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26 June 2023

Terms of Reference for a Feasibility Study to further examine options for establishing a GCF regional presence - Addendum I

Response matrix for Board comments received
on the draft document

Summary

This document contains the response matrix for Board comments received on the draft document titled “Terms of Reference for a Feasibility Study to further examine options for establishing a GCF regional presence” during the Board consultation period held from 16 May to 2 June 2023.

Response matrix for Board comments received on the draft document "Terms of Reference for a Feasibility Study to further examine options for establishing a GCF regional presence "

BM/Alt	Section	Text	BM/Alternate Comment	Secretariat Response
France / Switzerland	Para 9.	The objective of this assignment is to assess the feasibility of options for a GCF regional presence, including through benchmarking with other organizations, in order to inform the Board's consideration of a decision on establishing a GCF regional presence.	<p>France: The ToR needs to cover the assessment of needs for regional presence, as part of the original USP mandate. This is entirely left out in the current document.</p> <p>New proposed para 10:</p> <p>Secondly, this assignment will assess the feasibility <i>and the cost/benefits of</i>, each option identified</p> <p>Switzerland: In our view the study should not just assess feasibility, but provide a cost-benefit analysis of the different options, in order to best inform the Board of the costs involved and value added, compared to the current situation and the practice of other climate funds</p>	<p>Cost / benefit analysis added.</p> <p>References added to needs assessment here and in draft decision text.</p>
Cook Islands	Para 9.	As above	Proposes to add reference to bottlenecks identified within review of Secretariat capability (GCF/B.30/08)	Reference added.
United States	Para 9.	As above	Study should include an analysis of the core objectives and functions of the regional presence, not just models. As drafted, this still rests on an assumption that regional presence will remove/overcome the issues identified. The study should identify needs/bottlenecks and also examine	This issue was considered as part of the USP capacity report (B.30/08), which identified

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			whether and how the regional presence models would or would not address those needs/obstacles.	regional presence as an avenue to improve process efficiency and effectiveness through greater proximity GCF partners. The firm would be expected to draw upon this analysis.
Germany	Para 9.	As above	Add: facilitate and strengthen access to GCF, and...	So amended.
France / Switzerland	Para 10.	The assessment is expected to examine the following models for a regional presence, which across organizations may generally be characterised into three options...	<p>France: ...examine <i>multiple models</i> for a regional presence, <i>such as</i> the three following models (<i>non-exhaustive list</i>)...</p> <p>France: Could [regional networks option] differ from an option where there is no additional staff hired by the partner organizations, only relays within these organizations (NDA, regional DAEs, regional offices of IAEs) ?</p> <p>Switzerland: A fourth option to assess would be the strengthening of existing structures (NDAs and focal points, regional DAEs, regional offices of MDBs and other IAEs, etc.)</p>	Amended to reflect that this is a non-exhaustive list of models, including use of NDAs, AEs, etc.

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Cook Islands	Para 10.	As above	Proposes using 'option' instead of 'model' for consistency	Amended
Sweden	Para 10 a)	Regional outposts (option assessed by Dalberg): Processes are governed and managed centrally, and regional presence acts in support of those processes. There is a partial allocation of the organization's staff members for core programming and liaison processes to regional outposts for greater partner proximity.	Suggest re-arrange the order and make this alternative a), regional networks alternative b) and regional offices c). To move from the current structure to regional offices would be a major change. It would be reasonable that the study have stronger focus on steps that are more reasonable as first steps. To move straight from the current one-office structure to regional offices would be a very major change, and would also imply governance changes.	Amended order
GRULAC (comments submitted by Argentina on behalf of GRULAC BMs/ABMs)	Para 11	1. The assignment will include as part of the first stage a benchmarking of regional presence models of similar organizations, which will be used to refine the options above, and which may identify relevant additional options.	Comment: What organizations are considered to be similar to the GCF?	The firm would be expected to take a broad approach to allow multiple comparisons.

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United States	Para 11., para 14.		Include analysis of how other IOs have managed regionalisation, including the models they adopted.	Clarified under para 11 that the benchmarking of other organisations may identify other models. Also added under para 14 (a)
Fiji	General, para 12		Welcomes initiative. Consider strengthening regional desks alongside regional presence. Regional staff need to be independent of local NDA and have capacity building function. Notes unique nature of each region, need to take account of this. Time zones, communication capacity should be relevant issue for location of offices. Regional offices should focus on increasing direct access capacity.	Considered under paras 12 (b) and 12 (d) (efficiency, collaboration). DAE collaboration added under 12 (d).
United Kingdom	Para 12.		Should include consideration of promotion of complementarity and coherence with other climate funds.	This element is now embodied in para 12 (d)
United States	Para 12.	The feasibility of the options will be assessed within a set of parameters, including...	<p>This list of parameters below does not match the descriptions that were in the Dalberg study that was annexed to B.30/08. Proposes:</p> <p>The feasibility of the options will be assessed within a set of parameters, <i>consistent with the design principles as set out in Annex VII to document GCF/B.30/08,</i></p> <p>Propose to integrate the descriptions from the Dalberg study, since the Board has already considered it at B.30.</p>	Amend to reflect Dalberg study wording more closely.

