



**GREEN  
CLIMATE  
FUND**

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# Annual progress report on the implementation of the Strategic Plan for the GCF 2020–2023

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## **Summary**

Through decision B.27/06, the Board endorsed the Updated Strategic Plan for the Green Climate Fund: 2020–2023 to guide it in addressing policy gaps and programming GCF resources of the first replenishment period. The Board also requested the Secretariat to report on progress on the 2020–2023 Strategic Plan at the first Board meeting of each year from 2021.

This third 2020–2023 Strategic Plan progress report, coming at the start of the last year of first replenishment period of the GCF (GCF-1), captures the significant progress that has been made by the GCF since the adoption of the 2020–2023 Strategic Plan. It highlights key advancements and results related to programming, policy, operations, and institutional capacity, as well as pinpointing action areas and challenges for the last year of the GCF-1 programming period. The annexes include a results tracking tool. Reported figures are as at 31 December 2022.

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## I. Introduction

1. At its twenty-seventh meeting (B.27), the Board endorsed the Strategic Plan for the GCF 2020–2023, as a living document, to guide it in addressing policy gaps and programming GCF resources for first replenishment period of the GCF (GCF-1), and to invest GCF resources in paradigm-shifting climate actions in a country-driven manner. The 2020–2023 Strategic Plan and decision B.27/06 affirm the Board’s long-term strategic vision for GCF and set out strategic objectives, updated parameters and guidelines for the allocation of resources and strategic, operational and institutional priorities for GCF-1.

2. The first 2020–2023 Strategic Plan implementation report, presented to the Board at B.28 just months after the adoption of the 2020–2023 Strategic Plan, focused on outlining initial steps taken by GCF to implement the 2020–2023 Strategic Plan and align programming directions and work programming with its ambitions. The second 2020–2023 Strategic Plan implementation report, which came at the midpoint of GCF-1, examined the progress, outcomes and results delivered by the GCF up to end of 2021 against the 2020–2023 Strategic Plan’s strategic objectives, strategic priorities and operational and institutional priorities. It also took stock of emerging challenges and action areas where course correction would be needed over the remainder of GCF-1, extracting lessons for planning for the next GCF replenishment. This third report serves to update the previous progress status up to the end of 2022, while also indicating where outstanding areas of action are expected to be picked up under 2023 work planning or in future strategic planning for GCF-2.

3. To provide a dynamic picture of progress, this report follows previous practice of showing both total portfolio outcomes as well as GCF-1-only outcomes, allowing the reader to observe the most recent GCF-1 trends and changes occurring over 2020, 2021 and 2022 as well as isolate notable achievements related to 2022 alone. This breakdown will become more significant as the GCF portfolio grows and ‘built-in outcomes’ from prior programming periods sway overall results. The report is designed to provide a ‘GCF-wide’ perspective and reflect progress made by all of the GCF’s bodies.

4. Overall, the report demonstrates the substantial headway made by GCF in aligning programming and operations with the ambitions and targets set out in the 2020–2023 Strategic Plan. With just one year left in GCF-1, the GCF remains on track to meet the vast majority of objectives set out under the 2020–2023 Strategic Plan. For the discrete areas where there are implementation gaps, the report indicates where priorities have been taken over by evolving circumstances, where additional efforts are planned for 2023 or where matters are best picked up in the context of strategic planning for GCF-2. As a learning institution, this report also provides insights into areas where the GCF can continue to improve.

5. In overview, the GCF has delivered the following progress on the 2020–2023 Strategic Plan to date and in 2022 in particular:

- (a) **Strengthening capacity to implement climate strategies and access financing:** GCF’s investments in readiness continue to help 141 countries build their capacity to translate nationally determined contributions (NDCs) and national climate strategies into actionable planning, policy and investment responses. To ensure predictable resourcing is available to meet country requests for support, in 2022 the GCF allocated additional readiness and project preparation budget for the remainder of GCF-1. Informed by operational experience, extensive country consultations and evaluations, GCF has evolved its understanding of the results the Readiness and Preparatory Support Programme has delivered to date and of the ongoing climate programming capacity constraints experienced by countries. It has also examined ways to improve efficiency and effectiveness of the Readiness Programme. While significant outcomes were delivered in terms of building national capacities to access climate finance, a key emerging lesson is that a more systemic and value-chain support approach is required

for effective NDC/national adaptation plan (NAP) implementation, moving beyond incremental or activity-by-activity interventions. The GCF is looking towards presenting a more integrated approach under the revised Readiness Programme and Project Preparation Facility (PPF) strategies, looking towards opportunities for: incentivizing and simplifying access for multi-year predictable support; enhancing the climate orientation of support modalities and enabling countries to access a variety of financing sources; and significantly bolstering the integration of support modalities with a particular focus on direct access entities (DAEs);

