GREEN CLIMATE FUND

Guidance notes: Assessing Non-Carbon Benefits beyond the Cancún safeguards for the 3.5% additional payment

A technical guidance note supplementing the REDD+ Results Based Payments funding proposal user guide for the design and assessment of the additional payment for Non-Carbon Benefits of 3.5%.

Purpose and scope

This note explains how the GCF Secretariat and the independent Technical Advisory Panel (iTAP) assess whether a REDD+ Result-Based Payment (RBP) proposal qualifies for an additional payment of 3.5% of its total payment value, awarded when the use of proceeds is designed to deliver Non-Carbon Benefits (NCBs) beyond the Cancún safeguards. It reflects the current guidance used to review Section B.3 and related annexes of funding proposals and is periodically updated to reflect lessons learned from proposals under implementation. It is further encouraged for Accredited Entities and Countries developing REDD+ RBP concept notes and funding proposals to consult this summary note in addition to the other resources available.

Background

Pursuant to paragraph 23 of the Policy, the amount of RBP/s may include an additional 3.5% of the resulting total value of payments, **<u>if the use of proceeds</u>** is designed to deliver NCBs beyond the Cancún safeguards[1] ("safeguards"). The Cancún safeguards (see **Annex 1**) establish minimum protective standards.

Link to the Policy: https://www.greenclimate.fund/sites/default/files/document/policy-results-based-payments-redd-b40-16-full.pdf

Summary of the Assessment Process

The Secretariat and iTAP evaluate the use-of-proceeds section of each proposal to determine whether it credibly demonstrates delivery of NCBs beyond the relevant Cancún safeguard(s). All proposals seeking the additional payment must demonstrate three core elements:

- Explanation — the nature, scale, and significance of each benefit, and how it is integrated into the project's exit strategy and long-term sustainability plan, including responsibilities, financing, and institutional arrangements for continuing delivery after the RBP reinvestment period ends.
- Situation analysis — a clear description of current conditions against which delivery of the benefit will be measured and reported, supported by existing national data, surveys, or assessments where available. Claimed benefits must be distinct and non-duplicative;
- Monitoring — measurable, time-bound indicators for each benefit, reflected in legal agreements, performance reporting, and the Accredited Entity's (AE's) own reporting systems.

Annex 2 provides the guiding questions for the Supplementary information for the 3.5% additional payment annex. This is to be provided by the AE.

The assessment follows two sequential stages, with Stage 2 reached only if Stage 1 is satisfactorily met.

- **Stage 1:** the Secretariat and iTAP first determine whether the proposal makes a convincing case that funded activities will deliver NCBs beyond the safeguards, including whether the underlying theory of change credibly links the use of proceeds to the benefits claimed. Proposals with an underdeveloped, incomplete, or misaligned case do not proceed to Stage 2.

- **Stage 2:** proposals that pass Stage 1 are assessed using a standardized method evaluating the explanation; situation analysis and monitoring of each NCB presented.

[1] https://redd.unfccc.int/fact-sheets/safeguards.html | For the purpose of this document, reference to safeguards refer to the Cancún safeguards. This is not to be confused with GCF's Environmental and Social safeguards. https://www.greenclimate.fund/access-funding/sustainability-and-inclusion/environmental-social-safeguards

- **Post-approval accountability:** Delivery of NCBs is monitored throughout implementation. AEs are required to continue reporting on NCB delivery through simplified Annual Performance Reports for the life of the reinvestment, with arrangements in place to capture and disseminate lessons and ensure benefits remain integrated into the project's exit strategy.

Annex 1. Cancún safeguards

The Cancún safeguards, adopted under the UNFCCC[2], provide the overarching framework to ensure that REDD+ actions avoid harm and promote socio-economic inclusion, environmental integrity, and good governance.

A summary of the seven Cancún safeguards is provided below:

> *(a) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements;*
> *(b) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty;*
> *(c) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples;*
> *(d) The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in the [REDD+] actions;*
> *(e) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the [REDD+] actions are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits;*
> *(f) Actions to address the risks of reversals;*
> *(g) Actions to reduce displacement of emissions*.

Reference: https://redd.unfccc.int/fact-sheets/safeguards.html

The countries' submission on the Cancún safeguards in the REDD+ web platform could be used as an additional reference for evaluation of the interpretation and adaptation of safeguards to countries' contexts by the GCF Review Team. These documents provide a baseline and indication of what 'going beyond the safeguards' means in each country. The FP user guide provides more information on how to include an overview of the safeguards and progress targeted by each country.

[2] UNFCCC, 2026. REDD+ Web Platform. https://redd.unfccc.int/fact-sheets/safeguards.html

Annex 2. Guiding questions for Accredited Entities and Countries when designing the proposal and Non Carbon Benefit description

Purpose: This annex is meant as a tool and guide for Accredited Entities to use when designing the concept notes and funding proposals.

Guiding questions

1. Which specific NCB(s) is the proposal claiming, and which Cancún safeguard(s) are they linked to — including how, if not directly covered by that safeguard?
2. Explanation: What is the nature of each NCB (the specific type of benefit being promoted), its scale (how broadly it will be delivered, geographically or socially), and its significance (the depth and lasting impact of the benefit beyond safeguard compliance) for the long-term sustainability of activities in the country, aligned with the country's REDD+ strategy, action plan, or NDCs?
3. How will the use or reinvestment of proceeds concretely deliver each NCB (specific activities, interventions, partners)?
4. How are the NCBs and linked safeguards reflected in the exit strategy?
5. What are the implementation arrangements (i.e. who will be responsible, financially and institutionally) for continuing NCB delivery after the RBP reinvestment period ends?
6. Situation analysis: What is the current situation against which each NCB will be measured and reported, and what existing national data, surveys, or assessments (or data collected during FP preparation) support it?
7. How will the AE ensure the claimed benefits are distinct and non-duplicative i.e. the same activity is not counted under multiple safeguards unless it delivers genuinely separate benefits?
8. Monitoring: What is the AE's proposed monitoring approach for each NCB, including measurable, time-bound indicators directly linked to the NCB claimed under each targeted Cancún safeguard?
9. How will NCB monitoring be reflected across legal agreements, (simplified) Annual Performance Reports, and your own reporting systems?
10. Which sections of the FP template (e.g. B.3, G.2, logframe) or supporting annexes will you use to present this information?