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# Results management framework: Independent Evaluation Unit recommendations to improve the Initial Results Management Framework – Addendum I

## Secretariat management response

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### **Summary**

This document presents the Secretariat management response to the recommendations of the Independent Evaluation Unit (IEU) Independent Review of the GCF's results management framework. In considering the Management response in the context of the GCF's wider strategic and policy settings, the Secretariat has also developed for the Board's consideration a proposed implementation plan – with options – for a more holistic and coherent approach to the GCF's results management architecture.

## Table of Contents

I.	Introduction	1
II.	Process	1
III.	Data and facts	1
IV.	Strategic reflections and Approach to Implementation	2
V.	General comments	3
VI.	Overall response to recommendations	4
VII.	Conclusion	6
	Annex I: Draft decision by the Board	7
	Annex II: Secretariat management response action plan/matrix	8
	Annex III: Document GCF/B.20/Inf.01, "Update on the further development of some indicators in the performance measurement frameworks"	23

## I. Introduction

1. In accordance with decision B.19/21, which approved the annual workplan and budget of the Independent Evaluation Unit (IEU),<sup>1</sup> and annex XXI, paragraph 5(c), to that decision, IEU carried out an independent review of the GCF initial results management framework (RMF), adopted through decision B.07/04. The Secretariat thanks IEU and welcomes the findings based on applicable IEU evaluation criteria; it considers that the findings provide a useful assessment of the potential integration of and refinements to the RMF and performance measurement frameworks (PMFs), adopted by decision B.08/07.

2. The Secretariat considers the independent review to be particularly timely for Secretariat and Board consideration as the GCF portfolio in implementation grows and GCF enters replenishment in 2019. Moreover, the independent review has positively stimulated reflection within the Secretariat, focused on opportunities for advancing GCF goals and responding efficiently and effectively to the summary recommendations as a learning organization.

## II. Process

3. The management response below includes a brief reflection on findings and specific actions to address and implement the recommendations and a draft decision for the Board's consideration. It was drafted through a participatory approach with inputs from Secretariat staff across divisions/units, followed by a review and strategic validation by the Senior Management Team. The Secretariat will, over 2019 and 2020, incorporate actions and budget pertaining to the key summary recommendations that emerged from the IEU review, as may be decided by the Board. This document also includes a proposed Secretariat's action plan in response to the IEU recommendations and Secretariat's recommendations for the Board's consideration.

4. It should be underscored that this response constitutes the views of the Secretariat and that the Secretariat stands ready to take action, where necessary, on IEU recommendations as may be decided by the Board.

## III. Data and facts

5. In accordance with paragraph 58 of the Governing Instrument for GCF, an RMF with guidelines and appropriate performance indicators will be approved by the Board. Performance against these indicators will be reviewed periodically to support the continuous improvement of the impact, effectiveness and operational performance of GCF.

6. The Board, through decision B.05/03, adopted the GCF initial result areas and performance indicators and decided that the GCF RMF will "enable effective monitoring and evaluation (M&E) of the outputs, outcomes and impacts of the Fund's investments and portfolio, and the Fund's organizational effectiveness and operational efficiency." The Board further decided that in designing its RMF, "the Fund will use the experience of other relevant entities, and, where appropriate, align the framework and indicators with existing best practice models".

7. Following decision B.05/03, the Board, through decision B.07/04, adopted the elements of the initial GCF RMF after reviewing document GCF/B.07/04 titled "Initial Results Management Framework of the Fund".

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<sup>1</sup> See also: decision B.19/21, annex XX, paragraph 2(b); document GCF/B.19/17, annex II, paragraphs 2(b) and 4(c) and table I, and annex III, paragraphs 4(b), 10 and 11 and table II.

8. In its review, IEU mentioned areas that would require further clarification with the Secretariat before it can start implementing recommendations and engaging with other stakeholders, particularly accredited entities (AEs). First, it noted that the Board has either approved or noted 43 indicators that are treated equivalently by GCF stakeholders, whereas in the PMFs there are 37 indicators across the paradigm shift, impact and outcome levels. Second, a study carried out by the IEU found that half of GCF-approved projects do not plan to collect baseline data and 70 per cent of the projects have insufficiently planned and budgeted for M&E to inform their targets credibly. It also found that 40 per cent of GCF investments (equivalent to USD 1,363 million) so far do not have indicators that report on impacts. Additionally, the IEU noted that more than two – thirds of the GCF-approved funding proposals did not clearly define causal pathways that show how activities lead to climate change impacts.

#### IV. Strategic reflections and approach to implementation

9. The Secretariat notes that the findings and recommendations of the IEU's review have bearing on both the immediate implementation of processes relating to funding proposal assessment and portfolio management, as well as broader implications relating to the adequacy and effectiveness of the current RMF and PMFs within the GCF's overall approach to results management. This is of significance as the Fund moves out of its Initial Resource Mobilization Period (IRM) and considers its strategic and policy settings for the first replenishment period.

10. In relation to **ongoing pipeline and portfolio management activities**, the Secretariat is already making an active effort to adopt targeted measures to strengthen results management in line with several of the IEU's recommendations (particularly recommendations 2, 4 and 6). These are being integrated through revisions to funding proposal review processes, relevant policy, and format/templates to refine current systems. Collectively, these improvements, with additional Secretariat M&E capacity, are expected to improve the quality of funding proposal submissions for the remaining projects approved under the IRM. The Secretariat expects that these ongoing improvements to guidance, systems and processes can be delivered within the framework of the Secretariat's approved 2019 work programme and budget.

11. Insofar as the findings and recommendations of the IEU's review also have a bearing on the **adequacy and effectiveness of the GCF's overall approach to impact and results management**, the Secretariat notes that the Board may wish to consider commissioning more holistic and an integrated approach in this area of work. This could look beyond the initial RMF itself, to consider (a) how impact and results are being managed across GCF policies and processes, from the portfolio level, through to the investment framework (IF), to results management; (b) evolution of the GCF's measurement, reporting and verification systems (MRVs); (c) evolving GCF frameworks to take account of latest knowledge and developments in relation to measuring paradigm shift, adaptation impacts and country-level reporting under the UNFCCC and Paris Agreement.

12. In the broader context of improving results management for the GCF as an institution, the Board might consider commissioning the Secretariat to bring forward a proposal for an integrated approach to impact and results management, taking on board requested work revisions, finalisation of the RMF/PMFs undertaken and the Fund's strategic directions. The Secretariat notes that this exercise was not originally part of its 2019 work programme and budget given that at the time of developing the Secretariat's 2019 work programme and budget it wasn't fully certain to what extent and depth this work would entail. The Secretariat estimates that additional budget in the range of USD 500,000 to USD 600,000 would be required to contract external assistance to support this work in a phased manner throughout 2019 and much of 2020 if the Secretariat is to come up with a more holistic, integrated and coherent approach to impact and results management.

13. Finally, in relation to addressing the IEU's findings and recommendations relating to **gaps in results monitoring and reporting arrangements for the approved portfolio**, the Secretariat notes that in order to mitigate these gaps and risks to the credibility of reporting GCF portfolio results, attribution or contribution of results to GCF investments to an acceptable level, the Board may wish to consider adopting measures beyond the Secretariat-led action described above. This could include:

- (a) Acknowledgement and acceptance of the challenges and gaps of the IRM portfolio identified by the IEU and maintaining the results monitoring and reporting for all approved funding proposals as stands;
- (b) Mandating the Secretariat to propose a programme for *selective* remedial measures to mitigate the risks to the portfolio results reporting with corrective action to address the essential risks and gaps to bridge the largest data gaps in baselines, verifications and other relevant evidentiary assessment; or
- (c) Mandating the Secretariat to propose a programme for *comprehensive* remedial measures to mitigate the risks to the portfolio results reporting with corrective action to address majority of data gaps in baselines, verifications and other relevant evidentiary assessment resolving the risks and issues identified in the IEU Review.

14. The Secretariat notes that measures (b) and (c) would require additional funding to be allocated for baseline development and M&E functions under approved projects, with the scale of such funding need dependent on the number of projects targeted for action. A full proposal detailing a proposed scope of action, modalities for implementation and associated budget could be prepared for the Board's consideration at a future meeting. These activities would likely be allocated by the Secretariat for implementation by AEs through a two - year workplan.

## V. General comments

15. **Relationship between key findings, recommendations and narrative text:** the review included 9 key findings, 10 summary recommendations and 14 references to recommendations in the narrative. In some instances, the Secretariat found it difficult to relate the findings to the summary recommendations as some of the findings pertain to multiple decisions and the wording of some recommendations did not seem to reflect the intent expressed in the narrative.<sup>2</sup> As a result, the Secretariat, in the management response, has focused on addressing 10 summary recommendations as highlighted in the following section.

16. **Process for the presentation of evaluation/independent review and corresponding Secretariat management response/action plan documentation:** the Secretariat notes that the preparation of a management response requires a consultative process internally within the Secretariat, as well as with stakeholders, including AEs and national designated authorities (NDAs) as needed, which requires sufficient time after the completion of the evaluation. The Secretariat proposes that, in the future, the Board considers requesting IEU to allow the Secretariat enough time to review an evaluation or independent review prior to wider dissemination and Board consideration to ensure that the Board can review the evaluation/independent review and the management response at the same Board meeting.

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<sup>2</sup> For example, summary recommendation 3 addresses real-time progress reporting, but, based on the narrative justification, real-time reporting seems to be more related to real-time relationships of activities and outputs on long-term objectives, real-time reporting on risk flags/early warning systems and adapting to real-time modifications to the results management framework.

## VI. Overall response to recommendations

17. The Secretariat acknowledges the challenges and opportunities for results management identified in the independent review and the 10 summary recommendations. The Secretariat considers the independent review helpful in assessing the inconsistencies in, and the need for further refining/realigning, causal pathways to indicate how funding proposals are expected to enable the Secretariat to manage results for GCF to achieve a paradigm shift towards low-emission and climate-resilient sustainable development pathways. Overall, the Secretariat agrees or partially agrees with all the recommendations, specifically those identified for Secretariat action, as set out below.

18. **Summary recommendation 1:** “The GCF Secretariat should develop and operationalize theories of change for key thematic areas and integrate these into project proposals early.” **The Secretariat agrees.**

19. The Secretariat will develop and operationalize TOCs more consistently for thematic areas for GCF funding proposals in accordance with the existing requirements of the independent Technical Advisory Panel (TAP).

20. **Summary recommendation 2:** “The Secretariat should update the RMF and PMFs, address deficiencies and develop protocols that provide guidance on what, who, when, how indicators can and should be measured and how they should be aggregated. Furthermore, the Secretariat should collaborate with other key agencies and stakeholders to harmonize critical concepts and indicators and to develop standards and methods for new indicators for mitigation and adaptation projects where pertinent. Attention should be given to identifying a reliable core indicator of adaptation.” **The Secretariat agrees.**

21. The Office of Portfolio Management (OPM) is expected to work closely under the guidance and leadership of the Office of Governance Affairs to ensure that a complementarity approach is taken and that a collaborative platform comprised of peer institutions is initiated to further standardize indicators and strengthen methodologies to measure indicators in the RMF/PMFs. The Secretariat will coordinate with AEs and stakeholders in the finalization of the RMF/PMFs. The Secretariat will revise and update the RMF/PMFs applying a harmonized approach with peer climate finance mechanisms and in consideration of the monitoring/reporting efforts of AEs. It will also develop RMF/PMFs indicator protocols, guidance and tools for AEs in the application of the funding proposals log-frame and associated methodologies for the aggregation, to the extent possible, at the portfolio level of results reported against relevant indicators contained in the RMF/PMFs.

