item is scheduled.
7. Policy guidelines on the programmatic approach	• Targeted for 2020 in the 2020-2023 Board WP • Rescheduled in 2021 WP update for B.29	The Secretariat first published a proposal at B.13 on the programmatic approach called for in the Governing Instrument. Successive drafts were consulted and published for B.17, B.18, B.21, and B.25. More recently, a formal Board consultation was held in July – August of 2021	Secretariat prepared a comment response matrix and revising the B29 proposal based on the latest feedback. Bilateral follow-ups are expected before finalization of an advanced proposal taking into account both the comments received and greater GCF experience with programmes. A revised document was circulated for further input from 11 to 18 April; A technical session was held on April 14.
8. Policy on concessionality	• Targeted for 2020 in the Board's 2020-2023 WP • Rescheduled to B.29 in 2021 WP update	Consulted with the wider Board from B.20-B.23 by the Secretariat. The 2020 Co-chairs requested for this and other investment framework documents to be consulted with the Investment Committee (IC). IC consultations on framework documents included two webinars in July 2020. Following relevant input, the documents were redrafted, and updated versions shared with the IC. Board Consultation on the updated concessionality policy was held in July-August 2021, and a document that	Secretariat revising draft based on latest feedback and operational developments Paper from Oct 19 – to 2020

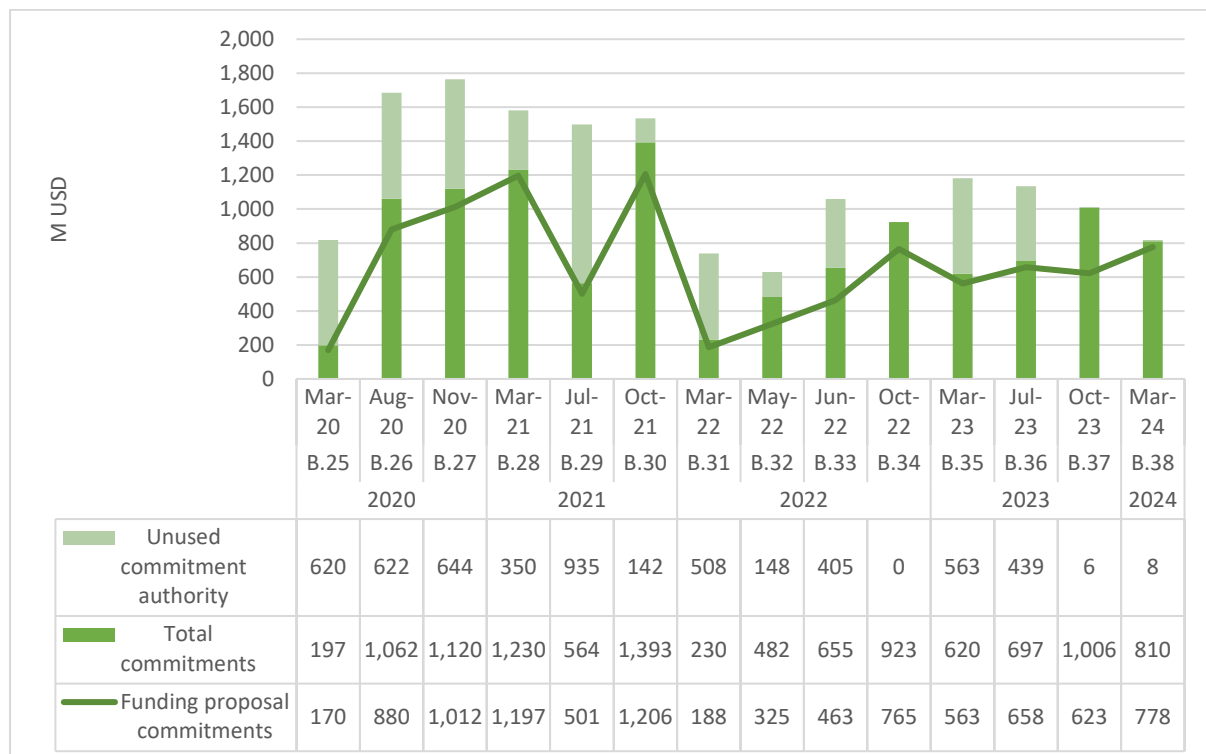|		took into account related BM and ABM comments was Published for B.29 (INF).	
9. Incremental and full cost methodology	• Targeted in Board workplan for 2020 • Rescheduled in 2021 WP update for B.29	Per decision B.17/10, the Secretariat prepared document B.19/34 on potential Incremental cost (IC) approaches, and in decision B.19/06, the Board requested development of an integrated approach to address IC and other policy gaps. IC was then on the agenda for B20, B21, and B23 and numerous iterations of the policy were consulted. Prior to B.26 in 2020, the Co-Chairs requested the latest version of IC paper to be submitted to the Investment Committee for consultation, and a document addressing the Committee comments and suggestions was published for B29 as B.29/inf10	Secretariat revising draft based on latest feedback and operational development
10. GCF Environmental and Social Safeguards	• Targeted for 2022 in Board WP	New item – In Nov. 2021, a call was put out for public input and a virtual stakeholder consultation session was held on 25 Nov. The ESS Stage 1 scoping report was published on the GCF website and shared with the Board on 15 February.	Proposal under development by the Secretariat. Further stakeholder consultations and drafting happening over Q1-Q2, Board consultation Q2-3.
11. Update of country ownership guidelines	• Targeted for 2022 in 2020-2023 Board workplan • Scheduled for B.30 in 2021 WP update	Review of country ownership guidelines was published for B.30 as an addendum to the Report to the Board on Activities of the Secretariat. No consultation on update to date – new item	Proposal for update of the guidelines is under development by the Secretariat.
12. Updated HR legal framework	• Targeted for 2021 in the Board WP	A limited distribution document was prepared for Board consideration and discussed in Executive session during B.22, and this issue has been pending since.	Secretariat to update B.22 proposal, also taking account of the Board's consideration of the salary scales/benefits proposal
13. Review of guidelines on observer participation	• Targeted in Board workplan for 2022	Longstanding issue – In July of 2016 the Board authorized and the Secretariat published a request for public inputs, and a draft proposal was	New draft to be developed for Board consideration in 2023

