



| **GCF.10** |

| 10 YEARS OF CLIMATE IMPACT |

GCF REGIONAL DIALOGUE

with EAST AND SOUTH ASIA

Colombo, Sri Lanka
14–17 September 2026

Risk Register and Incidents Reporting during Project Implementation

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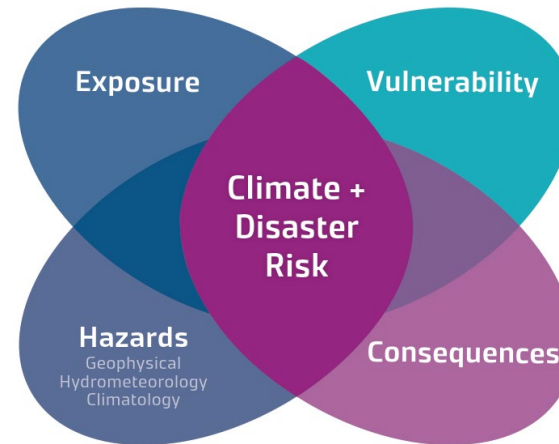
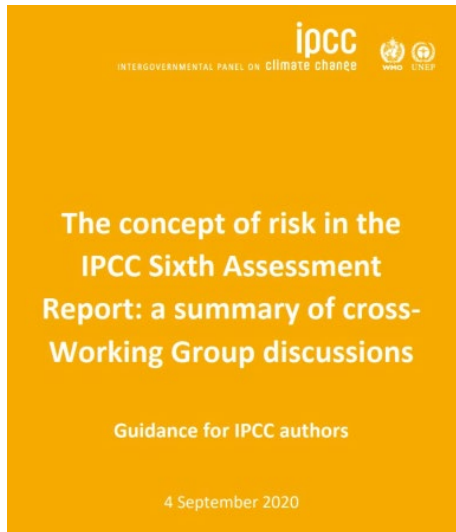
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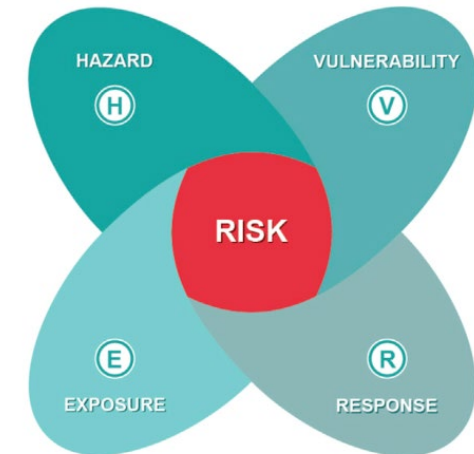
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IPCC Risk Framework

The potential for adverse consequences for human or ecological systems, recognising the diversity of values and objectives associated with such systems.