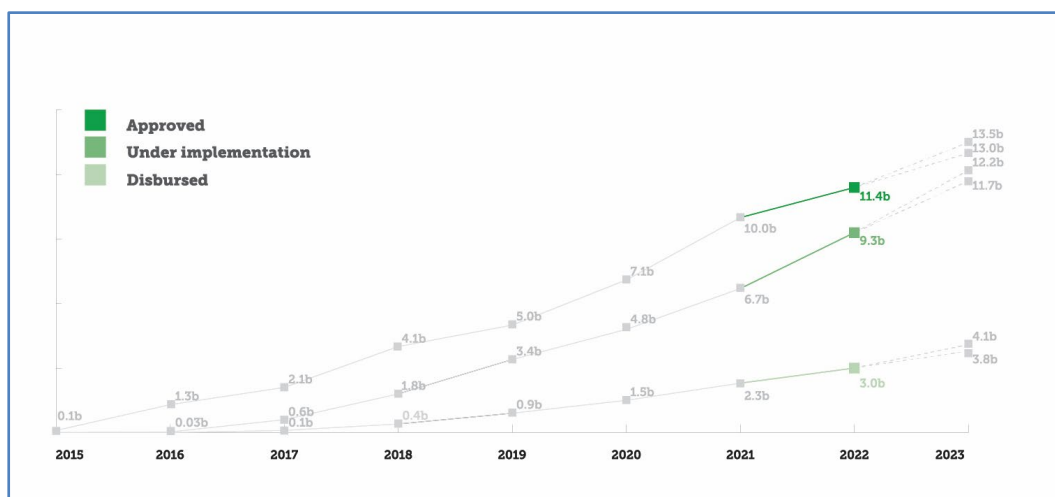
- (b) **Building a USD 11 billion+ portfolio aligned with GCF-1 goals:** GCF has grown to a fund committing USD 11.4 billion of its own resources to a portfolio of 209 mitigation and adaptation projects in 128 developing countries, with a total asset value of almost USD 43 billion. From the start of GCF-1 through to 2022, GCF's programming has both *gained pace*, making full use of available resources, and *substantially improved in quality*, with growing examples of 'first-of-their-kind' transformational projects which reaffirm GCF's commitment to paradigm-shift by driving innovation, piloting new business models, reaching the most vulnerable and creating new markets. In 2022 GCF adopted two novel adaptation and private sector strategies serving to sharpen GCF programming with regard to where it is best placed to deliver value. It also completed a full suite of appraisal, sectoral and programming guidance serving to help GCF's partners better design and self-appraise projects for their GCF investment fit. The GCF-1 portfolio to date has seen marked increases in DAE programming and private sector adaptation programming, and GCF continued monitoring its 2020–2023 Strategic Plan portfolio allocation parameters through its regular pipeline planning efforts. Since the previous implementation report it has become even clearer that the nature of the GCF-1 goals (multiple allocation targets) is forcing trade-offs, as there is insufficient pipeline to meet the adaptation, direct access and private sector goals simultaneously. As a lesson, goals that allow for more transparent and predictable approach to programming and pipeline management may be considered going forward;
- (c) **Accelerating implementation to deliver resources on the ground, with a proactive and rapidly maturing approach to managing portfolio risks:** The GCF portfolio under implementation passed USD 9 billion in 2022, or 87 per cent of the portfolio by number of approved projects. Disbursements also surpassed USD 3 billion, more than tripling the volume of resources deployed on the ground since the initial resource mobilization (IRM). Investments into post-approval and portfolio management processes continue to bear fruit, with decreasing times from approval to disbursement. GCF continued to significantly strengthen its capacity to undertake portfolio management and monitoring of results and knowledge, building on the adaptive management approaches required by operating in a global pandemic context at the start of GCF-1. In 2022 this was supported by a full operationalization of a comprehensive and digitized Portfolio Performance Management System (PPMS) that has been enhanced with 'traffic light' risk flagging and early warnings, thus streamlining performance and risk assessment processes. Recognizing that the volume of the portfolio under implementation has also tripled since the start of GCF-1, GCF has over the course of 2022 reviewed its risk management framework (RMF)<sup>1</sup> through an integrated top-down and bottom-up approach that seeks to further elaborate the risk categories prevalent under GCF's business model and mainstream self-assessment risk controls across all GCF processes;
- (d) **Strengthening management of climate results for developing countries:** To date GCF's portfolio has delivered 63 million tonnes of carbon dioxide equivalent (MtCO<sub>2</sub>eq)

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<sup>1</sup> An information paper outlining the status of the review is being prepared for publication at B.35.

of emission reductions and benefitted 57 million people directly and indirectly, while the total portfolio is expected to deliver 2.4 billion tonnes of CO<sub>2</sub>eq of emission reductions and reach 666 million beneficiaries. Over 2022, GCF began implementing the newly adopted integrated results management framework (IRMF): all projects approved from B.32 onward are IRMF-compliant and results reporting in accordance with the IRMF is expected from 2024. GCF also began implementing, through its accredited entities (AEs), remedial measures to strengthen results measurement and reporting for its IRMF portfolio. Lastly, GCF adopted in 2022 principles for demonstrating the impact potential for mitigation and adaptation activities, which establish a more transparent and consistent approach in the application of GCF's investment criteria. GCF's review processes continue to ensure all GCF-1 proposals are equipped to track and evaluate results through consistent and robust methodologies. GCF began to harvest and share knowledge from implementation by formalizing learning loops; establishing a knowledge hub for the Readiness Programme; advancing the design of a learning loop for funding proposals; generating knowledge products on GCF adaptation investments; and capturing stakeholder implementation feedback through a growing body of project stories;<sup>2</sup>

**Figure 1: GCF portfolio evolution**



- (e) **Attaining institutional maturity and consolidating execution capacity:** In 2022 the GCF closed key policy operational gaps and completed a comprehensive review of its policy frameworks. Likewise, in 2022 GCF completed the full set of initiatives started at the beginning of GCF-1 to clarify, codify, digitize and enhance the transparency and predictability of GCF processes, with the preparation of the FP Appraisal Manual and the Governance Affairs Manual. As a result, GCF enters the last year of GCF-1 with the ability to shift towards testing the coherence and effectiveness of its policies and to monitor and adjust processes based on operational experience. Finally, GCF dedicated extensive efforts to grow its staff capacity by evolving its employee value proposition, streamlining recruitment processes and conducting targeted recruitment outreach activities. GCF updated its salary scale in 2022 after six years and the GCF Secretariat recruited 88 positions over the course of 2022, reaching a 237 headcount by the end of the year. Efforts are expected to lead to a workforce of 315 staff by the end of 2023, achieving the 90 per cent fill ratio target against the Board-approved headcount. With this solid institutional foundation in place, GCF also advanced strategic planning and resource mobilization efforts in advance of GCF-2. Two major areas with potential for

<sup>2</sup> Project stories can be accessed through the GCF website:  
[https://www.greenclimate.fund/news?f\[\]=field\\_subtype:199](https://www.greenclimate.fund/news?f[]=field_subtype:199)

further institutional development in the leadup to the GCF-2 process remain securing wider privileges and immunities and establishing a regional GCF presence.