		consulted. No recent consultations have taken place.	

Annex III: GCF-1 Financial Plan: update as at 21 April 2022

1.   Following B.31, the GCF-1 Financial Plan was updated with information from the latest Trustee Report, which included data through 31 March 2022. The funding proposal commitment estimates for B.32 were updated based on the projects recommended by the TAP. The funding proposal commitment estimates for B.33 also were updated based on the proposals submitted to the TAP in April 2022, and they will be updated again following completion of the TAP review in late May. Planned commitments for Readiness, PPF, AE fees, the foreign exchange commitment risk buffer and administrative expenses remain similar to the estimates presented at B.31.

Figure 1 Projection of commitments and commitment authority as of 21 April 2022

	Mar-20 B.25 2020	Aug-20 B.26	Nov-20 B.27	Mar-21 B.28	Jul-21 B.29 2021	Oct-21 B.30	Mar-22 B.31	May-22 B.32	Jun-22 B.33 2022	Oct-22 B.34	Mar-23 B.35	Jul-23 B.36 2023	Oct-23 B.37	Mar-24 B.38 2024
Unused commitment authority	620	622	644	350	935	142	508	148	405	0	563	439	6	8
Total commitments	197	1,062	1,120	1,230	564	1,393	230	482	655	923	620	697	1,006	810
Funding proposal commitments	170	880	1,012	1,197	501	1,206	188	325	463	765	563	658	623	778

Expected commitment authority for 2022:

- USD 2,290 million (at GCF-1 reference exchange rate)

Planned commitments for 2022:

- USD 1,741 million Funding Proposals
- USD 185 million Readiness & PPF
- USD 364 million AE fees, foreign exchange commitment risk buffer, administrative expenses

Total planned commitments for 2022:

- USD 2,290 million

2.   Recent trends in the foreign exchange market has led to a small decline in the projected commitment authority for 2022 compared to what was projected at B.31. This is projected to result in a slightly lower volume of funding proposal commitments of USD 1,741 million for

2022. A reversal of global forex trends, additional contributions, or further front-loading of 2022 payments from some contributors could allow a higher volume of funding proposals. The Secretariat is preparing a robust pipeline of projects for B.34 in case additional commitment authority materialises.

Annex IV: Secretariat Policy Template

The Secretariat Policy Template is contained below.
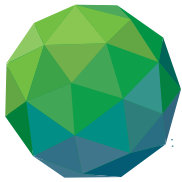
Meeting of the Board

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[Name of policy]

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I.   Introduction

1.   [Outline the mandate for the policy].

2.   [Outline the process of policy development (e.g. whether it is based on a review or work by an independent consultant or firm) and the procedural history of Committee or Board consideration of the item].

3.   [Include a reference to how the policy proposal addresses the strategic objectives or the strategic, operational or institutional objectives under the Updated Strategic Plan.]

