Inputs of the Technology Executive Committee and the Climate Technology Centre and Network to the Zero draft of the Green Climate Fund Strategic Plan

Sources reviewed:

<u>CF/B.34/Inf.17/Add.01 : Update of the Green Climate Fund Strategic Plan – zero draft Addendum |</u> <u>Green Climate Fund</u> <u>https://www.greenclimate.fund/document/gcf-b34-inf17</u>

1. Introduction

It is recommended to include the following points in the introductory section of the Zero Draft:

- Countries are engaged in preparation and implementation of their NDCs and NAPs to realize their Global Temperature Goals and Global Goal on Adaptation, respectively.
- Despite all enhanced efforts in building resilience of developing countries against climate change, negative climate impacts continue to cause immense loss and damage.
- Technology is crucial for addressing climate change mitigation, adaptation, and loss and damage in developing countries.
- In order to implement climate technologies, there is need to build and strengthen the capacities of developing countries by equipping them with relevant knowledge and skills.
- In order to acquire requisite climate technologies, as well as meet respective capacity building needs, there is need for finance.

2. Strategic vision

- The strategic vision could be made more concrete by linking more explicitly to the goals of the UNFCCC and Paris Agreement and the cycle of updating NDCs, ACs, NAPs, TNAs, TAPs and LTS (page 6, para 15 a in GCF/B.34/Inf.17).
- The strategic vision could include the following:
 - Priority funding to ambitious sectoral plans. Priority funding to NDC, and aligned LT-LEDS, seeking to close the ambition gap on mitigation and adaptation, supporting transformational climate technologies & their enabling environments, and sectoral plans and roadmaps and their deployment aligned with the 1.5 pathway;
 - Priority funding on technologies and national plans seeking a phase out from fossil fuels, industrial decarbonization, zero waste and pollution;
 - Promotion of sectoral transformations;
 - Collaboration with the TEC in relevant areas, such as buildings, industry and transport, for potential development of technology standards aligned with the 1.5 target.

3. Readiness programme

- It is recommended that the GCF considers how to further strengthen integration of technology action plans (TAPs), developed through TNA processes, into the Readiness programming. As such, the TAPs provide programmatic approaches to enhancing technology transfer (diffusion, deployment and uptake) and the actions included in the TAPs could provide a solid basis for consistency in Readiness programming, including through a portfolio of actions supporting technology development and transfer. It should be noted that a prerequisite for the relevance of TAPs for the Readiness programming, is regular updating of TNAs and TAPs
- This, for example, could be applied in the following paragraphs:
 - (Page 8, para 16 c in GCF/B.34/Inf.17): Specific proposals were made for additional allocations for DAEs, periodic NAP support, TNA and TAP support, including regular updating of TNAs and TAPs, and loss and damage..."
 - (Page 5, para 14 b in GCF/B.34/Inf.17/Add.01): b) Every developing country will be able to access predictable support, as needed, to complete and periodically update their NDCs, NAPs, TNAs and TAPs and translate these into climate investment plans, including planning for loss and damage.

4. Country ownership

- To secure country ownership, countries need assistance in developing and retaining relevant expertise to convert investment plans, including NAPs and TAPs, into projects (Page 8, para 16 b in GCF/B.34/Inf.17).
- In doing so, strengthening the involvement of stakeholders in key steps of project design and implementation is important. This last part is aligned with one of the TEC recommendations contained in its Joint Annual Report 2022¹: "The operating entities of the Financial Mechanism and the CTCN encourage their project implementers to pursue approaches that involve engagement of stakeholders in key steps of project design and implementation and help to strengthen national and local ownership of technology interventions;" (<u>https://unfccc.int/documents/615123</u>, p.10-12)

5. Shifting the model from incremental to systemic responses

 In order to help the implementation of this strategic shift, the TEC and CTCN have already undertaken joint work with the GCF on NSI, RD&D, incubators and accelerators, emerging and transformational adaptation technologies, long term strategies and transformative industries². This is well aligned with one of the TEC recommendations contained in its

¹ The COP and CMA at COP 27 Invited Parties and relevant stakeholders to consider the relevant key messages and the implementation of recommendations of the Technology Executive Committee for 2022.