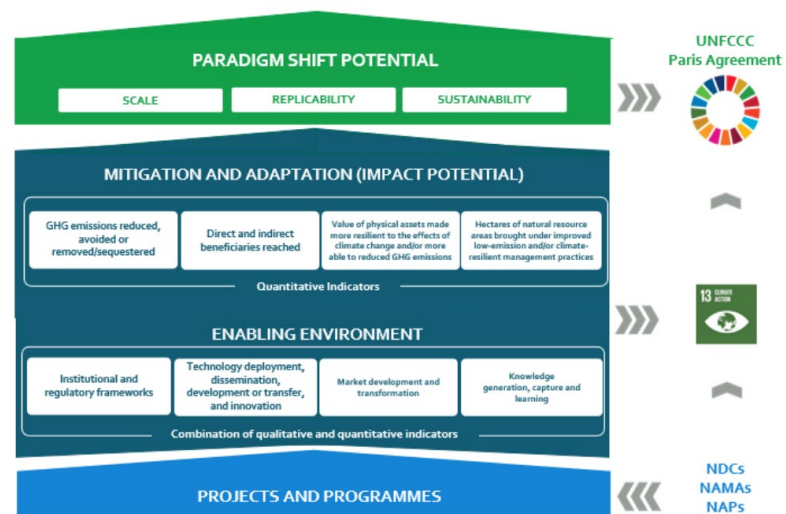
6. The body of this report is structured to mirror the major sections of the 2020–2023 Strategic Plan:
- (a) **Section II** provides early, qualitative insights into progress made by the GCF in delivering the 2020–2023 Strategic Plan’s strategic vision, including through alignment of GCF’s results framework, while acknowledging that delivering this vision remains a long-term endeavour. This section focuses on how GCF is supporting delivery of the Convention and Paris Agreement, including implementation of NDCs, the global goal on adaptation, and GCF’s response to Conference of the Parties (COP) guidance, and also provides an update on complementarity and coherence. Accompanying this picture of GCF results to date is **annex I**, which sets out a results tracking tool enabling the comparison of IRM and GCF-1 results so far;
  - (b) **Section III** presents an analysis of how the GCF is tracking against the 2020–2023 Strategic Plan strategic objectives, GCF-1 portfolio targets and allocation parameters. It captures the most recent lessons from implementing the targets, including tensions, trade-offs and challenges going forward, and examines the programming profile required over the course of 2023 to meet the GCF-1 allocation targets;
  - (c) **Section IV** provides an update on progress in implementing the four strategic priorities set out in the 2020–2023 Strategic Plan. It synthesizes overall outcomes delivered to date, while highlighting significant actions completed or progressed in 2022, as well as action areas where renewed focus or a different approach is needed to move ahead;
  - (d) **Section V** provides an update on progress made in implementing the overall operational objectives for GCF-1. It is accompanied by **annex II**, which provides a comprehensive status update on actions scheduled under the 2020–2023 Strategic Plan’s operational and institutional priorities, including indicating where delays or difficulties have been experienced.

## II. Strategic vision

### 2.0.1. Promoting the paradigm shift towards low-emission and climate-resilient development pathways in the context of sustainable development

7. The 2020–2023 Strategic Plan recognizes that the first part of the Board’s long-term strategic vision for the GCF – promoting paradigm shift toward low-emission, climate-resilient development pathways – is complex and contextual, and outcomes will not be easily identified in the short term. In 2021 the Board took a notable decision to adopt an IRMF which updated the GCF results architecture. This now allows for the measurement and reporting of results across the three linked levels of: (i) GCF impact: paradigm shift potential; (ii) GCF outcomes: reduced emissions, increased resilience and creation of enabling environments; and (iii) project and programme-level outcomes.

**Figure 2: Overall structure of the integrated results management framework**



8. In 2022, GCF advanced the implementation of the IRMF and offered extensive support and guidance to AEs to enable their use of and compliance with the IRMF, including through a dedicated funding window for DAEs and a novel fast-track DAE support avenue. As a result, all GCF funding proposals submitted to the Board in 2022 since B.32 have been aligned with the IRMF, which serves as a single logical framework through which GCF results can be measured, reported and evaluated.

9. Given that we are in the early days of the implementation of the IRMF, proposals continue to report ex-ante expected results, with the first ex-post reporting using IRMF expected to be received from the start of 2024. Projects will then start reporting how they are contributing to creating enabling conditions and environments for paradigm-shift, in a country-driven manner. The results tracking tool included in **annex I** follows the structure of the IRMF and reports results available to date, enabling comparison between IRMF and GCF-1 performance. Additional levels of information will be added into the results tracking tool as they become available through project reporting.

### 2.0.2. Supporting developing countries in the implementation of the Paris Agreement and Convention within the evolving climate finance landscape