22. **Summary recommendation 3:** “There should be a transparent web-based portfolio management system that allows different stakeholders to view project related information and progress in real-time. This should be developed by the GCF Secretariat.” **The Secretariat partially agrees.**

23. The Secretariat will further develop, based on the Integrated Portfolio Management System, a complementary online and voluntary, real-time reporting system for AEs. The Secretariat will also develop a portal to facilitate the submission of annual performance reports by AEs. The Secretariat will continue its efforts to expand the scope of its web-based systems to increase access to the information contained in its systems for all stakeholders and report progress on its efforts to do so by the twenty-fourth meeting of the Board (B.24).

24. **Summary recommendation 4:** “The Secretariat should develop a technical guide that integrates in a clear and coherent manner all relevant Board decisions and policies related to results management. While continuing to develop the risk management system, the Secretariat should give special attention to the roles and responsibilities of accredited and implementing

entities. The distinction between the roles of accredited entities and implementing entities also needs to be clarified.” **The Secretariat partially agrees.**

25. The Secretariat will review and adopt a comprehensive results management approach for GCF and then develop a corresponding system based on an outline of requisite definitions and roles/responsibilities. The Secretariat will prepare a technical guide on results management to serve as a resource reflecting on the requirements, interlinkages and practical application of Board decisions and policies. The updated version of the *GCF Handbook: Decisions, Policies, and Frameworks* will include links to guidance on a more comprehensive approach to results management that is adopted by the Board. In this context, and in the longer term, the Secretariat will endeavour to align the RMF/PMFs with the Investment Framework (IF). More particularly, the investment criteria indicators (ICIs) contained in the IF thereby ensuring a more harmonized and holistic approach to results management which clearly articulates the results hierarchy and how an enhanced monitoring and evaluation (M&E) system will be established to ensure that results are achieved, and reported, more comprehensively and coherently over time.

26. **Summary recommendation 5:** “The Secretariat should initiate a dialogue with the NDAs, AEs and other key stakeholders to define the appropriate role of the NDAs throughout the project cycle and where possible GCF indicators should link with country monitoring indicators and SDG (Sustainable Development Goal) reporting.” **The Secretariat partially agrees.**

27. The Secretariat will explore ways to pragmatically link and improve reporting towards SDGs in the update of the RMF/PMFs, while keeping in mind that apparent linkages exist between GCF result areas in the mitigation and adaptation models and those of key SDGs. The Secretariat and the Board should explore ways to further promote collaboration between AEs and NDAs to provide information on monitoring. The Secretariat will continue to enhance dialogue with NDAs and AEs on such a collaboration.

28. **Summary recommendation 6:** “The Secretariat should clarify roles and responsibilities internally and ensure that during project preparation, sufficient attention is paid to the design and budgeting of project M&E system prior to project proposal approval.” **The Secretariat partially agrees.**

29. The Secretariat, based on the consideration of best practices followed by peer organizations, will provide AEs with specific guidance on allocating M&E costs in funding proposal budgets as part of the improvements to ensure credibility of results reporting. The Board may like to consider setting aside a certain amount of additional funding from the commitment authority to address gaps in the M&E design and/or evidence generation, based on the IEU’s review, in the current portfolio of approved funding proposals based on a Secretariat prioritization of those projects/programmes where these gaps are felt most.

30. **Summary recommendation 7:** “As was undertaken for this review, the IEU should carry out regular ‘evaluability reviews’ to assess the extent to which projects are likely to report and measure their impacts and outcomes credibly.” **The Secretariat partially agrees.**

31. The Secretariat requests IEU to continue to address evaluability reviews as part of its evaluations, particularly with respect to measuring impacts and outcomes. It will continue to develop and refine impact methodologies and outcomes with other climate finance delivery mechanisms using the principle of coherence and complementarity and report on its efforts to do so at B.24. The Secretariat should review and agree on the evaluability of a funding proposal so that funding proposals that cannot be adequately evaluated are filtered during the Secretariat assessment and are not forwarded for the Board’s consideration.

32. **Summary recommendation 8:** “The IEU should prepare guidelines for project evaluations.” **The Secretariat partially agrees.**

33. The Secretariat will continue its efforts to develop internal guidance to review evaluations from AEs with the understanding that evaluations from AEs are mandated by accreditation master agreements (AMAs).

34. **Summary recommendation 9:** “On approval of the GCF Board, the IEU should also carry out an independent review of the accreditation process considering the extensive deficiencies in the evaluability and likelihood of credible reporting that this review summarizes across the portfolio of approved projects.” **The Secretariat remains neutral.**

The Secretariat requests the Board to take a decision on the inclusion of an independent review of the accreditation process at the point of consideration for the IEU workplan(s).

35. **Summary recommendation 10:** “The Secretariat should revise its indicators on gender to more fully address other aspects of social inclusion and integrate these into the RMF/PMFs. The Secretariat should also clarify the Fund’s gender- and social-inclusion impact and outcome priorities, especially regarding mitigation. The further development of the RMF/PMFs will need to ensure that existing systems for including gender in project planning and M&E are given due consideration.” **The Secretariat agrees.**

36. The Secretariat will continue to update the RMF/PMFs contained in document GCF/B.20/Inf.01, taking into consideration the IEU summary and narrative recommendations contained in document GCF/B.21/20 with respect to indicators on gender and social inclusion. The Secretariat will also take into strong consideration the gender-responsive results framework and associated indicators illustrated in the gender and climate change toolkit and, to the extent possible, integrate some of the key indicators in the finalized version of the RMF/PMFs.

## VII. Conclusion

37. The Secretariat welcomes and appreciates the work done by IEU. The review and recommendation on the RMF not only provided the Secretariat with the opportunity to discuss the findings and learnings internally, but also allowed it to address and present to the Board much needed actions and decisions to ensure that GCF remains a continuous learning institution in a manner that enhances the current structure and system in measuring results and impacts. The Secretariat believes that the key actions based on the IEU recommendations will greatly improve the initial RMF and its application to the GCF portfolio in a more systemic and coherent manner.

38. The Secretariat would like to share with the Board (including new Board Members and Alternate Board Members) the extensive work already undertaken by the Secretariat in 2018 on the further development of indicators and associated MRVs in the PMFs. This work culminated in a Board document, **GCF/B.20/Inf.01**, titled ‘**Update on the further development of some indicators in the performance measurement frameworks**’ and was supposed to be presented to the Board at its twentieth meeting. However, this agenda item wasn’t opened at that meeting. Therefore, the Secretariat wishes to take this opportunity to attach this document as **Annex III**, which was finalized and published, to give an indication to the Board regarding the substantial background work undertaken in terms of streamlining some of the indicators and MRVs in the PMFs and, accordingly, support the Board to take an informed decision in terms additional assistance required to finalize the RMF/PMFs and develop a more holistic and coherent approach to results management in line with the wider strategic and policy considerations of the Secretariat.

## Annex I: Draft decision by the Board

The Board, having considered document GCF/B.22/07/Add.01 titled “Results management framework: Independent Evaluation Unit recommendations to improve the Initial Results Management Framework – Addendum I: Secretariat management response”:

- (a) Takes note of the Secretariat’s management response and proposed action plan contained in document GCF/B.22/07, including actions currently being undertaken by the Secretariat to strengthen results management;
- (b) Requests the Secretariat to present for the Board’s consideration a revised results management framework and updated performance management frameworks from those adopted by decisions B.07/04 and B.08/07, respectively, no later than the twenty-fourth meeting of the Board, that integrates relevant Board decisions, policies and frameworks related to results management across the GCF process cycles, to the extent possible, including developing measurement, reporting and verification systems/methodologies for indicators in consultation with the relevant experts and thematic bodies, as mentioned in the summary and narrative recommendations of the Independent Evaluation Unit contained in document GCF/B.22/07;
- (c) Requests the Secretariat to develop, for the Board’s consideration, at its twenty-third meeting, a proposal to respond to gaps in the current portfolio for measurement and evaluation design and/or evidence generation, including delivery modalities and a proposed budgetary estimate; and
- (d) Requests the Secretariat to ensure that accredited entities should adequately budget costs related to data collection and baseline assessment as part of project costs to establish credibility of results reporting.

## Annex II: Secretariat management response action plan/matrix

### Executive summary

In accordance with decision B.19/21, which approved the annual work plan and budget of the Independent Evaluation Unit (IEU),<sup>1</sup> and annex XXI, paragraph 5(c), to that decision, IEU carried out an independent review of the GCF Initial RMF, adopted through decision B.07/04. The Secretariat thanks IEU and welcomes the findings based on applicable IEU evaluation criteria; it considers that the findings provide a useful assessment of the potential integration of and refinements to the GCF RMF and performance measurement frameworks (PMFs) adopted by decision B.08/07. The Secretariat acknowledges the challenges and opportunities for results management identified in the independent review and the **10 summary recommendations**. The Secretariat considers the independent review helpful in assessing the inconsistencies in, and the need for further refining/realigning, causal pathways to indicate how funding proposals are expected to enable the Secretariat to manage results for GCF to achieve a paradigm shift towards low-emission and climate-resilient sustainable development pathways. Overall, the Secretariat agrees or partially agrees with all the recommendations, specifically for Secretariat action.

The Secretariat considers the independent review to be particularly timely for Secretariat and Board consideration as the GCF portfolio in implementation grows and GCF enters replenishment in 2019. Moreover, the independent review has positively stimulated reflection within the Secretariat focused on opportunities for advancing GCF goals and responding efficiently and effectively to the summary recommendations as a learning organization.

The management response below includes a brief reflection on findings and specific actions to address the recommendations. It was drafted through a participatory approach with inputs from Secretariat staff across divisions, followed by review and strategic validation by the Senior Management Team. The Secretariat will, over 2019 and 2020, incorporate actions pertaining to the key summary recommendations that emerged from the IEU review as may be decided by the Board. This document also includes a proposed Secretariat's action plan based on IEU and the Secretariat's recommendations for the Board's consideration with respect to the document.

The Board may like to note that while the Secretariat agrees fully or partially to the recommendations by the IEU in its evaluation of the RMF, the Secretariat has a robust work programme and modest budget for 2019 and given the extensive work and possible external global expertise/assistance needed to address gaps in the RMF/PMFs, the Secretariat recommends that some of these be addressed in the 2020 work programme and budget. Having said that, it should be underscored that this response constitutes the views of the Secretariat, and that the Secretariat stands ready to take action, where necessary, on the recommendations of IEU, as may be decided by the Board.

<sup>1</sup> See also: decision 19/21, annex XX, paragraph 2(b); document GCF/B.19/17, annex II, paragraphs 2(b) and 4(c) and table I, and annex III, paragraphs 4(b), 10 and 11 and table II.

### Overall strategic comments

*Relationship between key findings, recommendations and narrative text:* the review included 9 key findings, 10 summary recommendations and 14 references to recommendations in the narrative. The Secretariat found it difficult to relate the findings to the summary recommendations as some of the findings pertain to multiple decisions and the wording of some recommendations did not seem to reflect the intent expressed in the narrative.<sup>2</sup> As a result, the Secretariat, in the management response, has focused on addressing the 10 summary recommendations as highlighted below.

*Process for presentation of evaluation/independent review and corresponding Secretariat management response/action plan documentation:* the Secretariat notes that the preparation of a management response requires a consultative process internally within the Secretariat, as well as with stakeholders (AEs and NDAs) as needed, which requires sufficient time after the completion of the evaluation. The Secretariat proposes that, in the future, the Board consider requesting IEU to allow the Secretariat enough time to review an evaluation or independent review prior to wider dissemination and Board consideration to ensure that the Board can review the evaluation/independent review and the management response at the same Board meeting.