² Thematic Dialogue on incubators and accelerators in developing countries organized by the TEC, CTCN and GCF held on 14 March 2018: <u>https://unfccc.int/ttclear/events/2018_event2</u>. This culminated in a technology brief on "Climate Technology Incubators and Accelerators"

https://unfccc.int/ttclear/misc_/StaticFiles/gnwoerk_static/incubators_index/ee343309e8854ab783e0dcae3e c2cfa6/c172d2f388234bdbbe3dd9ae60e4d7e9.pdf

annual report 2022³: "The operating entities of the Financial Mechanism and the CTCN, as well as other national and international climate funds, in line with their respective mandates, consider how transformative technologies in priority sectors and measurement of their adoption support the long-term goals of the Paris Agreement." (https://unfccc.int/documents/615123, p.10-12)

- On page 17, para 34.c of zero draft (GCF/B.34/Inf.17: Helping shift the model of NDC/AC/NAP/LTS/TNA/TAPs implementation and investment planning from incremental to systemic responses (also reflected in Figure 5). We invite the GCF to work with the TEC in the TNA guidelines update, in order for this to be a part of the update (see activity B.1.1 in <u>TEC workplan 2023 2027</u>).
- TNAs and their results (TAPs) have proven useful for countries in accessing GCF funding for small to large scale projects. The GCF could explore lessons learned from these various examples of projects and, on this basis, further enhance the dialogue with the TNA community on this matter, with the aim of supporting countries currently undertaking a TNA to transition from a TNA/TAP to a full-scale project under the GCF. Furthermore, Countries should also be encouraged to integrate the TNA/TAPs, NDCs, NAPs and results of CTCN technical assistance into GCF country programming.
- The GCF's important role in enhancing the culture of innovation could be enhanced, including through support to the creation of countries' National System of Innovation, incubators and accelerators, and international collaboration on innovation.
- In Annex 1, paragraph 9 of the "Review and update of the Green Climate Fund Strategic Plan zero draft", the Technology Mechanism is very well placed to provide support for the first two of the identified actions to unlock climate innovation and deploy its resources: namely, (i) enhancing the capacity of countries to establish an enabling environment for climate action; (ii) enabling innovators in developing countries to ground truth new climate solutions, as these two areas are an integral focus of the CTCN services provided to developing countries.
- Drawing from the rich experience of the CTCN in national and sub national delivery of technologies and the TEC in terms of policy guidance, the GCF and Technology Mechanism should be engaged at a programmatic and management level in the design and implementation of the incubator and accelerator programme of the GCF.
- Regarding paragraph 34.b of the Zero Draft, the CTCN stands ready to collaborate in building capacity of developing country partners and building the information resources and tools needed to better equip them, in particular in relation to "strengthening of climate innovation systems". This is even more relevant given the enhanced focus on innovation in the Joint Work Programme of the Technology Mechanism.

³ The COP and CMA at COP 27 Invited Parties and relevant stakeholders to consider the relevant key messages and the implementation of recommendations of the Technology Executive Committee for 2022.

- 6. Promoting a stronger focus on how GCF can upscale successful projects and best practices of smaller and regional climate funds and technical assistance facilities, building on collaboration with the Adaptation Fund, the Global Environment Facility (GEF) and the CTCN
 - Strengthening work with the CTCN will allow for a more seamless integration of CTCN Technical Assistance to help deliver accessing downscaled climate information and emission profiles/projections; systems-level feasibility studies; use of analysis for investment planning, selection and design; concept note and funding proposal drafting; policy implementation and climate results management regarding to support programming with a technology focus (page 8, para 16 c in GCF/B.34/Inf.17). Priority could be given to approving funding proposals which have been developed as a result of CTCN technical assistance implemented in the country.
 - Direct access entities should be encouraged to collaborate (enter into partnerships) with the CTCN to develop technology related readiness, SAP or full-scale funding proposals given that the CTCN has technology experience in over 100 developing countries, extensive readiness experience, and strong networks in the countries.
 - Likewise, the Technology Mechanism could be engaged by the GCF to build capacity of the national direct access entities to develop concept notes and/or provide an advisory role regarding the incorporation of technology in RFPs and proposals.

7. Complementarities and coherence

- Further streamlining of existing linkages will improve coherence. This is aligned with one
 of the TEC recommendations contained in its annual report 2022⁴: "The secretariats of the
 CTCN and operating entities of the Financial Mechanism collaborate in identifying ways to
 further streamline the process for facilitating linkages and readiness support for sectoral
 transformation through climate technologies (e.g. through adopting a more
 programmatic approach), thereby strengthening proposals and support for building
 developing country Parties' capacity for undertaking technology oriented projects;"
 (https://unfccc.int/documents/615123, p.10-12).
- Nominated GCF board members should be encouraged to participate in CTCN Advisory Board meetings (as originally advised under COP18 (https://www.ctcn.org/files/08a02.pdf, Annex II)
- The CTCN's technical assistance and readiness experience can support the GCF in considering how to differentiate approaches for LDCs and better serve their needs.

