

good
 fairly weak
 weak
 recommendation

QUESTIONS

KEY CONCLUSIONS AND FINDINGS

RECOMMENDATIONS

Q1
Are GCF processes, programmes, funding windows and modalities responsive to the needs and urgency of SIDS?

F1
Conclusion 1. GCF's modalities and processes are not yet sufficiently effective to address the needs and urgency of climate action in the SIDS.

F1-1
SAP modality is seen as highly relevant for SIDS, but is not yet sufficiently simplified.

F1-2
RfP programmes have not been effective although the EDA RfP has good potential to support in SIDS.

F1-3
Overall, SIDS are underrepresented throughout stages of pipeline development.

F1-4
The programmatic approach offers an opportunity to scale up finance SIDS.

R1
Accelerate and simplify access to GCF funding, through the use of the SAP and also consider the PSAA. The Board may consider delegating the SAP approval process to the Secretariat, and also implementing iTAP SAP on a rolling basis.

Q2
Is the GCF accreditation process responsive to the needs and urgency of SIDS? Is the portfolio of AEs suitable?

F2
Conclusion 2. The GCF accreditation model is disadvantaging SIDS with low capacity, experience, or confidence from achieving directly access.

F2-1
Out of 40 GCF eligible SIDS, only four have access to a national AE, and less than half have nominated a national AE.

F2-2
Most SIDS (except AIS) have access to regional DAEs. However many regional DAEs are overwhelmed with project requests.

F2-3
While all SIDS have access to International AEs, these entities may not always be a country's partner of choice.

F2-4
Many IAEs are disincentivized by high transaction costs when pursuing small sized projects.

R2-1
Improve the efficiency of the accreditation process.

R2-2
Bridge the gap between pre-accreditation and post-accreditation RPSP by incorporating resources for concept note development into pre-accreditation RPSP grants.

R2-3
Expand roster of RPSP delivery partners, target the regional DAEs.

R2-4
Provide "matchmaking" for IAEs and SIDS.

Q3
Are GCF programmes and modalities feasible for SIDS? Are they matched to SIDS' capacities?

F3
Conclusion 3. SIDS lack the capacity to develop concept notes and funding proposals to the GCF standard. The RPSP and PPF are helping but don't sufficiently account for human resource limitations.

F3-1
RPSP is not bridging the gap between accreditation and capacity for project development.

F3-2
Many SIDS lack the data to prove climate vulnerability for adaptation projects.

R3-1
Capacity-building in SIDS should follow an accompaniment approach, embedding human resources alongside government and DAE staff over longer periods.

R3-2
Consider a separate window of RPSP funding for regional DAEs to make support more accessible. More hands-n support to SIDS for writing concept notes.

R3-3
Simplify the funding proposal template to allow SIDS to cross-reference existing data demonstrating climate change vulnerability.

QUESTIONS

KEY CONCLUSIONS AND FINDINGS

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Q4
Is the GCF's portfolio in SIDS achieving results? Are investments innovative?

F4
Conclusion 4. Finance in SIDS is appropriately focused on adaptation grants, it is premature to judge the result of this. But there is space for funding more innovative financial structures and instruments.

F4-1
Over 60 percent of GCF finance in SIDS has been focused on adaptation, consistent with the guidance in the Governing Instrument and the priorities of SIDS.

F4-2
Approved funding proposals are aligned with the climate needs and priorities of SIDS, including NDCs.

F4-3
The GCF can improve in terms of funding more financial innovation in SIDS.

F4-4
As GCF is capable of larger allocations than other multilateral climate funds, stakeholders emphasize its potential scale up successful projects.

R4-1
Redefine results areas and impact potential elements to unambiguously align with standard categories of priorities mentioned in the NDCs in SIDS.

R4-2
The Secretariat should work with AEs and countries to pursue projects with business and financial innovations, as requested by SIDS.

R4-3
The Secretariat should enhance complementarity and coherence specifically in SIDS.

Q5
What has been GCF's experience with the private in SIDS?

F5
Conclusion 5. The GCF's approach to the private sector in SIDS is not sufficiently articulated or coordinated. There has been sizeable engagement to improve the resilience of local private sector actors through the DMA portfolio.

F5-1
The GCF lack a common understanding and strategy for the private sector.

F5-2
Readiness support for the private sector is limited to early stages of activities such as consultation and raising awareness, and there is a gap of activities to lead them to project development.

F5-3
Very little GCF funding has been provided for SIDS through the PSF.

R5-1
Redefine results areas and impact potential elements to unambiguously align with standard categories of priorities mentioned in the NDCs in SIDS.

R5-2
The Secretariat should work with AEs and countries to pursue projects with business and financial innovations, as requested by SIDS.

R5-3
The Secretariat should enhance complementarity and coherence specifically in SIDS.

Q6
Are GCF policies and frameworks relevant to the needs and urgency of SIDS?

F6
Conclusion 6. The GCF policy landscape has the flexibility to accommodate the SIDS, but certain important policy and governance issues require further Board discussion and decisions.

F6-1
Specific guidance is lacking for the application of flexible policy, presenting a risk for misinterpretation or misapplication.

F6-2
Half of the policies most relevant SIDS are yet to be approved by the Board e.g. incremental costs, concessionality, co-financing, and programmatic approach.

F6-3
A lack of clear policy guidance on the programmatic approach is holding back AEs from developing such programmes for SIDS.

R6-1
The Board should consider finalizing key outstanding policies with urgency, especially on the programmatic approach.

R6-2
The Secretariat should develop guidance on interpretation and application of policies.

AE: accredited entity | DAE: direct access entity | DMA: Division of Mitigation and Adaptation | EDA: Enhancing Direct Access | IAE: international accredited entity | iTAP: independent Technical Advisory Panel | NDC: nationally determined contribution | RfP: request for proposal | RPSP: Readiness and Preparatory Support Programme | SAP: simplified approval process | SIDS: small island developing states | UNFCCC: United Nations Framework Convention on Climate Change