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<sup>2</sup> For example, summary recommendation 3 addresses real-time progress reporting but based on the narrative justification, real-time reporting seems to be more related to real-time relationships of activities and outputs on long-term objectives, real-time reporting on risk flags/early warning systems and adapting to real-time modifications to results management frameworks.

**Summary recommendation 1:**

The Secretariat should develop and operationalize theories of change for key thematic areas and integrate these into project proposals early.

**Management response:** *agreed*

*For funded activities, the Secretariat will continue to provide guidance to integrate theories of change (TOCs) into funding proposals – also required by the independent Technical Advisory Panel – and identify how funding proposals integrate TOCs in accordance with key result areas and through multiple pathways that explicitly outline the causal linkages between independent and dependent variables (i.e. inputs, activities, outputs, intermediate outcomes, final outcomes and impacts/vision). The new funding proposal template – which is currently under development – has a section dedicated to TOCs. It is to be noted, however, that for complex and what are, for the most part, non – linear climate change projects, the causal relationships/linkages between the results chain/hierarchy is not always very apparent/clear; therefore, caution must be exercised, and maximum expertise drawn upon while guiding AEs on coming up with quality and comprehensible TOCs.*

*In the context of the Readiness and Preparatory Support Programme, the Secretariat has made initial efforts towards TOCs. For example, the Division of Country Programming (DCP) and Office of Portfolio Management (OPM) together developed a TOC for the Readiness and Preparatory Support Programme and OPM developed a prototype TOC for national adaptation plans, which is used to guide NDAs/delivery partners when they submit a national adaptation plan proposal. However, in the design and implementation of funded activities, the Secretariat notes that significant capacity-building efforts for many AEs may be required if a TOC as a tool is to be deployed consistently and effectively. The Secretariat considers the development of a TOC a valuable project design and communication tool (used in conjunction with the logical framework).*

Key action(s)	Time frame	Responsible unit(s)
The Secretariat will develop and operationalize TOCs for thematic areas for GCF funding proposals more consistently in accordance with the existing requirements of the independent TAP.	B.23	DCP, OPM, Division of Mitigation and Adaptation (DMA), Private Sector Facility (PSF)



## Summary recommendation 2:

The Secretariat, at the request of the Board, should update the RMF and PMFs, address deficiencies and develop protocols that provide guidance on which, when and how indicators can and should be measured and how they should be aggregated. Furthermore, the Secretariat should collaborate with other key agencies and stakeholders to harmonize critical concepts and indicators and to develop standards and methods for new indicators for mitigation and adaptation projects when pertinent. Attention should be given to identifying a reliable core indicator of adaptation.

### Management response: *agreed*

*The Secretariat has commenced work to update the RMF /PMFs based on decision B.17/01, paragraph (b)(x), which decided to defer consideration of the further development of some indicators in the PMFs as contained in document GCF/B.13/26, titled "Further development of some indicators in the performance measurement frameworks" and requested the Secretariat to present this for consideration by the Board at the earliest possible opportunity. In this regard, the Secretariat submitted an information document for Board consideration (GCF/B.20/Inf.01), which was well received by the Board Co-Chairs and the Investment Committee prior to the twenty-first meeting of the Board. Document GCF/B.20/Inf.01 includes a comparative analysis of adaptation and mitigation core and impact indicators, associated targets, and measurement, reporting and verification (MRV) systems. The analysis compared, contrasted and harmonized adaptation and mitigation indicators and methodologies with those of other climate finance mechanisms (Global Environment Facility, Climate Investment Funds, Adaptation Fund, NAMA Facility).*

*However, the Secretariat notes that indicators for adaptation are often subjective, qualitative, country specific, highly contextual and difficult to measure and aggregate. GCF has been collaborating with the Adaptation Fund and other peer organizations in trying to develop means of overcoming challenges in developing comparable and aggregable indicators for adaptation projects. Equally important to note is that the Secretariat – through document GCF/B.20/Inf.01 – endeavored to develop a 'reliable' core adaptation indicator by slightly revising the indicator from that of simply reflecting the intent to count the number of beneficiaries reached to trying to understand how and through which measures (e.g. using proxies) the quality of lives of beneficiaries improved. In the case of developing relevant and measurable mitigation indicators, there are some challenges that need to be considered, especially in relation to ex ante projections and estimations of greenhouse gas (GHG) emission reductions. For the most part, organizations working on GHG emissions reduction projects tend to overestimate targets and that is why, as the Secretariat learned from UKAID Direct recently, a flat discount rate of 50 per cent is applied when accounting for, and validating, GHG emission reductions reported by projects/programmes financed by UKAID and the Department for Business, Energy and Industrial Strategy. What also needs to be considered by the Board and the Secretariat is that developing relevant indicators, providing guidance and protocols, addressing deficiencies in MRV systems in the climate change space is a very expensive and intensive process which requires time and a significant amount of financial resources. As the Secretariat learned, for the development of only one key performance indicator and associated MRV, about GBP 1.5 million was spent by one of its key contributors.*

*The Board should consider delegating authority to the Secretariat on technical matters related to the finalization of PMFs and developing methodologies in*

*the RMF /PMFs and adapting them to changing contexts.*

Key action(s)	Time frame	Responsible unit(s)
OPM is expected to work closely under the guidance and leadership of the Office of Governance Affairs (OGA) to ensure that a complementarity approach is taken and that a collaborative platform comprised of peer institutions is initiated to further standardize indicators and strengthen methodologies to measure indicators in the RMF/PMFs. The Secretariat will coordinate with AEs and stakeholders in the finalization of the RMF/PMFs.	Q2-Q4 2019	OGA, OPM
The Secretariat will revise and update the RMF/PMFs applying a harmonized approach with peer climate finance mechanisms and in consideration of the M&E and reporting requirements of AEs. It will develop RMF/PMFs indicator protocols, guidance and tools for AEs to apply these in funding proposal log – frames and related methodologies for aggregation and credible reporting of mitigation and adaptation results at the portfolio level.	Q4 2019 – Q1 2020	OPM

**Summary recommendation 3:**

There should be a transparent web-based portfolio management system that allows different stakeholders to view project-related information and progress in real time. This should be developed by the Secretariat.

**Management response:** *partially agree*

*The GCF public website provides high-level project information. It shows project description, carbon dioxide emission targets, result areas, project size, environmental and social safeguards risk category, financing, disbursement, co-financing and all relevant documents.<sup>3</sup> Internally, staff use the Secretariat's Integrated Portfolio Management System and Readiness/Project Preparation Facility Management System to update information on the portfolio, store*

<sup>3</sup> Available at <<https://www.greenclimate.fund/-/business-loan-programme-for-ghg-emissions-reduction>>.

*relevant project information and track relevant information of the projects. With respect to GCF portals, during 2019 new improvements in the system are expected to increase access to the information contained in GCF systems to all stakeholders. Additionally, an online submission portal is under development for launch in February 2019 for funding proposals, including those from the simplified approval process. If the real-time information and progress entails a new reporting requirement, the relevant sections of the monitoring and accountability framework (MAF) should be amended accordingly.*

*The Board has approved further portfolio management tools such as risk dashboards and internal dashboards for tracking implementation and these continue to be developed. Dashboards for project progress and performance monitoring are being developed with respect to expenditures, disbursements, reporting requirements and other milestones, including but not limited to outputs and activities. The systems at the disposal of GCF have continuously increased and improved over time as new requirements appear with more information requirements from internal and external clients and new lessons learned in big data and real-time portfolio management.*

<b>Key action(s)</b>	<b>Time frame</b>	<b>Responsible unit(s)</b>
The Secretariat will further develop, based on the online Integrated Portfolio Management System, a complementary online, voluntary, real-time reporting system for AEs. The Secretariat will also develop a portal to facilitate the submission of annual performance reports (APRs) by AEs.	Q3-Q4 2019	Information and Communications Technology (ICT), OPM
The Secretariat will continue its efforts to expand the scope of its web-based systems to increase access to the information contained in its systems to all stakeholders and report progress on its efforts to do so by the twenty-fourth meeting of the Board (B.24).	B.24	ICT, OPM

**Summary recommendation 4:**

The Secretariat should develop a technical guide that integrates in a clear and coherent manner all relevant Board decisions and policies related to results management. While continuing to develop the risk management system, the Secretariat should give special attention to the roles and responsibilities of accredited entities and implementing entities, which needs to be clarified.

**Management response:** *partially agreed*

*All Board decisions are contained in the GCF Handbook: Decisions, Policies, and Frameworks (GCF Handbook), which can be found on the GCF website. The handbook provides a thematic guide to decisions. To facilitate this, each primary Board decision and related policy framework has been given a descriptive title and placed within one of 10 issue-oriented chapters, where decisions and related frameworks have been further divided by sub-issue, with the most recent action on any topic listed first. Going forward, the Secretariat will propose in the updated version of the GCF Handbook that a chapter on results management be included.*

*The distinction between the roles of AEs and executing entities (EEs) is clear in the GCF legal arrangements such as the AMA (AMA) template considered by the Board in decision B.12/31: in cases where the AE implements the project through EEs, the EEs execute and/or carry out the activities related to project implementation (including the flow of GCF proceeds) while AEs supervise, monitor and oversee project implementation on behalf of GCF and reports to GCF as per the AMA and the MAF. To a certain extent, further issue of roles and responsibilities will be addressed in the context of a study on defining the nature, scope and extent of second-level due diligence, requested by the Board in decision B.17/09, paragraph (o), and is expected to start in early 2019 with support from an external consulting firm. The Secretariat expects that this study will establish an efficient structure for roles and responsibilities within the Secretariat and establish clear guidance as to the respective roles of AEs and GCF in performing due diligence for funded activities. It is also important to consider that the risk management framework describes the different levels of responsibilities and the AE is recognized as the first level of responsibility, which includes due diligence on the monitoring, oversight and reporting of project implementation.*

<b>Key action(s)</b>	<b>Time frame</b>	<b>Responsible unit(s)</b>
The Secretariat will review and adopt a comprehensive results management approach for GCF and develop a corresponding system based on an outline of requisite definitions and roles/responsibilities. It will prepare a technical guide on results management, based on a sound and selected approach to serve as a resource reflecting on the requirements, inter-linkages and practical application of Board decisions and policies. The updated version of the GCF Handbook will contain guidance on a more comprehensive and coherent approach to results management.	Q1-Q2 2020	DCP, DMA, OED, OPM, PSF
The Secretariat will endeavor to take an integrative approach to address results management to ensure that expected/planned results highlighted in different Board approved frameworks (for example, the RMF/PMFs/IF) or other relevant policies are not reported separately but in an adequate, more	Q1-Q3 2020	DMA, OPM

comprehensive, coherent and holistic manner. It will do so by further refining the IF adopted through decision B.09/05 and aligning it more closely with the RMF/PMFs.		
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**Summary recommendation 5:**

The Secretariat should initiate a dialogue with the NDAs, AEs and other key stakeholders to define the appropriate role of the NDAs throughout the project cycle and where possible GCF indicators should link with country monitoring indicators and Sustainable Development Goal (SDG) reporting.