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GRULAC	12 a.	(a) Effectiveness: Ease access by developing countries to GCF support for programming and adaptive management of project implementation and enable the Secretariat to meet its goals as outlined in the USP.	project origination, <i>development, readiness, accreditation</i> and implementation,	Amended to add references to access for readiness and accreditation.
France / Switzerland	12.b	(b) Efficiency: Reduce time lags in the Secretariat's response to developing countries' needs across business functions and ease the workload of teams associated with processes being supported by the regional presence.	France: 'Efficiency: <i>Reinforce the overall operational performance of the GCF, such as reducing time lags in the Secretariat's response...</i> ' Switzerland: Somewhat narrow, to focus only on time lag. The net could be cast more widely to look at operating efficiency more comprehensively	Amended to add 'operational performance' as suggested.
GRULAC	12 c.	(a) Minimize complexity: The design of the regional presence should make it easier for developing countries and other partners to engage	(b) Minimize complexity: The design of the regional presence should make it easier for developing countries and other partners to engage with the Secretariat, <i>while creating institutional capacity for developing countries' engagement</i> , and not add additional steps or increase the duration of existing steps.	Added reference to capacity-building.

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		with the Secretariat and not add additional steps or increase the duration of existing steps.		
United States / France	12 d.	(d) Promote collaboration: The regional presence should continue to facilitate well-coordinated ways of working between GCF partners and the Secretariat, and knowledge transfer across all teams within the Secretariat.	US: Add reference to specify subnational and local actors, civil society, and the private sector France: including with the NDAs as well as the regional private sector,	Added list: ...(including NDAs, regional, national, and subnational actors from civil society and the private sector)
GRULAC	12 d.		(c) Promote collaboration: The regional presence should continue to facilitate well-coordinated ways of working <i>and constructive engagement</i> between GCF partners (including other climate funds, NDAs, direct access entities, regional, national, and subnational actors from civil society and the private sector) and the Secretariat, and knowledge transfer across all teams within the Secretariat.	Text added.

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France	Para 12. (new sub-paras)	[additional parameters for assessment]	<p>(f) Field feedback: enable close follow-up of project and programme implementation on the ground, and improve the collection of information and data from local actors to facilitate the overall performance evaluation of the fund</p> <p>(g) Operational risks: the regional presence should ensure the safety and the protection of the GCF staff located in conflict-prone areas or during external events (pandemic, natural disaster, etc.)</p>	<p>Added new indicator on field feedback.</p> <p>These risks should be abated by P&I agreements rather than specifically through the establishment of regional offices.</p>
Cook Islands	Para 12.		<p>(b) Effectiveness: Enable <i>Ease access by</i> developing countries to better access GCF support for programming and adaptive management of project implementation, and enable the Secretariat to meet its programmatic goals; improve the Secretariat's ability to identify and successfully implement the volume and mix of projects as outlined in the Updated Strategic Plan (USP), better service the needs of its partners and meet the objectives of the USP.</p> <p>(c) Efficiency: Reinforce <i>Improve the overall</i> operational performance of the GCF, including by reducing time lags in the Secretariat's response time to developing countries' needs across business functions, <i>including country programming, readiness and the project activity cycle</i>, and easing the workload of teams associated with processes being supported by the regional presence.</p> <p>(d) Minimize complexity: The design of the regional presence should make it easier for developing countries</p>	<p>Amended to more closely reflect this wording.</p>

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			and other partners to engage with the Secretariat and not add an excessive number of <i>additional</i> steps or increase time lags <i>the duration</i> of existing steps.	
GRULAC	Para 12.	[General]	(d) Comment: When it comes to improving the GCF's proximity with key partners, in particular developing countries, it is of paramount importance to take into account all relevant project cycle processes, including project origination, development, readiness accreditation and implementation.	This is noted.
Germany	Para 12.	[General]	<p>2. Additional key benefits that a GCF regional presence should deliver and that the feasibility study should consider:</p> <p>3. Increasing transparency, simplicity and predictability of GCF-internal processes, esp. with regard to accessing GCF resources and accreditation. ☐ para 12a/12b/12c</p> <p>4. Increasing local stakeholders' understanding of GCF processes and requirements to access GCF resources, incl. with regard to accreditation. ☐ para 12c/12d</p> <p>Enabling the Secretariat to identify potential project implementation risks at an early stage and to ensure the integrity and alignment of GCF projects with ESS/GCF policies (avoiding situations like FP146). ☐ possibly para 12a/b</p>	Added references to transparency, predictability in sub-para a); added local stakeholders' understanding to sub-para d); implementation risk to sub-para f).