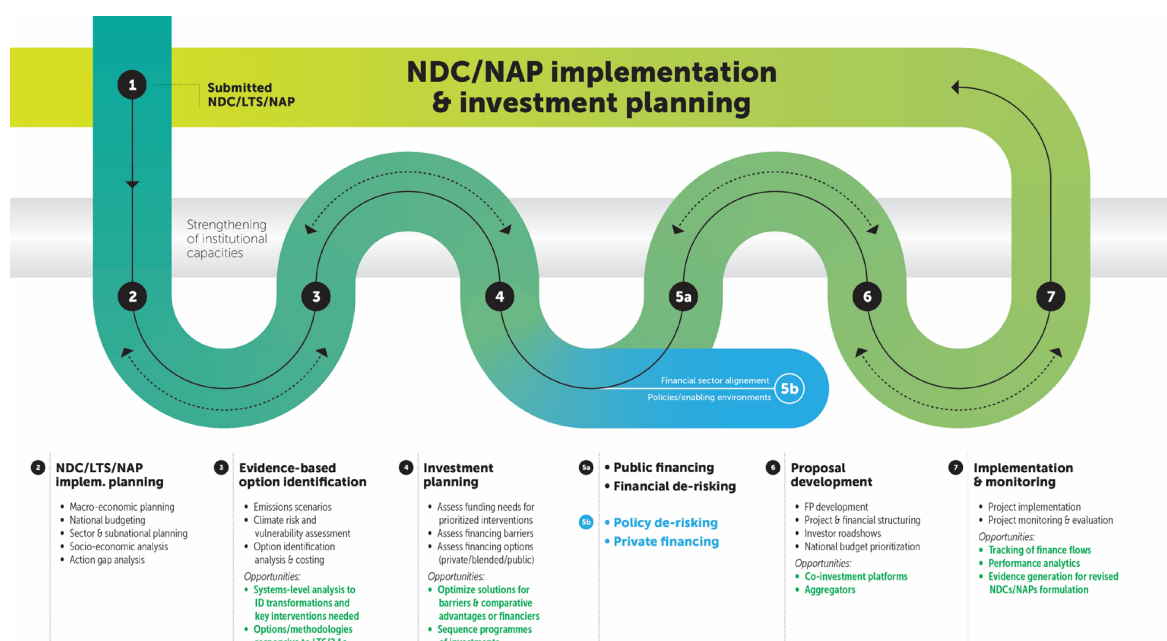
10. In relation to the second part of the Board’s long-term strategic vision for GCF, the 2020–2023 Strategic Plan expressly states the intention to align GCF’s programming with the priorities identified by developing countries in their NDCs, adaptation plans, technology plans and other national and long-term climate strategies, as updated periodically, to build ambition in line with the objectives of the Convention and the Paris Agreement. The 2020–2023 Strategic Plan specifically recognizes the critical and distinctive contribution the GCF has to make in scaling up financing for adaptation and resilience to support the achievement of the global goal on adaptation, as well as in providing and facilitating access to resources for activities relevant

to averting, minimizing and addressing loss and damage associated with the adverse effects of climate change.

11. Responding to this strategic guidance, GCF continued over 2022 to orient its various programming modalities – readiness, project preparation and full funding proposal programming – toward supporting developing countries to translate their NDCs, adaptation plans and long-term climate strategies into actionable planning, policy and investment responses. A review of alignment with countries’ priorities, including NDCs, adaptation plans and long-term strategies, has been mainstreamed into GCF’s processes for reviewing readiness, country and entity work programmes, and funding proposals. Learning from operational experience to date, GCF has also evolved its thinking on opportunities to evolve its approach to NDC/adaptation communication/NAP/long-term strategy implementation and investment planning. GCF has the opportunity to help developing countries shift implementation from an incremental approach supported by stand-alone projects – which may not optimize financing and only achieve incremental and short-lived impacts; and/or not be cost effective or may even be maladaptive over the long term – to more integrated, systemic, country-owned responses. This would start with national climate plans and examining trade-offs and synergies across mitigation/adaptation and across sectors and geographies to developing projects and programmes targeting systems transitions in line with the advice of the Intergovernmental Panel on Climate Change.

12. Helping developing countries deploy climate risk, vulnerability and feasibility assessments early in the design process and at systems level, rather than on a project-by-project basis, also offers potential to move well-designed proposals more quickly through GCF’s investment process. GCF could offer tailored support to help countries strengthen climate hydro-meteorological infrastructure, collect data and convert it into climate information products and services to support integrated planning, and enable ‘financial engineering’ approaches to access and structure different sources of public and private finance to implement priority investments and achieve systemic change – all areas of need identified by developing countries. Figure 3 below visualizes how GCF can intervene across the NDC/NAP implementation value-chain.

**Figure 3: Nationally determined contribution/national adaptation plan implementation and investment planning process**





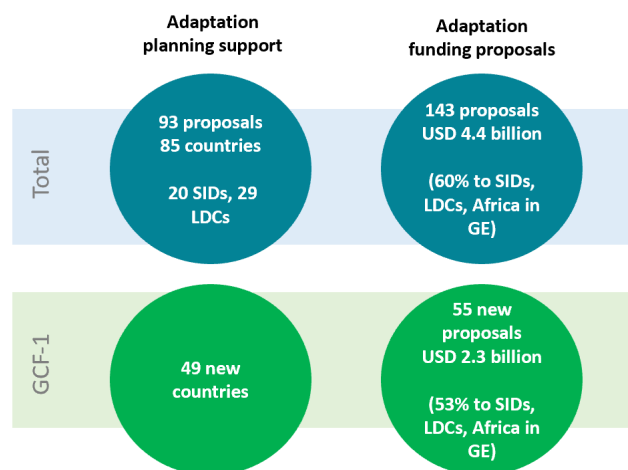
13. GCF also evolved its approach to adaptation planning and programming as the Board welcomed guidance on the GCF’s vision, approach and scope for providing support to enhance climate adaptation. The guidance elaborated four pillars through which GCF implements its vision for promoting transformational adaptation and for catalysing adaptation finance at scale. These build and seek to maximize the impact of GCF’s resources and programming through a strengthened focus on: (a) supporting transformational planning and creating an enabling environment for adaptation investment; (b) catalysing innovation in climate adaptation through investments in new and innovative technologies, business models, financial instruments, and practices; (c) de-risking high-impact adaptation projects to establish a commercial track record for new adaptation solutions and enable financiers to better assess and price risks; and (d) aligning finance with sustainable development by empowering domestic financial institutions and firms in developing countries to originate and finance the widespread adoption of commercially proven adaptation solutions. GCF also took additional decisions to: mainstream the consideration of adaptation needs across all GCF modalities and strategies, including under strategic planning for GCF-2; strengthen the linkage between adaptation planning outputs and investments; and enhance the use of Readiness Programme and project preparation resources for adaptation outcomes.

14. In parallel, GCF continued to provide support to adaptation in line with the existing investment framework and the GCF-1 targets using the full range of GCF projects and programmes, capacity-building, and technical assistance tools as illustrated in figure 3 below. The GCF also continued its participation and engagement in the consultations under the Glasgow-Sharm el-Sheikh work programme on the global goal on Adaptation and provided technical assistance and support to United Nations Framework Convention on Climate Change (UNFCCC) constituted bodies that support developing countries in advancing their adaptation goals. This included sharing lessons learned from its adaptation planning and programming experience.