**Management response:** *Partially agreed*

*The Secretariat continuously undertakes activities to engage with relevant stakeholders through structured dialogues, NDA conferences, direct access entity workshops and other conferences and ad-hoc meetings. These activities, as well as the GCF Readiness and Preparatory Support Programme, already provide support to strengthen the role and leadership of NDAs and focal points in: (i) the establishment of the initial approval process, including the no-objection procedure; (ii) building in-country institutional capacities for country coordination and multi-stakeholder consultation mechanisms; (iii) the formulation of country programmes and project pipelines, the consideration of implementation partners and financial planning; (iv) monitoring and providing feedback regarding the impact of GCF operations within countries in terms of the degree to which the GCF initiatives add value to national development priorities and promote a paradigm-shift towards low-carbon and climate-resilient development; and (v) coordinating the engagement of GCF with the country, taking account of the roles of AEs in relation to the country's programming.*

*Furthermore, the Secretariat continuously encourages AEs to engage at the earliest possible stage with the NDAs and focal points in their identified priorities, making links to policy frameworks and plans, and engaging closely on how to make use of local capacities, including knowledge, expertise and institutions in the preparation and subsequent implementation of projects/programmes.*

*At the implementation stage, considering that the responsibility of implementation remains with the AEs, more effective coordination mechanisms would need to be incorporated in the funding proposals to ensure the key role of the NDAs is appropriately reflected throughout the project cycle and enhance coordination and communication between AEs and NDAs. The Secretariat recognizes that the responsibility for communicating GCF project status to NDAs on relevant funding proposals remains with the AE.*

*The issue of SDG reporting has been raised multiple times at Board meetings in the past with some opposition from a few Board members and remains a topic for further debate. Nonetheless, the current guidance provided by the Board is to start exploring ways to improve reporting towards SDGs with the Secretariat following up on appropriate mechanisms, alignment and approaches, which may require modifications to the core indicators contained in GCF*

*frameworks for better alignment with the SDGs. Further reviews of the frameworks will take this issue into consideration. However, it is worth noting here that many GCF result areas are linked to those of SDGs, such as climate action, health, well-being, water security, clean energy, zero hunger (or conversely, adequate food security), infrastructure, sustainable cities and zero poverty (or conversely, resilient livelihoods). While noting all this, it is important to point out that it might pose a challenge for AEs – particularly private sector AEs and civil society organizations having difficulties in engaging with NDAs – to report separately on SDGs, as this would create an additional layer of monitoring/reporting, as per standards laid out in SDGs reporting protocols.*

<b>Key action(s)</b>	<b>Time frame</b>	<b>Responsible unit(s)</b>
The Secretariat will explore ways to pragmatically link and improve reporting towards SDGs in the update of the RMF/PMFs even while keeping in mind that there are apparent linkages between GCF result areas in the mitigation and adaptation models with those of some of the key SDGs.	Q3-Q4 2019	DCP, OPM
The Secretariat and the Board should explore ways to further promote collaboration between AEs and NDAs to provide information on monitoring. The Secretariat will continue to enhance dialogue with NDAs and AEs on such collaboration.	B.24	DCP, OPM

**Summary recommendation 6:**

The Secretariat should clarify roles and responsibilities internally and ensure that during project preparation, sufficient attention is paid to the design and budgeting of project monitoring and evaluation (M&E) systems prior to project proposal approval.

**Management response:** *partially agreed*

*Decision B.17/09 place responsibility for the first level of due diligence with the AEs and the second level of due diligence with the Secretariat. It is the responsibility of the AE to develop, implement, monitor, supervise and report on projects. AEs are responsible for project preparation and may be provided project preparation assistance to do so. This is particularly relevant to the GCF model that relies heavily on the quality of submissions and the ability of the AE to develop sound project design and implement projects and report on results.*

*At the stage of funding proposal development, the budget currently does not reflect on details such as the proportion budgeted for M&E (inclusive of data collection, evidence generation and/or results verification, and evaluation costs). Nevertheless, the Secretariat acknowledges that sufficient definitions of baseline conditions and impact methodologies for credibility of results reporting are not fully present in funding proposals or tracked as part of APR reporting.*

*With regard to the IEU finding that half of GCF-approved projects do not plan to collect baseline data and 70 per cent of the projects have insufficiently planned and budgeted for M&E to inform their targets credibly, the Secretariat notes that the review found that the deficiencies in results and targeting occurred regardless of the type of AE or size of project. However, in the context of the IEU finding on baseline data, it is worth noting that for complex climate change projects which have a long time horizon, are non-linear and have continuously shifting baselines, it is challenging for countries, especially African States, small island developing States (SIDS) and the least developing countries (LDCs), to collect credible/objective/real-time data on climate change. Baseline data collected by such countries are at best qualitative in nature and rely on outdated methodologies and tools. Even large countries like China and India, let alone SIDS and LDCs, find it difficult to collect credible climate change baseline data against which they can benchmark progress. Additionally, the current funding proposal template allows AEs (section C.2.) to highlight national-/subnational-level baseline scenarios and many AEs describe this in great detail in this section.*

*GCF currently provides up to 8.5 per cent for AE fees and 5 per cent for project management costs (PMCs) which does not cover designing a project-level M&E system inclusive of data collection, baseline assessment and monitoring of project indicators and progress, although the AE fee policy, adopted through decision B.19/09, notes that the M&E design cost should be categorized and budgeted under a separate measurement and evaluation budget line of the project budget and expenditures.*

<b>Key action(s)</b>	<b>Time frame</b>	<b>Responsible unit(s)</b>
The Secretariat, based on the consideration of best practices followed by peer organizations, will provide AEs with specific guidance on allocating M&E costs in funding proposal budgets as part of the improvements to ensure credibility of results reporting.	Q2-Q4 2019	DCP, DMA, PSF, OPM
The Board may like to consider setting aside additional funding from the commitment authority to address gaps in the M&E design and/or evidence generation, based on the IEU's review, in the current portfolio of approved funding proposals by prioritizing those projects/programmes where these gaps are felt most.	B.23	OED, DMA, PSF, OPM

**Summary recommendation 7:**

As was undertaken for this review, IEU should carry out regular ‘evaluability reviews’ to assess the extent to which projects are likely to report and measure their impacts and outcomes credibly.

**Management response:** *partially agreed*

*The Secretariat welcomes the continued IEU preparation of evaluability studies; however, it believes that in taking forward evaluability studies the role of the Secretariat and the use of the evaluability studies requires further definition.*

*The evaluability reviews were undertaken in the context of the IEU work programme as a mandated activity. However, the recommendation for ongoing evaluability seems to operationally assign the check that the evaluation was performed on IEU instead of the Secretariat. It is not clear how these ongoing activities would be reported to the Board. This would also seem to result in several documents for the Board on ongoing issues derived from IEU’s evaluations and constant supervisory monitoring by the Secretariat.*

*The Secretariat is responsible for reviewing funding proposals and receiving and reports on impacts, outcomes and outputs. The review of these reports by the Secretariat provide feedback and recommendations to the AEs based on the information provided. It is not clear at this stage what these evaluability reviews refer to in the context of projects/programmes implemented by AEs. In terms of the implementation of GCF-funded activities, “such interim and final evaluation reports shall be prepared by an independent evaluator selected by the Accredited Entity or by an independent evaluation unit/office of the Accredited Entity” (as per the AMA template).*

*The current IEU terms of reference establish that the type of evaluations would be either country-driven (country portfolio evaluations) or thematic (thematic evaluations), which would need to be reflected as part of an annual work programme. Ongoing IEU functions are likely to overlap with the ongoing activities of the Secretariat in reviewing and monitoring projects.*

<b>Key action(s)</b>	<b>Time frame</b>	<b>Responsible unit(s)</b>
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<p>The Secretariat requests IEU to continue to address evaluability reviews as part of its evaluations, particularly with respect to measuring impacts and outcomes. The Secretariat will continue to develop and refine impact methodologies and outcomes with other climate finance delivery mechanisms using the principle of coherence and complementarity and the services of a globally recognized consultancy firm with substantial experience working on climate change M&amp;E issues and report on its efforts to do so at B.24.</p>	<p>B.24</p>	<p>IEU, OPM</p>
<p>The Secretariat should review and agree on the evaluability of a funding proposal so that funding proposals that cannot be evaluated based on pre – decided parameters are filtered during the Secretariat assessment and not put forward for the Board’s consideration.</p>	<p>Q2-Q4 2019</p>	<p>DMA, PSF, OPM</p>

**Summary recommendation 8:**

IEU should prepare guidelines for project evaluations.

**Management response:** *partially agreed*

*Project evaluations are the responsibility of the AEs (clause 15.02 (b) of the AMA) in line with the AEs policies and procedures. There may be merit in guidelines that allow for the comparability of evaluations, but the question is whether this should be an operational guideline prepared by IEU or technical guidance provided by the Secretariat. The MAF and the AMAs give the responsibility to AEs for the interim and final evaluations. Nevertheless, there is a need to establish a checklist/minimum standard operating procedure (as is currently the practice at the Global Environment Facility) within the Secretariat to review all evaluations. One of the core routine evaluation functions of the Secretariat is to assess interim evaluations and provide recommendations to the Board for mid-course corrections based on lessons learned. Similarly, final evaluations, in tandem with project completion reports/final APRs, will inform the Secretariat and the Board on whether the project has been implemented in accordance with approved plans and resulted in intended or unintended results/outcomes.*

*Additionally, the Secretariat considers that there is a need for clarification and understanding with regard to a division of labor and responsibilities between IEU and the Secretariat. Within this division of labor, the Secretariat remains responsible for advising AEs at the project level and developing processes for reviewing and accepting interim and final evaluations. Furthermore, the Secretariat consider that AEs should provide sufficient data collection at the funding proposal development stage to allow evaluations to enable credible reporting on results and identify evaluation types and methodologies, which*

*should be outlined in the corresponding M&E plans to be integrated into all funding proposals going forward.*

Key action(s)	Time frame	Responsible unit(s)
The Secretariat will continue its efforts to develop internal guidance to review evaluations from AEs with the understanding that evaluations from AEs are mandated by AMAs.	2020	IEU, OPM

**Summary recommendation 9:**

On the approval of the Board, IEU should also carry out an independent review of the accreditation process, taking into consideration the extensive deficiencies in the evaluability and likelihood of credible reporting that this review summarizes across the portfolio of approved projects.