4.   [As relevant, include reference to whether any recommendations from the Replenishment Summary Report (**Document GCF/B.24/11**) or from the Performance Review of the GCF (**Document GCF/B.23/20**) are reflected in in the preparation of the document].

II.   Policy Rationale

5.   [Describe the challenge being faced and why the policy is needed]

6.   Describe a small set (up to 5) Specific Measurable Achievable Realistic and Time-limited (SMART) objectives that the policy aims to achieve, in light of the existing mandate and gaps/issues it seeks to address].

7.   [Outline alignment of the policy with the updated Strategic Plan priorities]. [Describe how the policy would advance one or more of the primary principles or articles of the Governing Instrument]

8.   [Highlight the consequences of inaction, doing things under business-as-usual practices and not having the policy in place]

9.   [If applicable, describe how the policy is responding to findings of a review or evaluation]

III.   Analysis of policy proposal

3.0.1.   Policy proposal

10.   [This is a short introduction to what will be set out under the Policy in Annex I.]

11.   [Summarise the main operative provisions of the policy and explain in brief why this approach has been taken to respond to the problem or opportunity it seeks to address].

12.   [As relevant, describe any options (e.g. as recommended by an independent review) that have not been taken up in the policy proposal, and whether the Secretariat would recommend these for further consideration in the future].

3.0.2.   Policy impact

13.   [Outline how the policy will deliver on its objectives and what is the anticipated impact and benefits that will be delivered if policy is implemented in terms of e.g.: process and operational efficiency, budgetary savings, enhanced access, improved climate impact, as applicable]

14.   [A small set (up to 5) Specific Measurable Achievable Realistic and Time-limited (SMART) benefits should be identified]

IV.   Operational impact assessment and implementation arrangements

[This section should outline the key steps that would be required to make the policy effective and to fully implement and operationalize it thereafter, at all levels: GCF Secretariat, IUs, external stakeholders. It should also review the operational implications of taking these steps]

15.   [Outline how the policy fits in the wider GCF policy suite and key interlinkages with other policies or Board decisions]

16.   [Elaborate on whether this policy would have impact on existing policies and whether it would require changes to existing policies]

17.   [Elaborate if this policy has linkages with other policies that are under development or under consideration by the Board]

18.   [Summarize key internal and external steps required to implement the policy, including changes in GCF Secretariat (or Independent Units, as applicable) templates, documentation, guidance or review processes] [Describe projected timelines for implementing key changes]

19.   [Outline any external implications for AEs, NDAs or other stakeholders; Outline if implications identified would have cost impacts for AEs, NDAs, other stakeholders and how these could be covered]

20.   [Describe any legal considerations related to implementing the policy, including for FAAs / AMAs negotiations following policy adoption; If there are legal implications, consider and note the risks that related concerns may impose] [check any legal considerations with OGC early in the policy development stage]

21.   [Based on the steps outlined above, specify the arrangements and timeline for the policy to become effective, including any applicable grandfathering arrangements].

22.   [Describe if there would be any arrangements to make exceptions or grant waivers to the policy and if any, who would grant them]

V.   Budgetary implications

23.   [Based on the assessment above, describe the impact on staffing and budget for the Secretariat (and/or the Independent Units, as applicable)] [If additional budget beyond the approved Secretariat / IU budget is required, ensure consultation with the Budget Committee] [If additional resources are required, describe how of the provision and management of the resources will be done].

VI.   Research & consultation

24.   [Describe the process for consultation with AEs, Board Members and alternates and other stakeholders and how key points of feedback have been addressed in the final proposal].

25.   [As relevant, describe the process of consultation with the Independent Units].

VII.   Monitoring and review

26.   [Describe arrangements for monitoring, evaluation and review of the implementation of the policy. **Note**: under the policy cycle endorsed by the Board through Decision B.24/04, policies will by default be reviewed in the third year of each replenishment cycle as part of an overall policy review, unless there is a particular requirement for the policy to have a different view date.]

VIII.   Recommended action by the Board

27.   [Outline the recommended course of action].