15. As called for under the 2020–2023 Strategic Plan, the GCF has also advanced the use of climate information to better understand long-term climate risks and adaptation needs and to inform the design of high-quality proposals. Another significant step forward in 2022 has been the establishment of clear principles for demonstrating the impact potential of GCF-supported activities, which serve to align all GCF bodies and partners on the use of best available climate information from a variety of sources to establish the impact potential of adaptation funding proposals. Figure 4 summarizes GCF’s key adaptation planning and programming outcomes.

16. Consistent with guidance issued by the COP at its twenty-fifth and twenty-sixth sessions (COP 25 and COP 26), the GCF also continued to utilize its funding windows to provide financial resources for activities relevant to averting, minimizing and addressing loss and damage within existing results and investment frameworks and through available funding modalities, including the Readiness Programme, the PPF and funding proposals. In particular, AEs are required to capture their support in line with loss and damage-related indicator(s) from GCF’s results management frameworks. Through its Readiness Programme, GCF continued supporting a range of related activities, including impact and vulnerability studies, data collection and

**Figure 4: GCF adaptation outcomes**



analysis, development of policies and regulations, and strengthening of social safety programmes, among other things.

17. The GCF has also advanced priorities in line with the 2020–2023 Strategic Plan’s call for GCF to seek to drive cooperation between financing mechanisms, in line with the operational framework on complementarity and coherence. Key highlights from 2022 include: (i) establishment of a steering committee to oversee the implementation of the Long-Term Vision on Complementarity, Coherence and Collaboration between the Green Climate Fund and the Global Environment Facility (LTV); (ii) technical discussions with countries and AEs on promoting synergies between projects and programmes such as the Great Green Wall Initiative, receiving support from both GCF and GEF; (iii) advancing consultations with four countries on scaling up successful Adaptation Fund projects; (iv) implementation of the Readiness Programme grant supporting the DAE community of practice; and (v) working-level consultations exploring synergies with the Climate Investment Funds’ new programmes. The implementation of the LTV has seen enhanced collaboration on the measurement of results and alignment of indicators and methodologies for measuring impact, the launch of a joint GCF–GEF review of policies and processes to explore opportunities for enhanced harmonization, as well as the second joint GCF-GEF Pavilion operational at COP 27 (following on from COP 26). Under the umbrella of this collaboration, 84 per cent of funding proposals approved in 2022 were assessed to demonstrate and contribute to complementarity and coherence.

### III. Strategic objectives

#### 3.1 Portfolio progress against GCF-1 targets

18. By end of 2022, GCF has programmed the IRM carry-over as well as almost 100 per cent of resources received by B.34, 92 per cent of resources received by the end of the year and 72 per cent of overall resources expected for GCF-1 as signed under contribution agreements. It reflects that GCF has the capacity to programme at speed once resources are available. but is inherently dependent on contributions materializing. During 2022, 19 funding proposals were approved, with commitments equivalent to USD 1.44 billion. This includes two projects (totalling USD 186 million) approved at B.31, four projects (totalling USD 302 million) approved at B.32, four projects (totalling USD 381 million) approved at B.33, and nine projects (totalling USD 569 million) approved at B.34. The total number of approved projects as of 31 December 2022 was 209, and the total approved GCF funding amount was USD 11.4 billion, with USD 31 billion of co-financing mobilized.

19. Throughout 2022, GCF continued using active pipeline management to shift the portfolio towards the 2020–2023 Strategic Plan allocation targets. Certain targets remain closer to meeting established ambitions, with incremental progress made in 2022 on the private sector, direct access and adaptation targets. The adaptation share flowing to the most vulnerable has decreased. Because the 2020–2023 Strategic Plan allocation targets are intended to be met over time, small fluctuations from one Board meeting to another are normal. An annual assessment smooths out some of these short-term fluctuations and facilitates an easier identification of long-term trends and performance.

20. It is important to note the 2020–2023 Strategic Plan allocation targets are for the entire GCF portfolio, including funding proposals approved under the IRM period. With such a large portion of the allocation fixed, the allocation generally only changes incrementally with each batch of funding proposals approved at each Board meeting. This makes it difficult to adjust any perceived imbalances in the portfolio quickly, and performance is better assessed over a longer period during which there is sufficient time to make course corrections. Any lapse of projects approved during the IRM period also affects performance against portfolio allocation targets.

21. In line with the 2020–2023 Strategic Plan and decision B.27/06, the Board set an overall strategic objective for GCF-1 of striving to achieve greater impact for developing countries compared with the IRM period, while strengthening country ownership and capacity to identify, design and implement projects and programmes. The Board also elaborated parameters and guidelines for the allocation of resources, designed to direct the evolution of the GCF-1 portfolio. The two right-hand columns in table 1 show the GCF-1 portfolio and the total portfolio (IRM plus GCF-1) as of 31 December 2022. For comparison purposes, the two left-hand columns show IRM outcomes as at 31 December 2022 and outcomes for the total portfolio at the end of 2021. Following decision B.27/06, all targets expressed in US dollars are in grant equivalents.