**Management response:** *neutral*

*The current accreditation process comprises a review and acceptance of the capacity of an AE to perform evaluations (or to assign this responsibility to its independent evaluation unit/office) and to report to GCF as agreed in the signed AMAs. Ensuring that AEs i) design and budget M&E plans in funding proposals, ii) map out implementation timetables (Gantt charts) and iii) verify impacts and outcomes should be considered during the accreditation and their performance in so doing considered during the re-accreditation process.*

*A review of the accreditation process is currently before the Board for its consideration. IEU should consider operationalizing the outcome of the Board's consideration.*

Key action(s)	Time frame	Responsible unit(s)
The Secretariat requests the Board to take a decision on the inclusion of an independent review of the	B.22 or B.23	IEU, DCP



accreditation process at the point of consideration for the IEU workplan(s).		
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<p><b>Summary recommendation 10:</b></p> <p>The Secretariat should revise its indicators on gender to more fully address other aspects of social inclusion and integrate these into the RMF. The Secretariat should also clarify the GCF gender and social inclusion impact and outcome priorities, especially regarding mitigation. The further development of the PMFs and the RMF will need to ensure that existing systems for including gender in project planning and M&amp;E are given due consideration.</p>		
<p><b>Management response:</b> <i>agreed</i></p>		
<p><i>The gender and social inclusion related elements of the GCF-funded activities and readiness projects are under ongoing improvement and development. The Secretariat will present to the Board its updated Gender Policy and Action Plan for the period 2018–2020 at the twenty-second meeting of the Board (B.22), in February 2019. In parallel, the social- and gender-related information requirement under the APR was recently updated by the GCF environmental and social safeguards and gender specialists and is expected to provide additional information on social aspects in the 2019 reporting cycle. A gender and climate change toolkit on how to program and account for gender-responsive results/outcomes was also published by GCF in cooperation with the United Nations Entity for Gender Equality and the Empowerment of Women and is intended to inform the Secretariat and AEs on how to integrate gender and social inclusion considerations into the project life cycle. Equally important to note is that GCF is the only climate finance mechanism that calls for project-/programme -level gender and social inclusion action plans with result areas, objectively verifiable indicators, targets, timelines and budget to be included in funding proposals. Because of this requirement, over 80 per cent of funding proposals contained project-/programme-level gender and social inclusion action plans, although it should be said that the quality of gender and social inclusion action plans varies. The new funding proposal template, which is currently under development, has an annex dedicated to a project-level gender and social inclusion action plan. Moreover, the Secretariat’s work programme and the accompanying results framework for 2019 clearly stipulates that all funded activities (i.e. 100 per cent) will contain a gender assessment and project-/programme-level gender and social inclusion action plan.</i></p>		
<p><b>Key action(s)</b></p>	<p><b>Time frame</b></p>	<p><b>Responsible unit(s)</b></p>



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<p>The Secretariat will continue to update the RMF/PMFs contained in document GCF/B.20/Inf.01 taking into consideration the IEU summary and narrative recommendations in document GCF/B.21/20 with respect to indicators on gender and social inclusion. The Secretariat will also take into strong consideration the gender-responsive results framework and associated indicators that are illustrated in the gender and climate change toolkit and, to the extent possible, integrate some of these into the finalized version of the RMF/PMFs.</p>	B.23 onwards	DCP, OPM
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**Annex III: Document GCF/B.20/Inf.01, “Update on the further development of some indicators in the performance measurement frameworks”**

*Document GCF/B.20/Inf.01 titled “Update on the further development of some indicators in the performance measurement frameworks” is reproduced below.*



**GREEN  
CLIMATE  
FUND**

**Meeting of the Board**

1 – 4 July 2018

Songdo, Incheon, Republic of Korea

Provisional agenda item 14(d)

**GCF/B.20/Inf.01**

28 May 2018

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# Update on the further development of some indicators in the performance measurement frameworks

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## **Summary**

This document provides a summary of principles and approaches, a comparative analysis of indicators across global climate finance mechanisms, and a workplan for the further development of indicators in the performance measurement frameworks of GCF. It also presents an illustrative list of revised mitigation and adaptation indicators and associated measurement, reporting and verification systems for the Board's information.

## Table of Contents

I.	Guiding principles and approaches	1
II.	Initiative on comparing key performance indicators across different climate finance mechanisms	2
III.	Next steps: workplan for the finalization of indicators in the performance measurement frameworks	2
	Annex I: Further development of mitigation and adaptation indicators in the performance measurement frameworks	4

## I. Guiding principles and approaches

1. In accordance with paragraph 58 of the Governing Instrument for the GCF, a results management framework with guidelines and appropriate performance indicators will be approved by the Board. Performance against these indicators will be reviewed periodically to support the continuous improvement of the impact, effectiveness and operational performance.
2. The Board, through decision B.05/03, adopted the initial result areas and performance indicators of the GCF and decided that the GCF's results management framework (RMF) will "enable effective monitoring and evaluation of the outputs, outcomes and impacts of the Fund's investments and portfolio, and the Fund's organizational effectiveness and operational efficiency". The Board further decided that in designing its RMF, "the Fund will use the experience of other relevant entities, and, where appropriate, align the framework and indicators with existing best practice models".
3. Following from decision B.05/03, the Board, through decision B.07/04, further adopted the elements of the initial GCF RMF after reviewing document GCF/B.07/04 titled "Initial Results Management Framework of the Fund".
4. As per decision B.08/07, and relating to the proposed mitigation and adaptation performance measurement frameworks (PMFs), the Board decided on certain indicators and took note of other indicators that require further refinement. Two documents, GCF/B.12/13 and GCF/B.13/26, both titled "Further development of indicators in the performance measurement frameworks", were then published and presented to the Board at its twelfth meeting and thirteenth meeting, respectively; neither of the decisions presented in the documents were adopted.
5. Subsequently, the Board, by decision B.17/01 paragraph (b)(x), decided to defer consideration of the further development of some indicators in the PMFs as contained in document GCF/B.13/26, titled "Further development of some indicators in the performance measurement frameworks" and requested the Secretariat to present this for consideration by the Board at the earliest possible opportunity.
6. In considering further development of indicators, the Secretariat considered the report of the Adaptation Committee to the twentieth session of the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) and the related UNFCCC decision<sup>1</sup>, which specifically recommended that GCF:
  - (a) Keep the indicators simple;
  - (b) Design indicators that are qualitative as well as quantitative;
  - (c) Design indicators in such a way as to capture the progress that countries are able to make in integrating adaptation into their development and sectoral planning, policies and actions; and
  - (d) Give countries sufficient flexibility to define their indicators in line with their national and local planning, strategies and priorities.
7. The Secretariat has also considered COP decision 8/CP.23 18, which encouraged the Board to include in its annual report to the COP information on projects approved by the Board that support the innovation and/or scaling up of climate technologies. This was requested with a view to informing the Technology Mechanism of the UNFCCC as the Board undertakes further work on climate technology innovation by including technology related indicators in the PMFs. These indicators would then track activities supporting climate technologies in mitigation and adaptation projects/programmes in the GCF portfolio.

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<sup>1</sup> UNFCCC decision 4/CP.20, annex, paragraph 4.

8. Based on the above guiding principles, the Secretariat, from the first quarter of 2018, endeavoured to further develop indicators in the PMFs by comparing its own with those of different climate finance mechanisms. This approach is in line with decision B.17/04 where the Board adopted the operational framework on complementarity and coherence and which addresses the streamlining of monitoring and evaluation approaches across different climate finance delivery channels.

## **II. Initiative on comparing key performance indicators across different climate finance mechanisms**

9. The Secretariat conducted a comparative analysis of adaptation and mitigation key performance indicators (KPIs), associated targets, and systems on measurement, reporting and verifications (MRVs). Accordingly, the Secretariat compared, contrasted and harmonized – as part of the complementarity and coherence approach – adaptation and mitigation KPIs and MRVs with that of other climate finance mechanisms (such as the Adaptation Fund [AF], Climate Investment Funds [CIF], Global Environment Facility [GEF], and the Nationally Appropriate Mitigation Action [NAMA] Facility). The analysis contained the following:

- (a) A one-on-one comparison of indicators, including both those that are in use as well as those that are obsolete, between the GCF and other climate finance mechanisms on adaptation and mitigation;
- (b) Development of a theme-based indicator matrix that endeavours to harmonize adaptation and mitigation indicators of GCF with those of other peer organizations that allows the identification of common result areas addressed by different organizations; and
- (c) Key findings of the comparison and harmonization exercise along with illustrative examples of adaptation and mitigation KPIs and MRVs that could be adopted by the Board.

10. The overall goal is to ensure that GCF is using indicators that are relatively easy to measure, report and verify, and are not unnecessarily inconsistent with those used by other climate finance mechanisms. Based on lessons learned from peer institutions that have done away with a number of indicators – primarily because of related quality and capacity challenges – the Secretariat proposes the further development and streamlining of indicators, targets and MRVs at the GCF, country and project/programme levels.

## **III. Next steps: workplan for the finalization of indicators in the performance measurement frameworks**

11. The Independent Evaluation Unit (IEU) will assess the RMF and PMFs and provide recommendations to the Board at its twenty-first meeting. The assessment will take account of evidence of global best practices on climate change mitigation and adaptation indicators as well as the comparative analysis of indicators undertaken by the Secretariat through a complementarity and coherence approach across major climate finance mechanisms, as outlined in Annex I.

12. Following the assessment and recommendations made by the IEU on the RMF and PMFs at B.21, the Divisions of Mitigation and Adaptation, Private Sector Facility, Country Programming and other relevant divisions/units along with the Office of Portfolio Management will be involved in a cross-divisional effort to review, update and finalize the RMF and PMFs. The finalization of the RMF and PMFs will also consider learnings that emerge from the review

process that will be undertaken by the IEU. The finalized RMF and PMFs will then be presented to the Board at its twenty – second meeting.

13. Following this status update on the further development of indicators in the PMFs to the Board at its twentieth meeting and the receipt of any comments from Board members on this document, further consultations on the indicators and MRVs in the PMFs will be initiated with experts and relevant organizations.

14. The finalized RMF and PMFs will be the primary tools for annual performance reports (APRs)<sup>2</sup> and inform assessments of funding proposals including investment criteria indicators to ensure coherence throughout the process.

15. The RMF and PMFs, once finalized, will inform the GCF replenishment process as they will serve as guiding tools for key contributors, internal and external stakeholders, and potential non-government grant-making bodies regarding the GCF portfolio-level results chain and associated impacts, outcomes and outputs.

16. Additionally, to ensure the reliability of data and information received from APRs, proper systems should be in place to support the training of GCF staff, accredited entities (AEs), and national designated authorities (NDAs) on the value and relevance of the RMF and PMFs. The finalized RMF and PMFs, along with lessons learned from peer institutions, will also help GCF to develop the necessary monitoring, reporting and verification training modules to build the capacity of AEs and NDAs.

**Table 1: Summary of work plan for the finalization of indicators in the RMF and PMFs**

Timeline	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
	Comparative analysis of key performance indicators and MRVs for adaptation across major climate finance mechanisms	Comparative analysis of key performance indicators and MRVs for mitigation (contd. task)	Status update on further development of indicators in the PMFs at B.20  Comments from Board members, experts and relevant organizations including AEs and consultations as needed	Assessment of the RMF and PMFs by the IEU to the Board at B.21  Cross-divisional consultations	Cross-divisional consultations (contd. task)  Presentation of the finalized RMF and PMFs by the Secretariat at B.22

*Notes: Q = quarter; PMFs = performance measurement frameworks; MRVs = measurement, reporting and verifications; B.20 = twentieth meeting of the Board; B.21 = twenty-first meeting of the Board; B.22 = twenty-second meeting of the Board*

<sup>2</sup> During the first quarter of 2018, the Secretariat received 17 APRs, and the number will only continue growing from the next reporting cycle with increased approvals of funding proposals and first disbursements to follow.