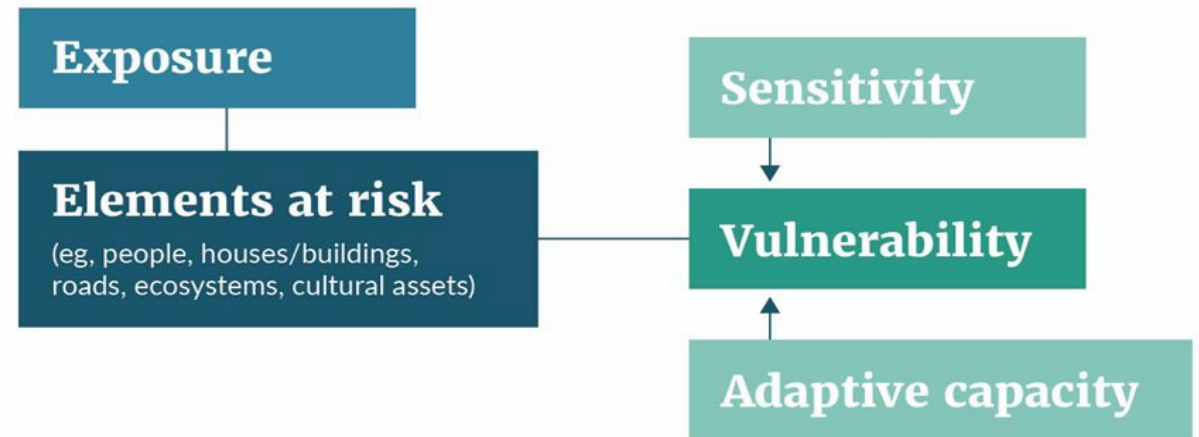
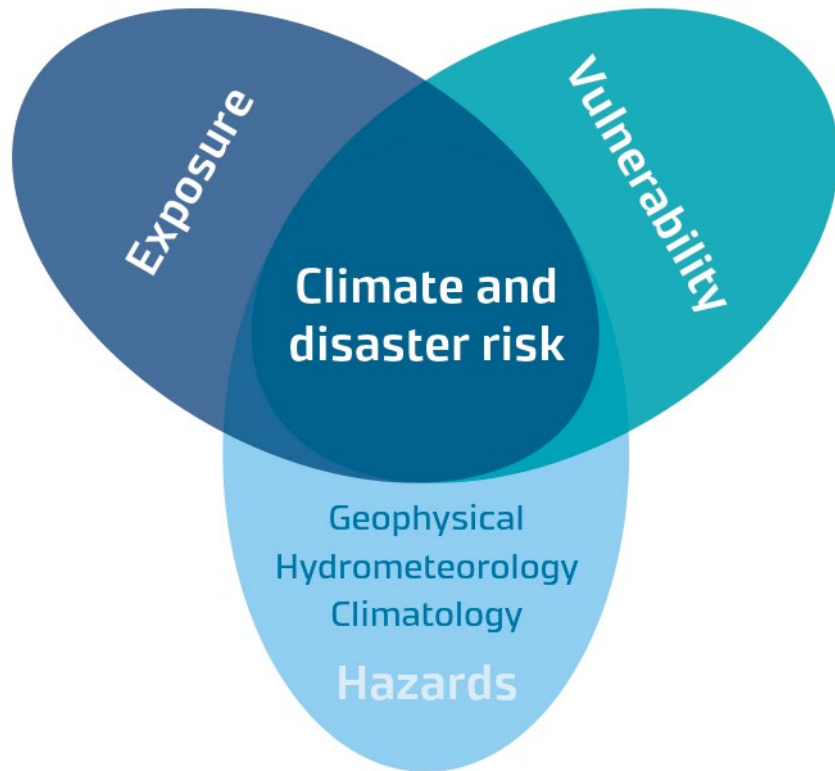


Fakhruddin et al., 2019



Simpson et al., 2021

Physical Risk Elements Interaction – Exposure & Vulnerability



$$\text{Risk} = \text{Likelihood} \times \text{Impacts}$$

PROM Risk Register

- Objective is to thoroughly review the risk register, discuss the risks in detail, and discuss possible approach to mitigating risk for AE and GCF.
- Three key areas for risk origin:
 - External factors
 - Project factors
 - Partner factors

PROM Risk Register

[illegible]

1.1 Objective and policy background

Objective of Risk Reporting

To foster a risk-based project monitoring approach for an effective risks and incidents management during project implementation. The AE is expected to **continuously monitor, manage and report risks** and their potential effect to the achievement of the project objectives.

The monitoring and assessment of risks is intended to **uphold the delivery of the targeted Climate Impact opportunity** and provide for early identification and remediations of potential risks and risk incidents

Proper risk management is also expected as part of our **obligations to protect the environment and the communities we serve**

Policies

[Monitoring & Accountability Framework \(MAF\) – Decision B.42/13.](#)

[Risk Appetite Statement – Decision B.40/09.](#)

[Administrative guidelines on the internal control framework – Decision B.BM-2015/06.](#)

1.2 Objective and policy background:

what are AEs expected to report?

1. Risks and updates to already reported risks

- The AE **reports and assesses emerging risks and updates to previously reported risks**, including their consequences, mitigating measures, and severity.
- For the **APR submission in 2026**, the Risk section will be blank. The AE needs to populate the Risk matrix with previously identified risks (and their updates) alongside newly identified risks.

→ All the risks, updates and incidents reported will be reviewed by the GCF, and the AE may be requested to provide additional information or documents as needed.

2. Risk Incidents (or risk events)

- **Incidents** are the materialization of risks, previously identified or not.
- Following a pro-active risk-management approach, the AE **reports incidents**, specifying the root causes, consequences, and resolution plan.