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.25/xx titled "XXXXXXXXXX":

(a)   [Decision text]

(b)   [Decision text]

(c)   [Decision text]

Annex II: [Policy proposal for Board approval - *policy document should focus on **what** the policy sets out to do and **who** will be responsible for doing it; The **why** should be elaborated and contained in the background paper only*]

I. **Objective**

1. [Outline in brief what mandate the policy responds to]

2. [Outline what the policy intends to set out (e.g. define GCF's approach to programmes, define GCF's approach to results management) and what its main objectives are (e.g. i) support in delivering goals under the Governing Instrument, ii) address particular operations/policy/strategic bottlenecks or challenges, iii) respond to the findings of a Review or Evaluation]

II. **Scope**

3. [Outline to what categories of GCF activities the policy applies to and how]

III. **Definitions** *[to be included if it is needed to have a clarification of concepts elaborated under the policy]*

4.   [List all relevant concepts, either from existing policies or newly developed other the policy]

IV. **Policy Proposal** *[section and header to be updated based on nature of the policy and core proposition e.g. for the integrated Results Management Framework: GCF Results and Indicator Architecture]*

5. [Outline the set of provisions established under the policy, how, who and when the policy will be applied across the activities it is targeting]

V. **Implementation arrangements**

6. [Set out the provisions for policy effectiveness and the steps and timelines required to make the policy effective, including any applicable grandfathering arrangements]

7. [Outline what will be done to implement and operationalize the policy after effectiveness (e.g. changing templates, producing guidance)]

8. [Outline any provisions for exceptions or granting waivers to any of the policy components]

9. [Clarify if implementation will feed into existing processes]

VI. **Monitoring and Review**

10. [Outline how the policy will be monitored and when it will be reviewed]

11. [Clarify whether it requires monitoring and review provisions beyond those established under the four-year Board Work Plan]

Annex III: Background documents

1.   [Insert other background documents as required, for example:

   (a)   external consultants' reviews or reports;

   (b)   additional analytical detail supporting the policy proposal;

   (c)   detailed implementation protocols not included in the main policy proposal;

   (d)   relevant steps the Secretariat could undertake independent of a Board decision.

Annex V: Summary of requests from the Board

1. A summary of information requests made by the Board members and advisors on behalf of Board members between 1 April and 24 April 2022 is provided below. There has been a considerable increase in the number of requests from the Board members and advisors on behalf of Board members. These requests require cross-department coordination in order to mobilize the necessary input. Responding to Board requests was therefore resource-intensive in terms of the time staff spent on either drafting and/or coordinating the responses for each request.

ID	Query	BM/ABM/ADV	Name	Date received	Date of Response
001/2022	Questions on BAO´s performance-related payment document	ADV	Maria Presmanes	12/31/21	01/10/22
002/2022	A few questions regarding GCF procedures	ADV	Catherine Potvin	01/10/22	01/10/22
003/2022	AE Contacts	ADV	Maria Presmanes	01/11/22	01/25/22
004/2022	Point of contact for GCF follow up of accredited entities	ADV	Ragnhild Marie Falkenberg Valstad	01/21/22	01/21/22
007/2022	Information - GCF relations with MDB	ADV	Marie Lannoy	01/25/22	01/31/22
005/2022	Request for status updates and documents	ADV	Jeanny Chong	01/27/22	02/03/22
006/2022	Question on COP guidance	ADV	Vincent Van Zeijst	01/27/22	01/27/22
008/2022	Staff Data Updates	ADV	Maria Presmanes	02/04/22	02/18/22
009/2022	GCF Grants	ADV	Maria Presmanes	02/10/22	02/16/22
010/2022	Query on the accreditation of Centre for Environment, Fisheries and Aquaculture Science	ADV	Victoria Situ	02/21/22	03/03/22
011/2022	Biodiversity projects in GCF pipeline	ADV	Marie Lannoy	02/23/22	03/02/22
012/2022	Funding data for 2021 for reporting purposes	ADV	Marie Lannoy	02/24/22	03/02/22
013/2022	Request on Russian accredited entities	ADV	Simon Stumpf	03/03/22	03/03/22
014/2022	Request on Belarus accredited entities	ADV	Simon Stumpf	03/04/22	03/04/22
015/2022	Question about Ps&Is	ADV	Jeanny Chong	03/04/22	03/10/22
016/2022	Secretariat report to the Board	BM	Lars Roth	03/04/22	03/05/22
017/2022	Number of GCF staff	ADV	Ran Yagasa	03/07/22	03/08/22
018/2022	Status update - FP146: Bio-CLIMA	ADV	Hendrikje Reich	03/08/22	03/10/22
019/2022	GCF Board committees- request information	BM	Marta Mulas	03/09/22	03/10/22

| 020/2022 | GCF Board committees- request information (additional follow-up) | BM | Marta Mulas | 03/11/22 | 03/11/22 |
| 021/2022 | Co-financing kick off process | ADV | Maria Presmanes | 03/25/22 | 04/18/22 |

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