## **Annex I: Further development of mitigation and adaptation indicators in the performance measurement frameworks**

### **I. Introduction**

1. The current mitigation and adaptation performance measurement frameworks (PMFs) contain core indicators and performance indicators for the GCF's results areas adopted by the Board at its seventh and eighth meetings as well as additional indicators that needed further refinement for the Board's consideration. The PMFs outline reporting responsibilities and include explanations on the indicators and other relevant background and methodological information as needed. However, except for four core indicators – three mitigation indicators and one adaptation indicator – the current PMFs do not contain robust system on measurement, reporting and verifications (MRVs) against which adequate and timely measurement, reporting and verification of indicators can happen.
2. The refinement of the PMFs reflects the trend among climate finance mechanisms of reducing the number of indicators and focusing on core indicators that are easier to track with quality assurance. Numerous sets of indicators previously used by other climate finance mechanisms with a longer monitoring history were found to be difficult to verify through the use of actual data on the ground and proved arduous to use in terms of maintenance of proper quality assurance.
3. While the GCF is unique among climate funds, the underlying study is based on the proposition that several of the existing climate finance delivery channels that have similar structures and characteristics as GCF may have experience that can be used by the GCF in the further development of its monitoring frameworks. Accordingly, those institutions selected as references for indicator comparison included the Global Environment Facility (GEF), Adaptation Fund (AF) and Climate Investment Funds (CIF). GEF, together with GCF, is an operating entity of the financial mechanism for the United Nations Framework Convention on Climate Change (UNFCCC). The AF was established under the Kyoto Protocol of the UNFCCC to support climate adaptation and resilience activities. The CIF, hosted by the World Bank, have four programmes under their management funding climate mitigation and adaptation activities. The Secretariat is concurrently collaborating with these organizations as part of the work under the GCF operational framework on complementarity and coherence. Finally, for mitigation indicator comparison, the Nationally Appropriate Mitigation Action (NAMA) Facility, a financial mechanism whose main aim is to contribute to the impact of transformation towards a low-carbon society in line with a 2 °C increase in global temperature limit, was chosen as an additional comparable institution since the coverage by AF is only focused on adaptation activities.
4. Based on decision B.11/10, accredited entities (AEs) will submit annual performance reports on progress made towards targets of the indicators in PMFs and any additionally identified project/programme-level indicators.

## II. Principles of further refinement of indicators in the performance measurement frameworks in line with the recommendations of the Adaptation Committee report to UNFCCC

5. The principles for further refinement of indicators in the PMFs are as follows:
- (a) Indicators should be consistent with the SMART principle,<sup>3</sup> i.e. specific, measurable, achievable, relevant and time-bound;
  - (b) Both qualitative and quantitative indicators should be included in the framework;
  - (c) Each result area will have a minimum number of relevant indicators unless the subject result addresses more than two thematic or sectoral areas;
  - (d) Indicators should consider the principle of complementarity and coherence with other climate finance delivery mechanisms and consistent with at least one other comparable organization to the extent possible for inclusion, retention or elimination in the PMFs;
  - (e) Country level indicators should be introduced per Decision B.05/03 (k) considering Decision B.08/07 (e) with respect to their use;
  - (f) The reference document used for the tables below is the same one that was presented to the Board at its eighth meeting (Decision of the Board – Eighth Meeting of the Board, 14-17 October 2014, Annex VIII: Mitigation and adaptation performance measurement frameworks, GCF/B.08/45).

## III. Key findings and summary

6. The most recent work on the further development of some indicators in the PMFs builds on previous efforts to address indicators that were noted by the Board but needed further refinement by comparing indicators, along with relevant methodologies on MRVs, across major climate finance mechanisms. It also revised the categorization of indicators from a 2-tier to 3-tier system that allows the impacts and outcomes to be measured at GCF, country, and project/programme levels. For example, indicators 5.1 and 5.2 in the mitigation and adaptation PMFs have been revised to be measured and tracked at the country level. Thematically, based on the guidance at COP 23, a technology-related indicator has been introduced for adaptation in addition to mitigation.

7. The indicators that were removed from the current list of indicators in other comparable organizations – GEF, AF, CIF, NAMA Facility – have also been considered during the development and refinement of the PMFs. These indicators not only showed a trend for indicator tracking in the climate finance landscape but also provided GCF with a few meaningful indicators to consider.

8. Finally, the MRV section of the PMFs has been elaborated from previous versions. In the current PMFs, proper methodological guidelines for MRVs are almost non-existent with some proposed methodologies addressed in the Board document GCF/B.08/07. The measurement section for some indicators benefited from definitions and methodologies used by other comparable organizations, which has yet to be improved further through additional technical review and consultation. The reporting and verification section articulates the requirements from AEs addressed in the monitoring and accountability framework (MAF).

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<sup>3</sup> First developed by Peter Drucker in “The Practice of Management” first published in 1915.

**Table 2: Review of existing mitigation indicators in line with complementarity and coherence approach**

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/ programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/ NAMA Facility)
	<input checked="" type="checkbox"/> * tCO <sub>2</sub> eq reduced as a result of GCF-funded projects/programmes	GCF level	AEs/intermediaries	<p>M: Determine the baseline counterfactual emissions trajectory (what would be expected to occur in the absence of the project).</p> <p>- Calculate the net change in emissions/energy savings/land use compared to the baseline counterfactual. Both direct and, where applicable, indirect emissions should be counted. Calculations will be in original units (e.g. MW saved, tCO<sub>2</sub>eq, tCH<sub>4</sub>).</p> <p>- Convert to tCO<sub>2</sub>eq where appropriate.</p> <p><i>*Source: GCF/B.08/07</i>  <i>*For emissions calculation methodology, refer to the IPCC Guidelines for National Greenhouse Gas Inventories (2006); other calculation standards might be considered if deemed justifiable and compatible with IPCC Guidelines.</i></p> <p>R: Reported in the Annual Performance Report (APR)</p>	<p>Adopted by the GCF Board.</p> <p>Same or similar indicators used in all three climate finance mechanisms.</p>	<p>GEF: Core Indicator 6</p> <p>CIF: CTF Core Indicator B1 FIP indicator B1-3</p> <p>NAMA: Core Indicator M1</p>

<sup>4</sup>  = Decided: Adopted by the GCF Board  
 = No change to undecided indicator: Remain as in the PMFs (GCF/B.08/45)  
 = Revised: Changed from the PMFs (GCF/B.08/45)  
 = Newly added: Added to the PMFs (GCF/B.08/45)  
 = Removed: Deleted from the PMFs (GCF/B.08/45)  
 \* = Core: Adopted as core indicator by the GCF Board

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/NAMA Facility)
				V: First verification to be done by AEs on primary data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information calculation from AEs; an expert panel could be hired by the GCF on a rolling basis for a third-party verification		
	<input checked="" type="checkbox"/> * Cost per tCO <sub>2</sub> eq decreased for all GCF-funded mitigation projects/programmes.	GCF level	AEs/intermediaries	<p>M: Costs of specific components of a project/programme, such as training, stakeholder consultation, or capacity-building, may be further analysed. These components may add to overall costs but do not directly influence the costs of the technical mitigation approach (e.g. renewable energy technology) itself. In other words, cost comparisons should consider both the direct implementation costs of mitigation and overarching projects costs.</p> <p>*Source: GCF/B.08/07</p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	Adopted by the GCF Board	None

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/NAMA Facility)
	<input checked="" type="checkbox"/> * Volume of finance leveraged by GCF funding.  (to be updated in line with PSF initiative to refine the indicator)	GCF level	AEs/intermediaries	<p>M: Total finance leverage:</p> <ol style="list-style-type: none"> <li>1. Identify GCF finance contribution.</li> <li>2. Identify total financing from non-GCF sources.</li> <li>3. Identify the amount of total co-financing that would have been provided in the absence of GCF funding – financing that is truly additional or diverted from other sources. This relies on the expert judgment of the project/programme officers.</li> <li>4. Subtract (3) from (2). The remainder provides a measure of the leveraged finance. The ratio of (1) to (3) (e.g. 1:1.4) can also be an expression of leveraged finance.</li> </ol> <p>Public/private finance disaggregation: Follow same instructions considering only public/private funding sources; e.g. for public sources:</p> <ol style="list-style-type: none"> <li>1. Identify GCF finance contribution.</li> <li>2. Identify total financing from non-GCF public sources.</li> <li>3. Identify the amount of total public co-finance that would have been provided in the absence of GCF funding – financing that is truly additional or diverted from other sources. This relies on the expert judgment of the project/programme officers.</li> </ol>	<p>Adopted by the GCF Board.</p> <p>Same or similar indicators used in two climate finance mechanisms.</p>	<p>CIF: CTF Core Indicator B2; FIP indicator B2-3</p> <p>NAMA: Core Indicator M4, M5, Output 3</p>

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/NAMA Facility)
				<p>4. Subtract (3) from (2). The remainder provides a measure of the leveraged public finance. The ratio of (1) to (3) (e.g. 1:1.4) can also be an expression of leveraged public finance.</p> <p>In some instances, both public and private co-financing may apply and each may need to be disaggregated separately. Note that financial analysis, including internal rate of return (IRR) and other project selection considerations, will be considered as part of the GCF investment criteria.</p> <p><i>*Source: GCF/B.08/07</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by GCF on data/information from AEs.</p>		
1.0 Reduced emissions through increased low-emission	<input checked="" type="checkbox"/> 1.1 * tCO <sub>2</sub> eq reduced or avoided as a result of GCF-funded projects/programmes –	GCF level	AEs/intermediaries	<p>M: The basic steps to calculating tCO<sub>2</sub>eq are as follows:</p> <p>- Determine the baseline counterfactual emissions trajectory (what would be</p>	<p>Adopted by the GCF Board.</p> <p>Same or similar indicators used in all</p>	<p>GEF: Core Indicator 6</p> <p>CIF: CTF Core Indicator B1</p>

Expected result	Indicator <sup>4</sup> ☑ = Decided ☐ = No change to undecided indicator ▣ = Revised ■ = Newly added ☒ = Removed * = Core	Level (GCF, country, project/ programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/ NAMA Facility)
energy access and power generation.	gender-sensitive energy access power generation.			expected to occur in the absence of the project).	three climate finance mechanisms.	FIP indicator B1-3
2.0 Reduced emissions through increased access to low emission transport.	☑2.1 *tCO <sub>2</sub> eq reduced or avoided as a result of GCF-funded projects/programmes – low emission gender-sensitive transport.	GCF level	AEs/intermediaries	- Calculate the net change in emissions/energy savings/land use compared to the baseline counterfactual. Both direct and, where applicable, indirect emissions should be counted. Calculations will be in original units (e.g. MW saved, t CO <sub>2</sub> eq, tCH <sub>4</sub> ). - Convert to t CO <sub>2</sub> eq where appropriate. - Disaggregate by gender where possible.		NAMA: Core Indicator M1
3.0 Reduced emissions from buildings, cities, industries and appliances.	☑3.1 *tCO <sub>2</sub> eq reduced or avoided as a result of GCF-funded projects/programmes – buildings, cities, industries, and appliances.	GCF level	AEs/intermediaries	*Source: GCF/B.08/07 *For emissions calculation methodology, refer to IPCC Guidelines for National Greenhouse Gas Inventories (2006); other calculation standards might be considered if deemed justifiable and compatible with IPCC Guidelines.		
4.0 Reduced emissions from land use, deforestation, forest degradation, and through sustainable management of forests and conservation and enhancement	☑4.1 *tCO <sub>2</sub> eq reduced or avoided (including increased removals) as a result of GCF-funded projects/programmes – forest and land-use.	GCF level	AEs/intermediaries	R: Reported in the Annual Performance Report (APR)  V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.		