**Table 1: Tracking against GCF-1 portfolio targets as at 31 December 2022 in grant equivalents**

<b>Portfolio target</b>	<b>IRM outcomes as at 31 Dec. 2022<sup>a</sup></b>	<b>GCF-1 only as at 31 Dec. 2022</b>	<b>Total portfolio as at 31 Dec. 2021</b>	<b>Total portfolio as at 31 Dec. 2022</b>
Portfolio-level adaptation outcomes exceed IRM outcomes	166 million beneficiaries reached per USD billion invested in adaptation	145 million beneficiaries per billion invested in adaptation	163 million beneficiaries per billion invested in adaptation	153 million beneficiaries per billion invested in adaptation
Portfolio-level mitigation outcomes exceed IRM outcomes	282 MtCO <sub>2</sub> eq per USD billion invested in mitigation	391 MtCO <sub>2</sub> eq per USD billion invested in mitigation	317 MtCO <sub>2</sub> eq per USD billion invested in mitigation	338 MtCO <sub>2</sub> eq per USD billion invested in mitigation
50:50 balance of adaptation and mitigation funding over time	Adaptation: 55% Mitigation: 45%	Adaptation: 44% Mitigation: 56 %	Adaptation: 48% Mitigation: 52%	Adaptation: 49% Mitigation: 51%
Minimum floor of 50% adaptation allocation for SIDS, LDCs and African States, while aiming to build on IRM outcomes	69%	60%	65%	65%
Significantly increase funding channelled through DAEs	12%	24%	17%	18%
Allocation to PSF exceeds 20%	16.5%	17%	16%	17%
Significantly increase mobilized private finance at portfolio level <sup>3</sup>	1:3.5 (co-financing ONLY)	Reporting on mobilized private finance being developed (co-financing = 1:2.8)	Reporting on mobilized private finance being developed (co-financing = 1:3.3)	Reporting on mobilized private finance being developed (co-financing = 1:2.8)

<sup>a</sup> Shows IRM outcomes calculated on the IRM portfolio as at 31 December 2021, reflecting the exchange rates as at 31 December 2021 and taking into account projects that have lapsed since 31 December 2019.

<sup>3</sup> In line with its Policy on Co-financing, the Secretariat is developing an instrument-based methodology to measure and report on mobilized private finance. These estimates will be provided when the methodology is agreed.

22. **Portfolio trends:** The following trends during the second year of GCF-1 programming can be drawn from table 1 above:
- (a) The portfolio-level mitigation outcome is significantly higher in GCF-1 than IRM with every USD 1 billion of GCF resources invested in mitigation anticipated to reduce emissions of 338 MtCO<sub>2</sub>eq. For adaptation, the current portfolio-level outcome is below IRM levels, with every USD 1 billion of GCF resources invested in adaptation reaching 153 million beneficiaries. It should be noted that these outcome figures are all ex-ante estimates for approved projects, which may be revised over time due to adaptive management, technical reviews of the methodologies employed or application of more recent data;
  - (b) The proportion of mitigation in the portfolio has grown during GCF-1, although with active pipeline management it is trending back toward a 50:50 balance with adaptation. As of 31 December 2022, the mitigation and adaptation balance was 51:49 in grant equivalent terms, which is slightly improved from the 52:48 ratio at the end of 2021;
  - (c) The share of the adaptation allocation for small island developing States (SIDS), least developed countries (LDCs) and African States remained at 65 per cent at the end of 2022, which is well above the 50 per cent minimum allocation, but down from 69 per cent in the IRM period;
  - (d) The proportion of funding channelled through DAEs during the GCF-1 period has been double that of the IRM period (24 per cent), raising the DAE share of the total portfolio from 12 per cent in the IRM to 18 per cent in the current portfolio;
  - (e) The allocation under the Private Sector Facility (PSF) increased slightly in 2022. As of 31 December 2022, 17 per cent of the total portfolio, in grant equivalent terms, has been approved through the PSF and relative to the IRM baseline of 16.5 per cent of the portfolio. In nominal terms the overall GCF-1 PSF portfolio increased by 30 per cent compared to the IRM, with PSF programming constituting 34 per cent of the GCF-1 portfolio. It is worth noting that PSF programming is increasingly done through instruments like equity, which have low grant equivalent indicators, and that DMA is also actively supporting the private sector, notably micro, small and medium-sized enterprises.

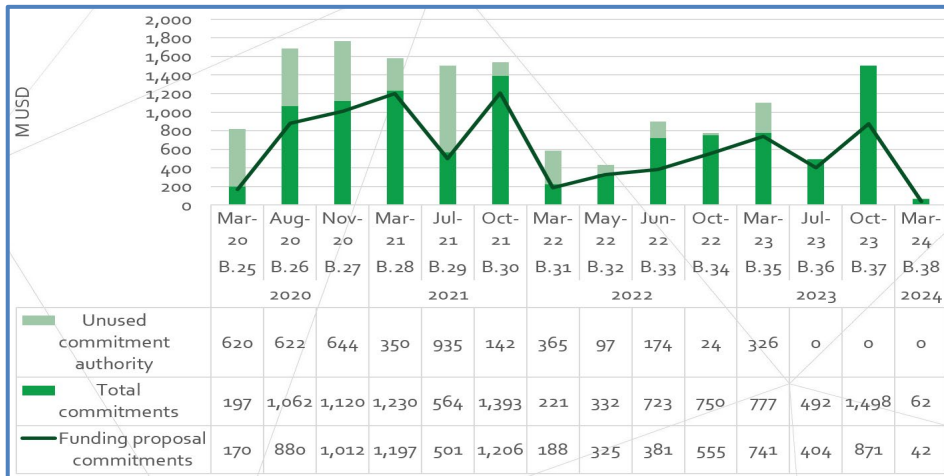
## 3.2 Programming outlook for 2023

### 3.2.1 Programming scenarios for 2023

23. At B.29, the Secretariat published a comprehensive financial plan to manage the commitment authority for the entire GCF-1 period (document GCF/B.29/Inf.07/Add.02), as requested by the Board through decision B.27/07. This financial plan has been updated following each subsequent Board meeting. Due to the volume of expected contributions in December 2023, all GCF-1 resources may not be exhausted until the first Board meeting of 2024, unless some are advanced to earlier in 2023. The projections as of 14 February 2023 are shown in figure 2 below. Absent any changes in contribution patterns, it is projected that USD 1.7 billion will be committed to funding proposals during 2023. Further commitments to funding proposals could be made if contributors advance their contributions earlier in the year or if additional contributions are received.



