

Dear GCF Secretariat,

I refer to your message on 24 December 2022 in which you invite us to share views on the document “ Update of the Green Climate fund Strategic Plan 2024-27 Consultation DRF.01”. Please take note of our comments as follows:

- a) As a general comment, we found the document to be well structured. The various layers of long term vision, mid-term goals, program objectives and operational priorities are clearly defined. We welcome the direction of the strategy as outlined, as well as the various goals and objectives.
- b) As to the mid-term goals, we would prefer a more explicit approach towards investing in transformative projects and programs, reflecting the urgency to decarbonize economies and move onto a sustainable pathway in line with the Paris Agreement and with a reference to 1.5 degree Celsius. Such language should preferably be reflected in a separate mid-term goal by 2027.
- c) The current five mid-term goals are divided into two timelines. Three of the goals are by 2027 and two are by 2030. While the first three are quite specific and narrowly defined, the two latter have a wider scope. This raises the question to what extent they are interlinked, and whether we could confidently argue that the 2027 goals will pave the way for the 2030 goals. We would prefer more ambitious language on the goals by 2027, while we believe that the two goals by 2030 – Coalitions for systems transitions and Greening Finance – are key ones of paramount importance.
- d) Objective 1: to strengthening country climate investment capacity. The text rightly addresses the need to build capacity to translate NDC and other climate document into investment plans/programs as they are key documents in terms of a State’s obligation towards the Paris Agreement. However, building institutional climate capacity, should not only be confined to translate such documents into actions, but may very well be called for when it comes to general or sectoral development policies which will have clear climate impact. While we welcome the concrete listing of modalities, actions and partnership to support objective 1, they appear somewhat narrow and too technical. We would prefer a more ambitious approach which addresses the challenge to make the Paris Agreement an integral part of public administration and expenditures.
- e) Objective 2: accelerating innovation of new climate solutions. We welcome this objective as an important one. We like to see a stronger emphasis on private sector engagement.
- f) Objective 3: building resilience to urgent climate threats, is an important one, and so is the reference to “countries that are particularly vulnerable to climate impacts including SIDS, LDCs and African States”. In this context, it is to be noted that fragile and conflict affected states are confronted with their own particular challenges. Climate threats bring their own security related risks. And states affected by conflicts often lack capacity to deal with these threats. We would welcome a particular subparagraph addressing the issue of climate related security risks.
- g) Objective 4: forging coalitions for just systems transitions. The importance and magnitude of this objective is hard to overestimate, and it speaks to the convergence of climate and development policies. We welcome that the GCF positions itself at the center court of Government policies and actions, and while preserving the integrity of its mandate, contributes the critical climate dimension and expertise. The text rightly points to GCF position to help developing countries build public-private investments collaborations to maximize for their climate ambitions.
- f) Objective 5: greening financial systems: we strongly support this as being one of the five objectives and agree with the elements mentioned to support this objective.

However, we like to see a more ambitious approach, which not only address incorporating climate risks but moves towards fully aligning operations by financial institutions with the Paris Agreement and setting up enabling policy environments.

We look forward to take part in the continued consultations on an Updated Strategic Plan for 2024-27.

Best regards

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Director

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