

STRATEGIC QUESTION	MAIN QUESTIONS	SUB- QUESTIONS	KEY FINDINGS	RECOMMENDATIONS
<p>Q</p> <p>Is the GCF set up to deliver paradigm shift in climate change finance?</p>	<p>Q1</p> <p>Was the GI translated into an organizational structure?</p>	<p>Q1-1</p> <p>Are all GI elements developed and in place?</p>	<p>F1-1</p> <p>Yes, Board, strategy, structure, system, staff, policies & modalities are.</p>	<p>R1</p> <ul style="list-style-type: none"> Review governance structure of the GCF Review the role of the Board Delineate strategic and day-to-day management Provide greater autonomy to the Secretariat for day to day management. Policies should be approved by the Board but guidelines and procedures should be left to the Secretariat. Review the relevance, effectiveness and efficiency of the policy framework and its implementation from a climate angle. Support an active CSOs/PSO and CSO network using financial and participatory approaches. <p>R2</p> <ul style="list-style-type: none"> Assess market niches that use high-quality evidence gathering approaches. Develop strategic plan that prioritises GCF as: <ul style="list-style-type: none"> - A global knowledge thought leader/policy influencer - A climate finance broker - Replication and Scaling-up - Results-based capital allocation - Change the Adaptation/Mitigation target - Set targets for amounts that will flow through (a number of) DAEs? - Identify priority sectors Develop tools to support an evidence-based strategy <ul style="list-style-type: none"> - Re-think investment criteria to make it a true selection tool - Align RMF with IC - Simplify accreditation processes and requirements while creating a differentiated model for different access modalities and as per entity capacities and needs. <p>R3</p> <ul style="list-style-type: none"> Report on progress against revamped strategy and RMF Co-create climate value through an expanded list of modalities including project/programmatic/sector based investments that use innovation and incentives for innovation and impact Re-think grant-equivalent calculator Re-emphasize adaptation and set financial goals for private sector participation in adaptation.
		<p>Q1-2</p> <p>Are roles and responsibilities adequately defined between Board and Secretariat?</p>	<p>F1-2</p> <p>No, in practice management and supervision insufficiently separate.</p>	
		<p>Q1-3</p> <p>Does the policy framework support and enable the Fund's operations and mandate?</p>	<p>F1-3</p> <p>Policies are ambitious but too strict for the capacity of AEs, countries and Secretariat, and change too frequently.</p>	
	<p>Q2</p> <p>Is the GCF able to channel and leverage significant investment flows?</p>	<p>Q2-1</p> <p>Is GCF able to commit capital to climate change projects?</p>	<p>F2-1</p> <p>Yes, 80% of available capital has been committed.</p>	
		<p>Q2-2</p> <p>Is GCF capital new, additional, adequate and predictable for developing countries?</p>	<p>F2-2</p> <p>GCF capital is new, partially additional, but not adequate nor predictable.</p>	
		<p>Q2-3</p> <p>Are GCF commitments provided at scale in the total climate finance space?</p>	<p>F2-3</p> <p>GCF's own and catalysed commitments are large compared to other CF mechanism but small in total CF space.</p>	
		<p>Q2-4</p> <p>Does the GCF leverage at scale?</p>	<p>F2-4</p> <p>No, GCF insufficiently leverage at scale.</p>	
		<p>Q2-5</p> <p>Is the GCF able to disburse?</p>	<p>F2-5</p> <p>No, only 8% of commitments have been disbursed.</p>	
	<p>Q3</p> <p>Does the GCF address climate change priorities in eligible countries?</p>	<p>Q3-1</p> <p>Was capital committed according to country needs?</p>	<p>F3-1</p> <p>Yes, the sectors of funded projects are in line with (I)NDCS, NAPs, NAMAs, etc. but not take into account GCF's comparative advantage.</p>	
		<p>Q3-2</p> <p>Was capital committed 50/50 to adaptation and mitigation according to results areas?</p>	<p>F3-2</p> <p>No, adaptation commitments are only half of denominated commitments to mitigation.</p>	
		<p>Q3-3</p> <p>Are likely impacts in line with expectations?</p>	<p>F3-3</p> <p>Impact areas are in line with country needs but likelihood of achieving expected impact is modest.</p>	

MAIN QUESTIONS

SUB-QUESTIONS

KEY FINDINGS

RECOMMENDATIONS

Q
Is the GCF set up to deliver paradigm shift in climate change finance?