Figure 5: GCF-1 commitment authority and programming as at 14 February 2023



24. Table 2 below tracks the nominal funding that would need to be allocated against the main allocation parameters to meet GCF-1 targets in grant equivalent terms based on the USD 1.7 billion expected to be committed to funding proposals and the average grant equivalencies of various types of projects. Given the existing pipeline and trend of increasing shares for adaptation, the adaptation target appears achievable. The private sector target, on the other hand, is unlikely given the existing pipeline. Furthermore, the share of private sector proposals using equity as a financial instrument is growing in the GCF portfolio. The methodology behind the grant equivalence calculations often results in very low grant equivalence for equity-financed proposals, which reduces the impact on the portfolio allocation numbers. The GCF-1 allocation target for funding channelled through DAEs is not numerical. As noted above, the current allocation is 18 per cent in grant equivalent terms, and the numbers projected below would lead to a 20 per cent allocation in grant equivalent terms.

Table 2: Estimated 2023 allocation (nominal USD) needed to achieve the GCF-1 allocation goals in grant equivalent terms

<b>Mitigation:</b> USD 799 million (46%)	<b>Adaptation:</b> USD 940 million (54%)
<b>DAE:</b> USD 988 million (57%)	<b>IAE:</b> USD 752 million (43%)
<b>Public:</b> USD 466 million (27%)	<b>Private:</b> USD 1273 million (73%)

### 3.2.2. Prospects for delivering GCF-1 targets: action areas and trade-offs

25. Based on the evolution of the portfolio to date and the existing pipeline, several trade-offs exist and hamper the achievement of all portfolio allocation targets. The use of portfolio allocation targets instead of outcome-related measures presents challenges for pipeline management, as increased programming toward one measure often reduces the proportion devoted to others. Key trade-offs observed over GCF-1 are between (i) private sector and adaptation; and between (ii) direct access and adaptation, as the majority of private sector and direct access proposals target mitigation outcomes. Measuring the targets in grant equivalent terms has also presented some challenges. Grant equivalence allows for the estimation of the level of concessionality in a consistent and transparent manner across all non-grant instruments provided by GCF. However, it is not ideal for pipeline planning, as the financial instruments and pricing are not often agreed until much later in the review process, forcing the Secretariat to assume certain levels of concessionality when planning its pipeline. Grant equivalence also does not fully reflect levels of concessionality that are not based on pricing. For example, the concessionality of GCF equity financing often derives from its position within the project's financial structure (i.e. accepting first losses rather than the pricing of that equity).

This has resulted in some large innovative equity-financed funding proposals having negligible impact on GCF's portfolio allocation targets due to their low grant equivalence. Furthermore, several large mitigation proposals approved in early 2021 increased the percentage devoted to mitigation, thereby reducing the proportion devoted to adaptation, despite the fact that the total financing devoted to adaptation (in USD nominal terms) continued to increase.

26. As mentioned in the sections above, the inclusion of the entire portfolio (IRM plus GCF-1) in the GCF-1 targets partially obscures the programming direction of GCF-1. For example, the focus on mitigation-adaptation balance for the entire portfolio obscures that the IRM period had 55 per cent adaptation and the GCF-1 period 56 per cent mitigation. It also obscures the progress of doubling the volume for DAEs. Focusing on the entire portfolio also makes it more difficult to make course corrections. As the size of the portfolio grows, each new funding proposal has a diminished impact on portfolio targets and outcomes.

27. Dedicated efforts by the Secretariat to address GCF-1 targets have had mixed success. Since early 2021, the Secretariat has focused its pipeline management efforts on meeting the adaptation allocation target of 50 per cent. Adaptation proposals have been prioritized over mitigation proposals in the review process, and the Secretariat has worked with AEs to strengthen the adaptation components of cross-cutting proposals. This has resulted in a steady uptick in the adaptation allocation, and if the eight funding proposals to be reviewed by the Board at B.35 are approved, the mitigation-adaptation ratio will shift to 49 per cent for mitigation against 51 per cent for adaptation, exceeding the GCF-1 target.

28. Similarly, the allocation to DAEs during GCF-1 has been double the IRM allocation and continues to increase. However, much of this increase is due to projects with regional and subregional entities that have the capacity for larger funding volumes. Whereas national and regional entities had roughly equal allocations in nominal terms during the IRM (USD 381 million and USD 351 million, respectively), during GCF-1 regional entities had nearly twice the funding volume of national entities (USD 1 billion for regional and USD 584 for national entities). While the Secretariat has taken steps to engage more national entities, sustained focus on increasing access for national DAEs is needed to produce greater funding volumes over time.

29. In the last year of GCF-1 and looking ahead to GCF-2, one of the main challenges will be managing a project pipeline that continues to increase in size and complexity. Currently, GCF has over 400 concept notes or funding proposals in its pipeline, requesting more than USD 19 billion. While many of these proposals will not mature into approved funding proposals due to quality, timing or other practical considerations, it illustrates the demand for GCF funding. Project ideas continue to be generated and submitted to GCF, including those developed through assistance under the Readiness Programme, which has developed nearly 200 concept notes to date. With such a volume of proposals, pipeline management needs to change from a first-come-first-served paradigm to one of selecting the most catalytic and impactful projects and ensuring equitable access to GCF financing. This will require a rethinking of targets in the next strategic plan to go beyond allocation parameters and focus on discrete outcomes that can guide programming decisions throughout GCF-2.

## IV. Strategic priorities

30. Under the 2020–2023 Strategic Plan, the Board set four strategic priorities to guide GCF bodies on how its strategic vision and objectives should be delivered. These call for a focus on strengthening country ownership of programming, fostering a paradigm-shifting portfolio, catalysing private sector finance at scale, and improving access to GCF resources. Implementation of these priorities has been mainstreamed through the work programmes of the Board, Secretariat and independent units into the programming, accreditation, policy and engagement processes of GCF. Detailed activity reporting is accordingly available through other Board documents; this report serves to provide a snapshot of key progress made over GCF-1 to date, drawing out highlights from 2021 in particular.

