

## **NL/DK/LUX comments on The Strategic Plan for the GCF: 2020-2023**

The Netherlands/Denmark/Luxembourg constituency welcomes the strategic plan for 2020-2023, which clearly reflects the comprehensive consultation process done so far.

### **Overall comments**

1. The strategic plan could have reflected more on some global trends aside from climate change as the GCF is a global body and doesn't operate in a climate bubble.
2. In general we would like to see more specific information on how GCF will collaborate with other global climate financing institutions, which are also supporting paradigm-shifting outcomes.

### **Specific comments**

#### Vulnerability

- We would like to see an increased attention given to the countries most vulnerable to climate change.
- In paragraph 1.4 and section V in annex II the result area 'Most vulnerable people, communities, and regions' is described as merely about capacity to adapt to climate shocks and hazards. In this regard we would like to see more specific text on the broader subject of climate change adaptation, which in turn should be included and reflected across all the results areas as appropriate.
- In line with this, we would like to see the paragraph on programming a balanced portfolio (para 1.5) adjusted to the specific recommendation of the RSR, ie: 'adaptation allocation to particularly vulnerable countries to meet or exceed actual IRM levels'. On this matter we support the proposed floor of 70% of the adaptation allocation for particularly vulnerable countries as mentioned in para 1.6, item 27 (d).

#### Country ownership

- Country ownership is a very critical element of the way GCF works. The NDCs should be at the core of this process and country governance is crucial in this regard. Countries need a comprehensive, inclusive and ambitious climate policy and the projects to implement this policy. In order to succeed in this, it

is important to have an inclusive process, and a wide range of stakeholders including representatives from CSO and indigenous peoples groups should be involved in formulation of both plans and projects.

- In addition, it is crucial to cooperate with other institutions and processes. This is not only about scaling up projects of others. Work together for example with NDC-Partnership, the GEF and LDCF, which support respectively NDCs, NAPAs and NAPs.

#### Private sector involvement

- Engagement with the private sector is critical in order to meet the objectives of the Paris Agreement. Private sector investment in adaptation and resilience programs is of specific importance especially when taking note of the very limited GCF funding from the private sector facility to purely adaptation activities, which constitutes 2% of total PSF funding. We suggest that PSAG would play an active role as part of the approach to scale up adaptation as mentioned in paragraph 1.4 and this work be specifically included in a new mandate from the GCF board to the planned activities and deliverables of PSAG.

#### Accreditation

- We support the proposed four aspects on which to focus in the future in order to continue to strategically build the GCFs network of AEs. However, we do not agree with the proposal in paragraph 39 of setting a fixed cap on the number of AEs.
- The PSAA is a complementary and important approach to the standard GCF accreditation model but it is critical to have a clear time-bound pilot phase and then to allow sufficient time to assess lesson learned. The strategic plan could be further improved by making it clearer that PSAA is only one example of how the accreditation framework might evolve, and that there are innumerable other ways for building partnerships to deliver the strategic objectives of the GCF.

#### Project approval process

- Simplifying and streamlining the project approval process will be increasingly important as the GCF portfolio matures. One option to facilitate this and also ensure more strategic guidance from the board on new concept and programs is the introduction of a two-stage approval process. We would therefore like to see the para 64 revised to reflect that the board 'will' and

not 'may' consider such a new approval process. We would like to see the cost-benefit impact analysis on this approach to be done during 2020.

## Results

- We note that the strategic plan proposes to stick to the agreed eight result areas (para 1.2 and Annex II), which is fine. In GCF-1 we would like to see a more balanced portfolio across the results areas.
- We find it very important to have a clearly defined ToC with outcomes and result areas. More work should be done of Figure 1 in annex III, the schematic that describes the GCF ToC, in order to ensure better coherence between the various levels of objectives.
- In addition, it is crucial to get the relation between the strategic plan, the integrated results and resources framework (IFFR) and results management framework (RMF) right and to decide on this as soon as possible. The structure and objectives described in the strategic plan must be clearly reflected in the design of the IFFR and RMF.
- We are pleased to read in Annex III that indicators, measurement approaches and data sources to be used are developed and the update of the RMF will be presented to the Board at B.25. We urgently need to show actual results from GCF investments.
- We welcome the overall design of the IFFR but we have some concerns about the implementation of the framework, which requires the development of many indicators and methods for collecting and verifying data and compiling these to program-level and GCF-impact level.
- Across the results areas of forestry, land use and ecosystems we would like to include objectives to seek and monitor climate co-benefits in terms of oceans and biodiversity to the extent possible.

## Annex II – Energy access and power generation

- The heading 'Energy access and power generation' seems to imply that transmission/distribution and storage of energy isn't included, but we are pleased to note that it is included in the programming directions.
- Reference to the importance of energy access in the actual programming directions was rather meagre (despite the prominence in the heading). More attention should be given to 'leave no one behind'.
- Relatively little attention is paid to the potential of off-grid energy, which is an important driver for rural electricity access.

- Clean cooking is included, which is essential. There is reference to the gender aspect here but we would suggest to refer to the strong health benefits (especially since health& well-being is also one of the topics covered).