Q4-1
ISP fit for purpose in past?

Q4-1a
Was the ISP ambitious?

F4-1a
The ISP was ambitious. **Ch2**

Q4-1b
Did the ISP provide clear guidance to the Fund?

F4-1b
It initially provided necessary flexibility but lacked targets and hence clear guidance. **Ch2**

Q4-1c
Was the accreditation framework fit for purpose?

F4-1c
Yes it was, but the expanding and more complex policy framework has made it unfit. **Ch4**

Q4-2
Are roles and responsibilities of all actors involved with the GCF aligned and clear?

Q4-2a
How is the GCF Business Model implemented on the ground?

F4-2a
It is largely central government owned and there is no consistency in quality and delivery of implementation. **Ch3**

Q4-2b
Are roles and responsibilities of actors in the project cycle and accreditation process clear, appropriate and effective?

F4-2b
Roles and responsibilities are insufficiently clear, uncoordinated and partially effective. **Ch3**

Q4
Was the Business Model efficient and is it ready for future?

Q4-3
Does the GCF provide innovative finance?

Q4-3a
Are GCF's modalities, instruments & project sizes appropriate and sufficient?

F4-3a
The GCF's modalities, instruments and project sizes are appropriate and generally sufficient. **Ch5**

Q4-3b
Does GCF combine the modalities & instruments in innovative ways?

F4-3b
No, there is opportunity for better tailoring of instruments to provide more adequate financing packages for solutions. **Ch5**

Q4-4
Is the project cycle effective and efficient?

Q4-4a
Is it sufficiently time efficient?

F4-4a
No, the project cycle (submission of FP to FAA effectiveness) on average is 21 months. **Ch5**

Q4-4b
Is it sufficiently cost efficient (not GCF only but (D)AEs as well)?

F4-4b
Administration costs are average but high per project for both Secretariat and (D)AEs. **Ch5**

Q4-4c
Does the project cycle deliver high quality projects that fit the mandate?

F4-4c
The project cycle does not guarantee quality projects at entry in terms of climate rationale, compliance and likely impacts. **Ch5**

R4-1 Develop a new evidence-based strategic plan which has a vision, implementation plan and quantitative targets.

- Create an integrated accreditation and project cycle that is consistent with the overall strategy and is simplified, transparent and differentiated with an approved accreditation strategy.
- More closely integrate readiness and accreditation.
- Set up time bound sub-goals for sectors and modalities for divisions and teams within the secretariat, including those for failure rates.

R4-2

- Work towards a model to ensure co-creation of investments while thinking of both incentives and structure and processes to enable this within the Secretariat and for AEs and country level stakeholders.
- Evaluate the roles and capacities of NDAs.
- Create Terms of Reference for NDAs.
- Review implementation approach and performance of the AEs in countries.
- Clarify ownership, responsibilities and rules of engagement amongst different actors including amongst and across Secretariat staff, NDAs, C/PSOs, AE staff, project beneficiaries, among others.

R4-3 Examine the sufficiency of current modalities given the business model of the GCF.

- Restructure the secretariat to maximise impact
 - Remove distinction between DMA and PSF
 - Create hybrid sectoral teams
- Create incentives & KPIs in the Secretariat for the best instrument package for climate solutions (global value for money rather than disbursement as KPI)
- Create different tracks in the overall accreditation and project cycle (hard/easy or easy hard/lean in/out).
- While approving new policies, ensure they all have an analyses of consequence for the current portfolio and workload.

R4-4

- Streamline project cycle to avoid duplications and rework for greater predictability for AEs and countries.
- Ensure transparency towards AEs on selection and on project cycle.
- Instead of having a variety of policy documents that AEs and countries have to approve internally and work through, have a 'climate policy' document that synthesizes requirements of ESS, financial due diligence and reporting with a specific focus on additions due to climate change, and share with agencies that are keen to get accredited.
- Create a functioning MIS
- Set quality targets for projects (APRs?)