

## French comments - Draft updated Strategic Plan 2020-2023

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### Regarding section 1.5, Programming a balanced portfolio:

- As an overarching principle, we would like to ensure the updated Strategic Plan builds on **IRM targets**, including the balance for mitigation and adaptation and the special focus given to vulnerable countries ;
- The current drafting does not sufficiently recall that all allocation parameters should be determined in grant equivalence. In this regard, the decision to balance mitigation and adaptation *in grant equivalence* should be more clearly stated.

### Regarding section 1.6, Strategic goals for 2020–2023:

- As a general remark, we would prefer not setting any new numerical goals when the proposed target cannot be sufficiently justified. As such, unless properly justified, we would prefer to avoid setting specific targets, and rather refer to going beyond the IRM results for (i) the number of countries that should receive support to translate their national plans into concrete proposals; (ii) the amount of funding that should go to PSF, especially as long as the PSF strategy is still in draft stage; (iii) the share - in financial volume or as a percentage of the total allocation – that should go to DAEs; (iv) the level of co-financing that should flow from the private sector.

### Regarding section 2.1, Strengthening the GCF business model to support its goals:

As an overall remark, we consider the updated strategic plan for GCF should allow getting a clearer definition of the GCF's approach to accreditation. As such:

- We do not consider there should be a **specific cap on the number of accredited entities** which could prevent some countries to have access to accreditation;
- The increasing number of AEs requires overall efficiency gains through, for instance, a simplified project review process – especially for SAP proposals - both within the Secretariat and regarding ITAP;
- Accreditation should be seen as a means to mainstream climate considerations in institutional decision-making; in this respect, there could be a clearer definition of the areas where we should seek **alignment between GCF's policies and those of its accredited entities**;
- A **special focus should be given to DAEs**, especially in terms of capacity building, and collaboration between IAEs and DAEs should be sought;
- The **PSAA** should be better defined in time and scope, and it should be clearly stated that this programme will not become the sole channel adopted by private entities in order to obtain GCF financing ;
- A strategy for **re-accreditation** should be formulated. The current drafting indicates that re-accreditation should be approached “on a learning basis, taking into account reviews of AE capabilities and performance, which assess their ability to add value to GCF programming”. More clarity should be given to this, since entities accredited in 2015 will start their re-accreditation process in 2020-2021;

We strongly support increased **diversification in the use of instruments** in order to shift from concessional lending towards greater use of risk mitigation instruments such as equity and guarantees to unlock innovation. Diversification of financial instruments in **public interventions** should also be sought, especially for MDBs and local banks.