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France	Para 13.	Based on this assessment, the assignment will make a recommendation on the most feasible option, setting out benefits, costs and implementation considerations.	Based on this assessment, the assignment will make <i>an options ranking through</i> setting out benefits, costs and implementation considerations.	Included request for options list instead of single recommendation
France / Switzerland	13 (also referenced in 14 & 15 b.)	13.It will also make recommendations on steps to operationalize the most feasible option, including proposing criteria and a process for the selection of locations, the timing and sequencing of establishing a regional presence across different locations, roles and responsibilities of regional staff, and integration with operational process and ICT systems at headquarters. This should be based on a review of the experiences of other international organizations in similar exercises.	It will also make recommendations on steps to operationalize the most feasible option, including proposing criteria and a process for the selection of locations, the timing and sequencing of establishing a regional presence across different locations, roles and responsibilities of regional staff, and integration with operational process and ICT systems at headquarters. This should be based on a review of the experiences of other international organizations in similar exercises.	Removed operationalization plan

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Republic of Korea	Para 13		<p><i>Add: and the headquarter's supervision of regional offices, under the option described in paragraph 10(a).</i></p> <p>We would like to propose to add this condition to paragraph 13. In our opinion, it is necessary to study the role of the headquarters, in order to properly operate the regional offices.</p>	No amendment made since operationalisation considerations are removed further to other comments received.
Antigua & Barbuda	Para 13.	Based on this assessment, the assignment will make a recommendation on the most feasible option	Should produce a ranked list of options, not a single recommendation.	Para 13 amended to indicate ranked list of options.
Spain / Ireland / New Zealand	Para 13.		Consideration should also be given as to whether a mixed model approach would be appropriate depending upon the differing needs of regions or sub-regions.	Amended to add this.
Germany	Para 14 a)		(a) Add text: including by conducting interviews with relevant stakeholders from regional representation of those international organisations;	Added this; noting that this may increase the cost / time of the study but should still be within budget.
Germany	Para 14 c)		Add text: access/proximity to strategic GCF partners	Added.

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GRULAC	14 c		<p>For each option, propose a set of criteria and a process for selecting potential locations, taking account of similar exercises conducted by other international organizations. Consideration should be given to geographic balance (including consideration of overall regional allocation of GCF resources to date); working languages; costs; the location of regional presences of other similar organizations; the availability and accessibility of services to attract and retain talent, including health services, education in different languages, transportation; and support provided from host governments (including privileges and immunities, provision of premises);</p> <p>Comment: It is not clear how this criteria would be relevant to the upcoming assessment despite the low scenario assumptions of budgetary costs as per Annex VI of document GCF/B30/08.</p>	Reference added.
Iran	General, para 12, para 14		Facilitating accreditation of direct access entities in regions without them should be a priority. Location of regional offices should be prioritised within regions that have few GCF resources to date.	<p>Role with regards to DAEs added under 12 (d).</p> <p>Consideration of resource allocation added to para 14.</p>
GRULAC	15		2. The firm will commence the assignment as soon as the contract is signed and is expected to take up to eight weeks to complete the assignment <i>for the consideration of</i>	Date for consideration of study by Board to be

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			<i>the GCF Board at its 37th Meeting.</i> It will produce the following deliverables:	included in Annex 1 decision text.
Germany	Para 16		The Secretariat will ensure close collaboration with the firm, providing the firm with the information and data necessary to produce a tangible assessment of the options for regional presence.	This is noted and agreed, but an amendment to the ToR is not deemed necessary.
UK	Annex 1	Draft decision text	Propose to include request to revert to Board by B.37 meeting	Noting the urgency of action, but also the need for sufficient time for procurement and execution of the study, the date for presenting the report to the Board is left open within the draft decision, for the Board's consideration.
Germany	Annex 1	Draft decision text	<i>Add: and, if appropriate, operationalization</i> to decision text	Different views have been expressed as to whether the study scope should include operationalization. The decision text



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				reflects the wording of the Board mandate, so has not been amended.