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/ programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/ NAMA Facility)
of forest carbon stocks.						
	<input type="checkbox"/> Social, environmental, economic co-benefit index/indicator at impact level.  (to be refined after consultation with other relevant divisions/units)	GCF level	AEs/intermediaries	M: Describe sustainable co-benefits (social, economic and environmental) generated and measure to the extent possible  <i>*Source: NAMA Facility</i>  R: Reported in the Annual Performance Report (APR)  Information should be disaggregated by gender, by socio-economic vulnerability and/or other country-relevant criteria.  V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.	Same or similar indicators used in three climate finance mechanisms.	GEF: Core Indicator 11  CIF: FIP indicator B2-2, B3-1, B3-2, B3-3  NAMA: Output 6
Technology	<input type="checkbox"/> Number and types of technologies and innovative solutions transferred or licensed to support low-emission development as a result of GCF support (noted, but further refinement needed; TBD by the Board).	Project/ programme level	AEs/intermediaries/countries	M: Describe capacity building and technology development and transfer elements deployed in projects/programmes on innovative and scalable/replicable climate technologies as a result of GCF support.  R: Reported in the Annual Performance Report (APR)	COP 23 guidance to report progress on technology.	None

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/NAMA Facility)
	(to be updated after consultation with other relevant divisions/units).			V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by GCF on data/information from AEs.		
5.0 Strengthened institutional and regulatory systems for low-emission planning and development.	<p><input checked="" type="checkbox"/> PPCR Core Indicator A2.1 Revised: Degree of integration of climate change mitigation approaches in national and sector planning.</p> <p><input checked="" type="checkbox"/> 5.1 Institutional and regulatory systems that improve incentives for low-emission planning and development and their effective implementation.</p>	Country level	AEs/intermediaries/countries	<p>M: Qualitative and quantitative assessment of the various strategies, policies, plans and documents; measurement will be at the national level and by way of standardized scorecard developed by AEs that shows baseline and target scores; data should be sourced from official policy planning documents.</p> <p>In addition, baseline information may be drawn from national repositories, qualitative in nature; defining clear scoring criteria will help make the subjective assessment more objective, reliable, and consistent.</p> <p>The agreed scoring criteria agreed upon by the GCF and different in-country stakeholder groups will provide a robust and objective assessment of the progress.</p> <p><i>*Source: PPCR</i></p> <p>R: Reported annually by AEs/intermediaries.</p> <p>V: First verification to be done by AEs on data/information from</p>	<p>Same or similar indicators used in two climate finance mechanisms.</p> <p>Indicator 5.1 removed: not specific nor measurable</p>	<p>CIF: PPCR Indicator A2.1 (core)</p> <p>CIF: FIP Indicator B2-1</p> <p>NAMA: Output 5</p>

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/ programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/ NAMA Facility)
				intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.		
	<p><input checked="" type="checkbox"/> PPCR Core indicator B2 revised: Evidence of strengthened government capacity and coordination mechanism to mainstream low-emission planning and development.</p> <p><input checked="" type="checkbox"/> 5.2 Number and level of effective coordination mechanisms.</p>	Country level	AEs/intermediaries/countries	<p>M: Evidence of measures taken for building institutional capacities, promotion of coordination among national and regional agencies, etc.; measurement will be at the national level and by way of standardized scorecard developed by AEs that shows baseline and target scores</p> <p>* <i>Source: PPCR</i></p> <p>R: Reported annually by AEs/intermediaries.</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	<p>Same or similar indicators used in one climate finance mechanism.</p> <p>Indicator 5.2 removed: not specific nor accurately captures the extent of capacity and coordination</p>	CIF: PPCR Indicator B2 (core)
6.0 Increased number of small, medium and large low-emission power suppliers	<input checked="" type="checkbox"/> 6.1 Proportion of low-emission power supply in a jurisdiction or market	Project/ programme level	AEs/intermediaries/countries	<p>M: Increased number of reliable low – emission power suppliers across all ranges. Proportion of low emission power supply generated in a certain region, country, province/state.</p> <p>R: Reported in the Annual Performance Report (APR)</p>	<p>Adopted by the GCF Board.</p> <p>Allows to measure concentration risk of GCF financing and capture private sector participation</p>	

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/NAMA Facility)
				V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.		
	<input checked="" type="checkbox"/> 6.2 Number of households, and individuals (males and females) with improved access to low-emission energy sources.	Project/programme level	AEs/intermediaries/countries	<p>M: Improved access to electricity and/or fuels in people's homes, and in businesses and community services. Women and men include people of all ages. In addition, fuels refer only to fuels produced from renewable sources. Where households are counted instead of people, the assumptions about household size and gender ratio needed for disaggregation should be documented in the reporting table.</p> <p><i>*Source: SREP</i>  <i>*Note: Measurement of reach might be easier to capture through off-grid energy projects rather than through on-grid.</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AE.</p>	Adopted by the GCF Board.  Same or similar indicators used in one climate finance mechanism.	CIF: SREP Indicator 2

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/ programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/ NAMA Facility)
	<input checked="" type="checkbox"/> 6.3 MWs of low-emission energy capacity installed, generated and/or rehabilitated as a result of GCF support.	Project/ programme level	AEs/intermediaries/countries	<p>M: Total installed capacity of electricity or heat generation by renewable energy; include both grid-connected and off-grid systems.</p> <p><i>*Source: CTF</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	<p>Adopted by the GCF Board.</p> <p>Same or similar indicators used in one climate finance mechanism.</p>	CIF: CTF Core Indicator B3
7.0 Lower energy intensity of buildings, cities, industries, and appliances.	<p><input checked="" type="checkbox"/> CTF B5: Annual energy savings as a result of GCF interventions (GWh).</p> <p><input checked="" type="checkbox"/> 7.1 Energy intensity/improved efficiency of buildings, cities, industries and</p>	Project/ programme level	AEs/intermediaries	<p>M: When converting fuel savings to GWh, proper energy conversion factor should be used and explained.</p> <p>Total energy savings over the lifetime of the investment will be estimated (with explanation of assumptions), which in turn will be converted to tons of GHG emissions savings using appropriate emission factors.</p> <p><i>*Source: CTF</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from</p>	<p>Same or similar indicators used in one climate finance mechanism.</p> <p>Indicator 7.1 was removed by CIF CTF: Energy intensity as it is addressed through revised indicator: annual energy savings</p>	CIF: CTF Core Indicator B5

Expected result	Indicator <sup>4</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/ programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/ NAMA Facility)
	appliances as a result of GCF support.			intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.		
8.0 Increased use of low-carbon transport.	<input checked="" type="checkbox"/> 8.1 Number of female and male passengers using low-carbon transport as a result of GCF support.	Project/ programme level	AEs/intermediaries	<p>M: Since each GCF project focuses on different aspects and means of low-carbon transportation, it is important that each project should briefly explain the type of intervention and ToC when reporting data on the indicator can be collected through surveys, project reports, data from government agencies and other appropriate institutions. Estimating passengers using low-carbon transport will be compared against baseline</p> <p><i>*Source: CTF</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	<p>Same or similar indicators used in one climate finance mechanism.</p> <p>Additional/incremental number of passengers is difficult to measure due to shifting baselines and therefore could be misleading.</p>	CIF: CTF Core Indicator B4
	<input type="checkbox"/> 8.2 Vehicle fuel economy and energy source as a result of GCF support (noted, but further refinement)	Project/ programme level	AEs/intermediaries	<p>M: Compare with industry benchmarks such as Euro fuel standards</p> <p>R: Reported in the Annual Performance Report (APR)</p>	Not used in reference climate finance mechanisms but useful in assessing private sector participation in vehicle fuel economy,	None

Expected result	Indicator <sup>4</sup> ☑ = Decided ☐ = No change to undecided indicator ▣ = Revised ■ = Newly added ☒ = Removed * = Core	Level (GCF, country, project/ programme)	Reporting responsibility (annual reporting)	Measurement, reporting and verification (MRV)	Rationale	Similar indicators (GEF/CIF/ NAMA Facility)
	needed; TBD by the Board)			V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.	especially in developing countries.	
9.0 Improved management of land or forest areas contributing to emissions reductions.	☐ 9.1 Hectares of land or forests under improved and effective management that contributes to CO2 emission reductions (noted, but further refinement needed; TBD by the Board).  (to be updated by the methodological guideline from GEF-7 (currently being developed))	Project/ programme level	AEs/intermediaries	M: Land or forest being preserved or under improved management and calculate the net change in CO2 emissions per hectare of land/forest covered.  R: Reported in the Annual Performance Report (APR)  V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.	Same or similar indicators used in one climate finance mechanism.	GEF: Core Indicator 1, 3, 4

Notes: GEF = Global Environment Facility; CIF = Climate Investment Funds; CTF = Clean Technology Fund; SREP = Scaling Up Renewable Energy Program; FIP = Forest Investment Program; PPCR = Pilot Program for Climate Resilience; NAMA = Nationally Appropriate Mitigation Action; IPCC = Intergovernmental Panel on Climate Change; ToC = Theory of Change; TBD = to be determined

**Table 3: Review of existing adaptation indicators in line with complementarity and coherence approach**

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> * Improved quality of lives of direct and indirect beneficiaries; number of beneficiaries relative to total population.	GCF level	AEs/ intermediaries	<p>M: Proxy indicators can be used such as material living conditions (income, consumption), Human Development Index, poverty index etc.; data should be expressed as number of people; a standard multiplier for household size based on the most-recent national census or nationally representative household survey should be used to convert number of households to number of people; disaggregated by gender.</p> <p><i>*Source: CIF</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	Adopted by the GCF Board but language changed to show real impact of GCF's projects on the lives of beneficiaries. Same or similar indicators used in all three climate finance mechanisms.	LDCF/SCCF: Indicator 1  CIF: PPCR Core Indicator A1.3 AF: Core Indicator

<sup>5</sup>  = Decided: Adopted by the GCF Board  
 = No change to undecided indicator: Remain as in the PMFs (GCF/B.08/45)  
 = Revised: Changed from the PMFs (GCF/B.08/45)  
 = Newly added: Added to the PMFs (GCF/B.08/45)  
 = Excluded: Deleted from the PMFs (GCF/B.08/45)  
 \* = Core: Adopted as core indicator by the GCF Board

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
1.0 Increased resilience and enhanced livelihoods of the most vulnerable people, communities, and regions.	<input type="checkbox"/> 1.1 Change in expected losses of lives and economic assets (US\$) due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention.  (to be updated after consultation with other relevant divisions/units; also taking into account of removed indicator by PPCR: Number of lives lost/injuries from extreme climatic events)	GCF level	AEs/intermediaries/countries	<p>M: Data should be based on climate models from IPCC or other reputable scientific organizations and expressed in dollar terms. Data on the measurement of mortality rates could be gathered from the World Health Organization and other comparable institutions, especially through climate and health assessment studies; this measurement can account for any impact of climate related disasters on human welfare, including impact through infrastructure and capital destruction; disaggregated by gender, where applicable.</p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	<p>Same or similar indicators used in one climate finance mechanism.</p> <p>Recommend retaining the change in expected losses of lives as it can be measured in similar way to that of WHO's calculation of disability adjusted life-years (DALYs).</p>	CIF: PPCR Indicator A1.2
	<input type="checkbox"/> 1.2 Number of males and females benefiting from the adoption of diversified, climate-resilient livelihood options.	GCF level	AEs/intermediaries	<p>M: The number of people includes all members of households and groups that benefit from the adoption of more resilient livelihood options. Livelihood options refer to sources of income, expenditure and consumption patterns as well as subsistence rates; disaggregated by gender.</p>	Same or similar indicators used in all three climate finance mechanisms.	<p>LDCAF/SCCF: Indicator 3</p> <p>CIF: Indicator A1.1 (optional)</p>

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
				<p><i>*Source: LDCF/SCCF</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>		AF: Core Indicator 6.1.2
	<input checked="" type="checkbox"/> 1.3 Number of GCF-funded projects/programmes that supports effective adaptation to fish stock migration and depletion due to climate change.	GCF level	AEs/intermediaries	<p>M: n/a</p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	Not used in reference climate finance mechanisms	None
2.0 Increased resilience of health and well-being, and food and water security.	<input checked="" type="checkbox"/> 2.1 Number of males and females benefiting from introduced health measures to respond to climate-sensitive diseases.	GCF level	AEs/intermediaries	<p>M: Number of people includes all members of households and social groups benefiting from improved health measures. Disaggregated by health measures, incidence of diseases and gender. Sourced from WHO's or any other comparable institution's climate change and health assessment reports.</p> <p>R: Reported in the Annual Performance Report (APR)</p>	<p>Adopted by the GCF Board.</p> <p>Not used in reference climate finance mechanisms</p>	None

