



8 July 2022

Update on operational improvements to the GCF's Readiness and Preparatory Support Programme, July 2022

Dear National Designated Authorities, Readiness Delivery Partners and Accredited Entities,

The Green Climate Fund Secretariat welcomes this opportunity to provide you with an update on some of the recent developments under the GCF's Readiness and Preparatory Support Programme (Readiness Programme):

1. Operational Matters

Having listened to you, Countries, Delivery Partners and Accredited Entities, as our partners in Readiness, the Secretariat has undertaken considerable efforts to update the Readiness Standard Operating Procedure (SOP) to streamline internal processes and improve operational efficiencies for each stage of the Readiness grant cycle.

Changes that have occurred to date include:

- I. Streamlining of the co-development and review processes
 - The elimination of one stage in the review process to streamline processing time
 - The enhancement of the co-development phase, led by the Division of Country Programming Regional Desk Teams, where proposals will be worked on jointly between the NDAs, Delivery Partners and Regional Desk teams, to ensure that they remain strategically aligned to the needs of the countries, while meeting GCF's requirements.
 - All Readiness submissions will be required to go through this first phase, before moving to the next and the GCF Secretariat offers support through Technical Assistance to NDAs and Delivery partners to support this phase.
 - The Inter-Divisional Review (IDR) phase, which will now be facilitated by the Regional Desk, to consolidate the results of IDR and ensure that they are informed by the country context.

- II. Standardization of key processes
 - Development of review criteria to standardize processes and reviews and ensure consistency of the co-development phase, aiming to reduce the number of proposal iterations, and to ultimately expedite approvals.
 - Setting of service standards for key business processes, clarifying roles and reorientation of responsibilities within functional Divisions, while boosting capacities across the Secretariat to ensure continued service satisfaction of our key stakeholders.



III. Learning from results

- Integrating learning/feedback loops (internal and external) for knowledge management throughout the Readiness grant cycle
- Rolling out of the Readiness Results Management Framework and Portfolio Performance Management System for online reporting
- Enhancing results-based monitoring with revised Readiness reporting templates
- Supporting DAEs applying to the new funding window for IRMF implementation

2. Revision to the calculation date of the Annual Readiness cap

In response to the feedback received from countries based on previous years' experience, the GCF Secretariat has decided to extend the calculation of the **annual cap from the date of December 31 in any given year to March 31st in the next year**. This new date would be applied for 2022 (where all proposals approved before March 31st 2023 would be counted towards a countries' 2022 allocation) and all subsequent years. By moving this key date away from the end of the year, we avoid concurring with a busy period both for the NDAs and for the GCF Secretariat, with annual UNFCCC COPs, the closure of the fiscal year, and festive season taking place. Moving this date will also allow more time for the co-development process to enhance the quality of readiness proposals received by the 30th of June. Proposals requiring more time for finalization could be brought to the attention of the regional desks for consideration of the possibility of a limited time extension on an exceptional basis.

As proposals will be processed on a first come first-served basis, it is highly recommended that proposals are submitted as early as possible in a given year.

3. Roll-out of the Readiness Results Management Framework (RRMF) and the Portfolio Performance Management System (PPMS)

Readiness Results Management Framework (RRMF)

Following consultations with NDAs and Delivery Partners and in line with the mandate from the GCF Board, the Secretariat has developed a Readiness Results Management Framework (RRMF). The RRMF is a tool that allows NDAs and DPs to report in a coherent manner the results from readiness grants, thus helping the GCF and its partners to better capture the results of the RPSP and support countries towards more efficient access to climate finance. The RRMF implementation will be supported by dedicated training and guidance documents, as well as by tailored support by the Secretariat during the initial months following the launch of the RRMF in Q3 of 2022. Until the end of the year, the operationalization of the RRMF will focus on the logframe design for new grants and the reporting obligations of NDAs and DPs against approved readiness grants, while the remaining parts of the RRMF focusing on the measurement of outcomes and impacts of the entire readiness programme will be operationalized in 2023.

Portfolio Performance Management System (PPMS)

The Portfolio Performance Management System (PPMS) for the Readiness Preparatory Support Programme is an online system which aims to improve the efficiency and effectiveness of core business processes during implementation, including report submission, processing of disbursements and adaptive management requests and other functionalities such as capturing lessons learned and the results of the readiness programme. The PPMS will help us to better monitor, assess, and communicate with delivery partners and NDAs on the implementation progress of GCF readiness grants activities. The User Acceptance Test of the report submission functions with Delivery Partners



has been successfully conducted in May 2022, based on which the Secretariat has been improving its technical and user-friendly aspects. In July 2022, the reporting module of the PPMS Readiness, aimed at streamlining communication, grants reporting, reviews and performance and risk monitoring will be soft launched at a Readiness Results Management Framework (RRMF) webinar. The full launch of the PPMS-Readiness will be in October 2022 and training webinars will be held for delivery partners, NDAs and other stakeholders at that time.

4. Updating of the Readiness Guidebook and relevant templates

Taking note of these on-going changes, the GCF is also in the process of updating the Readiness Guidebook and templates. In this new enhanced guidebook, we aim to reflect the programmatic developments, the operational improvements and lessons learned from the past years' implementation of the programme, and greatly improve the overall guidance in preparing readiness proposals. We also aim to improve the user-friendliness of the documents to make the submission of proposals clearer and more efficient. With this in mind, we will be consulting you as the main users of these documents; your feedback and suggestions will be most welcomed.

The target date for the release of a consultation draft is November 7th 2022.

To inform this on-going work, the Secretariat will also engage with representatives from Countries and Delivery Partners in the context of the upcoming GCF Global Programming Conference, to be held in Incheon, Korea, from September 13th to 15th, 2022.

We trust these improvements will enhance the efficiency, effectiveness and the strategic alignment of the delivery of the readiness programme.

The GCF Secretariat remains at your service.

GCF Secretariat