1.3 Objective and policy background:

when are AEs expected to report?

At FP submission...

Our partners are asked to fill-in a risk matrix as part of their FP submissions.

...during the APR submission period...

As per the MAF requirement, the AE reports **every year** on the risks and risks incidents in the dedicated section of the APR on the GCF Partner Portal (GPP).

...and all year long.

The Risk section of the APR will **always be open and accessible** on the GPP, allowing the AE to update and capture risks and incidents at any point in time, as soon as they are made aware of those – without having to wait for the APR submission period to report risks and incidents.

2.1 Key Concepts – Risk Management Matrix

What is the Risk Management Matrix?

- Tool which presents the AE's **identification, assessment and mitigation plan of risks** which could prevent the Project/Programme from delivering its impact and/or would adversely impact the environment, communities, the public or workers.
- It includes the reporting of any **risk incidents** (i.e. when a risk materializes)

Why is it important?

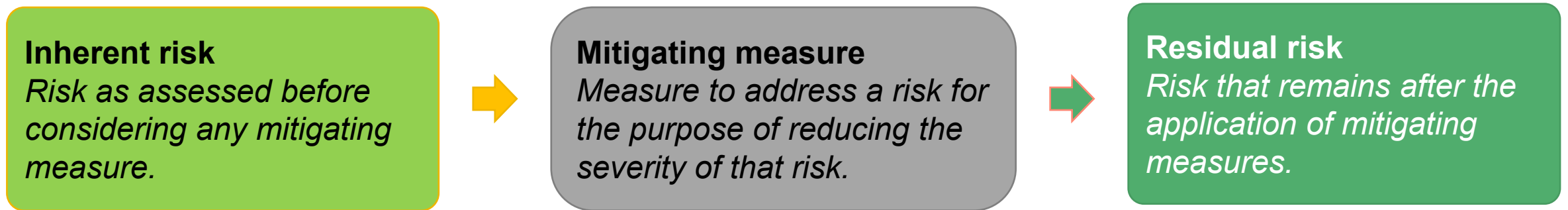
- **Transparency:** it builds trust and ensures all stakeholders understand the risk landscape
- It is a mechanism to ensure **risks are pro-actively managed** by all actors
- It helps the GCF **prioritize** and coordinate their level of effort and support where it's most needed

Benefits of the Risk Management Matrix

- It fosters a **common understanding** of terminology
- **Streamlines reporting:** by providing a more synthetic view of the risk landscape (vs. narrative in the previous "*challenge*" section)
- It aligns with the Risk Section of the Funding Proposal and ensures **continuity**

2.2 Key Concepts – Risk Scoring

Risk: *Possibility that an event will occur and adversely affect the achievement of the project's objectives and potential to deliver the intended impact or that it would negatively impact people or the environment.*



Scoring Methodology

Likelihood <i>Chance of occurrence of the risk</i> 1 to 5 (*)	x	Impact <i>Effect on the achievement of the project's objectives</i> 1 to 5 (*)	=	Risk Severity <i>Low, Medium, Medium-high, High</i> 1 to 25
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(*) See details in Annex of the slide deck

2.3 Key Concepts – Risk Incidents

Risk Incidents (or risk events) are the materialization of risks, previously identified or not.

Following a pro-active risk-management approach, the AE **reports the incidents that occurred** on the project, specifying the root causes, consequences, and resolution plan.

Severity level of risk incidents (*):

Severity	Personnel Impact	Environmental Impact	Financial Impact	Social Impact	Media exposure
Low	No casualties, minor injuries	Localized impact, recoverable within 1 week	Direct economic loss	Limited to a small area within the community,	No media coverage
Medium	Minor injuries (≤ 5)	Medium-range impact, recovery time > 1 week	Direct economic loss	Affects a larger area within the community,	Local media coverage
High	Serious injuries ($\geq 1, \leq 10$)	Significant impact, recovery time > 1 month	Material Direct economic loss (**)	Widespread impact within the community,	National media coverage
Critical	Fatalities or multiple serious injuries (≥ 10)	Catastrophic impact, recovery time > 3 months	Material Direct economic loss (**)	National or international attention, potential social unrest	International media coverage

(*) the severity level presented here is currently under review by the Secretariat and the Independent Units

(**) materiality thresholds should be disclosed by the AE



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Thank you

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