8. Coordination among national focal points

• Strengthened strategic coordination between NDEs and NDAs and other national focal points of UNFCCC as appropriate, will increase quality of funding proposals and facilitate access to funding. The inclusion of a reference to NDEs into page 7 para 20(a) in

⁴ The COP and CMA at COP 27 Invited Parties and relevant stakeholders to consider the relevant key messages and the implementation of recommendations of the Technology Executive Committee for 2022.

GCF/B.34/Inf.17/Add.01: Focusing on building capacities of NDAs/focal points to engage in transformational planning and programming, incorporating broad-based stakeholder engagement; would be beneficial.

- A number of countries include National Designated Entities of the Technology Mechanism in their central coordination committee. This practice is encouraged to be consistently promoted by the GCF during both the project formulation and implementation stage.
- The Joint Work Programme of the Technology Mechanism (2023-2027) focuses on TNA/TAPs, roadmaps, national systems of innovation, and digitalization. It could be beneficial for the GCF and Technology Mechanism to collaborate on these issues, including for example, by establishing a working group to explore ways to raise awareness among NDAs and NDEs regarding integration of these focus areas in GCF proposals in order to support enhanced technology development, transfer and innovation.

9. Gender-transformative development impact

- The GCF is encouraged to consider updating project design and reporting protocols (e.g. disaggregated data collection on gender in governance structures, stakeholder participation, and documentation of relevant good practices and lessons learned), continue sharing best practices and building awareness among delivery partners of the positive contributions of gender mainstreaming and stakeholder engagement to accelerating technology development and transfer project;
- The GCF could consider at the strategic level how they promote gender balance in the technical teams that implement technology projects, in line with fostering women's and girls' full participation and leadership in science, technology, research and development, and share experience of gender budgeting.
- The GCF could also consider raising awareness of the financial and technical support available for gender integration in climate technology policies, plans, strategies and action, as appropriate, including good practices for facilitating access to climate finance for grass-roots women's organizations and indigenous peoples and local communities for technology projects.
- All the above are TEC recommendations in its 2022 report to the COP and CMA. The COP and CMA at COP 27 Invited Parties and relevant stakeholders to consider the relevant key messages and the implementation of recommendations of the Technology Executive Committee for 2022. (<u>https://unfccc.int/documents/615123</u>, p.10-12).
- The GCF should identify upscalable and replicable projects that integrate gender responsive technology and mechanisms, including from good practices of grassroots women's climate projects, in cooperation with the TEC, CTCN, the Women and Gender Constituency and other relevant stakeholders.
- The GCF should support capacity building for Parties to produce gender-responsive TNAs and TAPs, as there is still a lack of sex-disaggregated data and gender mainstreaming in climate policies at national level. TNAs should systematically include gender assessments

that enable countries to determine their climate technology priorities with a gender responsive approach. Special attention should be paid to local communities and indigenous women.

10. Need for guidelines and capacity building

 Developing countries, especially the Least Developed countries, have limited capacity to develop proposals that can be used for resource mobilization to support relevant climate action. There should be an enhanced effort to strengthen capacity of these countries to enable them to develop and implement climate technology proposals. This challenge may be experienced for instance, in the NDC and NAP preparation and implementation processes, where the LDCs are lagging behind due to inadequate capacity. Capacity building, therefore, is a necessity, in order to advance implementation of technology development and transfer under the UNFCCC process. It requires funds from GCF, GEF and other sources, hence the call for strong cooperation and collaboration among all stakeholders, not only between the Technology Mechanism and Financial Mechanism.

11. Other observations

- It would be useful if the Board could provide further clarification on the following high level priorities in the next iteration:
 - Para 23(c) Considering new prospective concepts for requests for proposal with a focus on fostering innovation and scale, particularly for adaptation and technology incubation (what is understood as new prospective concepts?)
 - Para 24 (b) Unpacking how GCF can spur investments in innovation and technology, with particular attention to supporting domestic innovation in developing countries, technology transfer, building technology collaboration and strengthening innovation ecosystems; as well as capturing innovation from local and traditional approaches
- Para 23(b): CTCN is part of the Technology Mechanism together with the TEC. The phrase is written in such a way that it could be construed that CTCN is a separate entity. Suggest to revise to either mention both the CTCN and the TEC or otherwise just the Technology Mechanism.
- Suggest to add TNAs/TAPs to the lists of national documents at paragraphs 11(b)(i) 20(c) and 21(a) in document in GCF/B.34/Inf.17/Add.01.
- Opportunity for further engagement of the TEC and CTCN with GCF Board is welcome.