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
				V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.		
	<input checked="" type="checkbox"/> 2.2 Number of food-secure households (in areas/periods at risk of climate change impacts).	GCF level	AEs/intermediaries	M: Number of people includes all household members and social groups. Disaggregated by male and female-headed households and vulnerable groups.  R: Reported in the Annual Performance Report (APR)  V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.	Adopted by the GCF Board.  Not used in reference climate finance mechanisms	None
	<input checked="" type="checkbox"/> 2.3 Number of males and females with year-round access to reliable and safe water supply despite climate shocks and stresses.	GCF level	AEs/intermediaries	M: Number of people includes all household members and social groups. Measured also by quality and reliability criteria. Disaggregated by gender.  R: Reported in the Annual Performance Report (APR)  V: First verification to be done by AEs on data/information from intermediaries/executing entities and	Adopted by the GCF Board.	CIF Indicator A1.4 (optional)

Expected result	Indicator <sup>5</sup> ☑ = Decided ☐ = No change to undecided indicator ▣ = Revised ■ = Newly added ☒ = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
				second verification to be done by the GCF on data/information from AEs.		
3.0 Increased resilience of infrastructure and the built environment to climate change threats.	☐ * 3.1 Number and value of physical assets made more resilient to climate variability and change, considering human benefits.	GCF level	AEs/intermediaries	<p>M: <b>Quantitative reporting</b> – the number should represent the infrastructure/facilities where the production and strengthening works have been fully completed within the project duration period.</p> <p><b>Qualitative reporting</b> - use scale (1-5) for summarizing extent to which all technical, environmental, social, and financial/economic aspects of assets have improved.</p> <p><i>*Source: AF</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs</p>	Same or similar indicators used in all three climate finance mechanisms.	<p>AF Core Indicator 4.2</p> <p>LDCF/SCCF: Indicator 2</p> <p>CIF: Indicator A1.2 (optional)</p>
4.0 Improved resilience of ecosystems and ecosystem services.	☐ 4.1 Coverage/scale of ecosystems protected and strengthened in response to climate variability and change.	GCF level	AEs/intermediaries	<p>M: Describe the type of a natural asset or ecosystem under the project. To be disaggregated by ecosystem type. For example:</p> <p>1) Biological asset: measure through changes in population numbers and diversity.</p>	Same or similar indicators used in one climate finance mechanism.	AF: Indicator 5, Core Indicator 5.1

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
				<p>2) Land asset: measure changes in hectares or km that has been rehabilitated or restored.</p> <p>When using an absolute number is not feasible, use scale (1-5) for summarizing extent to which all technical, environmental, social, and financial/economic aspects of asset or ecosystem have improved.</p> <p><i>*Source: AF</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>		
	<input type="checkbox"/> 4.2 Value (US\$) of ecosystem services generated or protected in response to climate change.	GCF level	AEs/intermediaries	<p>M: Measures the interventions made to withstand weather events</p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	Same or similar indicators used in one climate finance mechanism.	AF: Indicator 5, Core Indicator 5.1

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
Technology	<p><input checked="" type="checkbox"/> LDCF/SCCF Indicator 4 Extent of adoption of climate-resilient technologies/practices.</p> <p><input checked="" type="checkbox"/> Number of technologies and innovative solutions transferred or licensed to promote climate resilience as a result of GCF support.</p>	Project/programme level	AEs/intermediaries	<p>M: Climate-resilient technology is understood broadly as tools and practices, including both hardware and software, that reduce the vulnerability of people, livelihoods, physical assets and natural systems to the adverse effects of climate change. This might include the number of technology transfer licenses, number of facilities and/or projects and programmes that include transfer of technology or innovative solutions that support climate adaptation and resilience. Where multiple technologies are transferred and where additional units of measurement are added, add rows and provide further information, especially in relation to the successful deployment of such technologies.</p> <p><i>*Source: LDCF/SCCF</i></p> <p>R: Reported annually by AEs/intermediaries.</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by GCF on data/information from AEs.</p>	<p>COP 23 guidance to report progress on technology.</p> <p>Same or similar indicators used in one climate finance mechanism.</p> <p>The existing indicator was taken out because simple numeric value does not provide much information at the level of adoption of technologies.</p>	LDCF/SCCF: Indicator 4

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
5.0 Strengthened institutional and regulatory systems for climate-responsive planning and development.	<p><input checked="" type="checkbox"/> PPCR Core Indicator A2.1 Degree of integration of climate change adaptation approaches in national and sector planning.</p> <p><input checked="" type="checkbox"/> 5.1 Institutional and regulatory systems that improve incentives for climate resilience and their effective coordination</p>	Country level	AEs/intermediaries/countries	<p>M: Qualitative and quantitative assessment of the various strategies, policies, plans and documents; measurement will be at the national level and by way of standardized scorecard developed by AEs that shows baseline and target scores; data should be sourced from official policy planning documents.</p> <p>In addition, baseline information may be drawn from national repositories, qualitative in nature; defining clear scoring criteria will help make the subjective assessment more objective, reliable, and consistent.</p> <p>The scoring criteria agreed upon by the GCF and different in-country stakeholder groups will provide a robust and objective assessment of the progress.</p> <p><i>*Source: CIF PPCR</i></p> <p>R: Reported annually by AEs/intermediaries</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	<p>Same or similar indicators used in all three climate finance mechanisms.</p> <p>Indicator 5.1 removed: not specific nor measurable</p>	<p>LDCF/SCCF: Indicator 11, 12, 13</p> <p>CIF: PPCR Indicator A2.1 (core)</p> <p>AF: Indicator 7</p>

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
	<p><input checked="" type="checkbox"/> PPCR Core Indicator B2 evidence of strengthened government capacity and coordination mechanism to mainstream climate resilience.</p> <p><input checked="" type="checkbox"/> 5.2 Number and level of effective coordination mechanisms.</p>	Country level	AEs/intermediaries/countries	<p>M: Evidence of measures taken for building institutional capacities, promotion of coordination among national and regional agencies, etc.; measurement will be at the national level and by way of standardized scorecard developed by AEs that shows baseline and target scores</p> <p><i>*Source: CIF PPCR</i></p> <p>R: Reported annually by AEs/intermediaries.</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	<p>Same or similar indicators used in all three climate finance mechanisms.</p> <p>Indicator 5.2 removed: it was not specific nor could it accurately capture the extent of capacity and coordination</p>	<p>LDCF/SCCF: Indicator 9, 10</p> <p>CIF: PPCR Indicator B2 (core)</p> <p>AF: Indicator 2</p>

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
6.0 Increased generation and use of climate information in decision-making.	<p><input checked="" type="checkbox"/> CIF- PPCR B.3 Evidence that climate data is collected, analysed and applied to decision making in climate sensitive sectors.</p> <p><input checked="" type="checkbox"/> Proposed: 6.2 Use of climate information products/services in decision-making in climate-sensitive sectors</p>	Project/programme level	AEs/intermediaries/countries	<p>M: Need of evidence that climate data and critical aspects of reliable climate information systems that continuously assess climate variability is available. Qualitative scorecard to measure climate information generation, analysis and communication.</p> <p><i>*Source: CIF PPCR</i></p> <p>R: Reported in the Annual Performance Report (APR)</p> <p>V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.</p>	<p>Same or similar indicators used in one climate finance mechanism.</p> <p>The proposed indicator 6.2 is replaced by the reference indicator already in use by CIF PPCR.</p>	CIF: PPCR Indicator B.3
	<input checked="" type="checkbox"/> GEF Indicator 7 Number of people/geographical area with access to improved climate information services	Project/programme level	AEs/ intermediaries	<p>M: 'Access' is understood as regular access to information over an extended period of time. 'Improved' can refer to more accurate, timely and/or more user-friendly climate information services; where qualitative methodologies are used to capture the degree to which climate information services are improved; disaggregated by gender.</p> <p><i>*Source: GEF</i></p>	Same or similar indicators used in all three climate financial institutions.	<p>LDCF/SCCF: Indicator 7</p> <p>CIF: PPCR Indicator B3</p> <p>AF: Indicator 1</p>

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input checked="" type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
				R: Reported in the Annual Performance Report (APR)  V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.		
7.0 Strengthened adaptive capacity and reduced exposure to climate risks.	<input checked="" type="checkbox"/> Proposed 7.1: Use by vulnerable households, communities, businesses and public-sector services of GCF-supported tools, instruments, strategies and activities to respond to climate change and variability.	Project/programme level	AEs/ intermediaries		Not used in reference climate finance mechanisms.	None
	<input checked="" type="checkbox"/> AF Core Indicator 1.2 Number of early warning systems (EWS).	Project/programme level	AEs/intermediaries	M: An EWS is perceived as a composite of four dimensions: (1) knowledge on risks; (2) monitoring; (3) dissemination; and (4) response capability. The indicator is expressed by an absolute number of a proper category of EWS and hazard targeted, geographical coverage, and number of municipalities. These parameters should be reported at the project level. It is possible for one project to invest into several categories	Same or similar indicators used in other two climate financial institutions.	LDCF/SCCF: Indicator 8  AF: Core Indicator 1.2

Expected result	Indicator <sup>5</sup> ☑ = Decided ☐ = No change to undecided indicator ☒ = Revised ■ = Newly added ☒ = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
	☒ 7.2 Number of males and females reached by [or total geographic coverage of] climate-related EWS and other risk reduction measures established/strengthened.			of EWS, in which case these should be reported separately.  <i>*Source: AF</i>  R: Reported in the Annual Performance Report (APR)  V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.	To keep minimum number of indicators as per principles highlighted in the document, indicator 7.2 is removed.	
8.0 Strengthened awareness of climate threats and risk-reduction processes.	☑ 8.1: Number of males and females made aware of climate threats and related appropriate responses.	Project/programme level	AEs/intermediaries	M: Describe the number of people who have received knowledge of climate threats and act on these where appropriate together with the type of knowledge shared, awareness-building mechanisms introduced and the impact these have had on the population/beneficiaries (direct/indirect).  These people are not necessarily included among the direct beneficiaries or the number of people trained (see indicator 9), given that activities to promote people's awareness are not always associated with more in-depth	Adopted by the GCF Board.  Same or similar indicators used in two climate finance mechanisms.	LDCF/SCCF: Indicator 5  AF: Indicator 3.1, 3.2

Expected result	Indicator <sup>5</sup> <input checked="" type="checkbox"/> = Decided <input type="checkbox"/> = No change to undecided indicator <input type="checkbox"/> = Revised <input type="checkbox"/> = Newly added <input checked="" type="checkbox"/> = Removed * = Core	Level (GCF, country, project/programme)	Reporting responsibility (annual reporting)	Measurement, Reporting and Verification (MRV)	Rationale	Similar indicators (GEF/CIF/AF)
				training or measures directly seeking to reduce their vulnerability; population to be disaggregated by gender.  <i>*Source: GEF</i>  R: Reported in the Annual Performance Report (APR)  V: First verification to be done by AEs on data/information from intermediaries/executing entities and second verification to be done by the GCF on data/information from AEs.		

Notes: GEF = Global Environment Facility; LDCF = Least Developed Countries Fund; SCCF = Special Climate Change Fund; CIF = Climate Investment Funds; PCR = Pilot Program for Climate Resilience; AF = Adaptation Fund; IPCC = Intergovernmental Panel on Climate Change; TBD = to be decided