### 4.1 Strengthening country ownership of programming

31. The 2020–2023 Strategic Plan confirms the commitment of GCF to fully implementing and strengthening country ownership by empowering developing countries to identify, design and implement projects and programmes that support paradigm shift in areas that will have the greatest climate impact. It sets out to do this by: strengthening developing countries' capacity to undertake transformational planning and programming aligned with their NDCs and national climate strategies; re-focusing country programming to serve as a key tool for country-driven investment planning; improving predictability and accessibility of Readiness Programme and PPF support for building programming capacity and translating promising concepts into bankable proposals; and strengthening the capacity of DAEs to play a greater role in GCF programming.

32. Notable outcomes and lessons learned from GCF-1 to date and 2022 in particular include:

- (a) **The Readiness Programme and PPF remain highly valued support programmes that have steadily evolved over GCF-1:** As previously reported, GCF-1 saw an evolution in the use of the Readiness Programme for activities that move beyond capacity-building into helping countries translate climate priorities into planning, policy and investment responses. The Readiness Programme phase two now includes 25 approved proposals supporting NDC implementation strategies, over 60 supporting national and sectoral policies and planning, 22 supporting technology assessments and action plans, and 22 supporting private sector engagement. Historical project preparation support is also steadily generating results with a total of 15 funding proposals approved to date after receiving PPF support (1 additional DAE funding proposal approved in 2022). Finally, work was also carried out in 2022 to support the implementation of operational improvements. GCF updated its Readiness and Preparatory Support Programme Guidebook, including enhanced guidance on making the most effective use of readiness support and clarifying the submission, approval, and implementation process. It also updated its Readiness Programme standard operating procedures with streamlined internal processes and improved operational efficiencies for each stage of the Readiness Programme grant cycle and has prepared to launch the Portfolio Performance Management System (PPMS) for the Readiness Programme to improve the efficiency and effectiveness of core business processes during implementation. As demand for both readiness support and project preparation support exceeded available budgets for 2022–2023, GCF secured additional budget through to end of GCF-1;
- (b) **Country programmes continue to be delivered, but experience shows a need to rethink their role in the wider country NDC investment planning framework:**

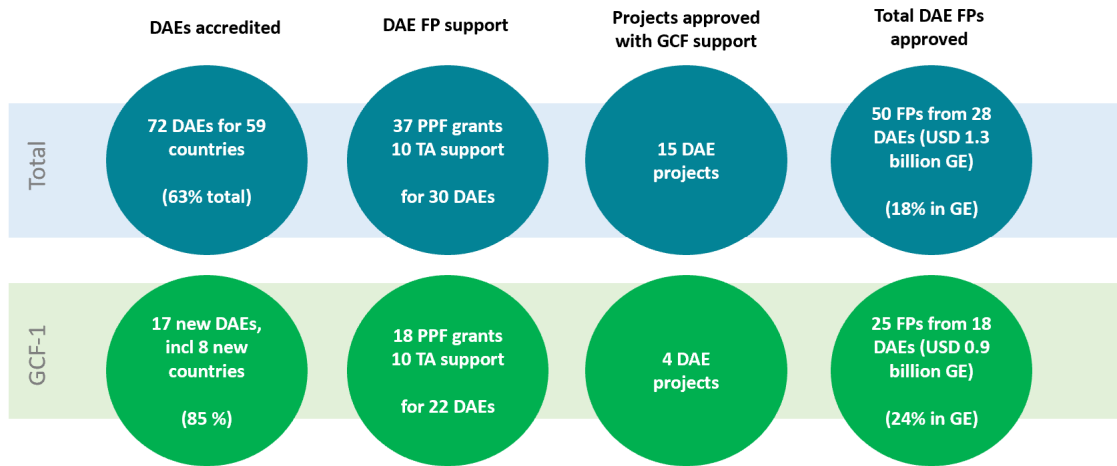
Through historical readiness support, 44 countries have now completed country programmes that have been endorsed and/or published by the Secretariat, with 24 endorsements completed since GCF-1 (13 in 2022 alone). GCF has consistently reported that while the 2020–2023 Strategic Plan articulates a clear role for country programmes as an investment planning tool for both countries and GCF, these have played a limited role in GCF programming since many country programmes do not contain a financing strategy aligning GCF and other funding sources with prioritized climate investment concepts. GCF’s accreditation and/or programming processes also do not formally consider the outcomes of the country programming process, minimizing country incentives to filter or prioritize pipeline. The GCF is taking this operational experience into account as it updates its support and guidance for NDC/NAP implementation, in line with the systemic approach described in section II. Initial pilot efforts to enhance investment planning led to a first investment plan being developed by Egypt with GCF support. The first phase the plan draws out Egypt’s climate investment needs, with phase two seeking to systematically match different financing sources to priority needs. Serving as a pilot, GCF will seek to explore avenues for replicating this approach through its update of the Readiness Programme.

- (c) **Operational experience to date provides substantial learning to further improve the predictability, accessibility and impact orientation of readiness and PPF support:** GCF began reviewing the strategies and modalities of both support windows, with a view to updating them before the close of GCF-1 using lessons learned from operational experience, consultations and evaluations. Consultations specifically highlighted the importance of: further strengthening support to adaptation activities; building capacity for accessing and using climate information in decision-making and for accessing technologies; facilitating access in terms of speed, simplicity and scale; and improving operational efficiencies. Partners also signalled that it is essential to gain access to multi-year predictable support that integrates capacity/institutional support with programming/investment planning support, allowing a more efficient and seamless use of readiness and project preparation resources. As signalled above, experience to date also pinpoints to the need to support countries to address key gaps in existing investment planning processes. This would in turn require orienting GCF support towards conducting systems-level analysis to identify key transformational changes at the national level, in parallel to helping countries optimize and design solutions that respond to context-specific barriers and match solutions to a broad range of financing sources;
- (d) **Investments in DAE capacity are enabling DAEs to play a greater role in GCF programming, but a more systemic response is needed to significantly boost DAE programming:** The 2020–2023 Strategic Plan’s concerted strategic focus on enabling DAEs to play a more prominent role in GCF programming continued to show results, with DAE programming marking the most significant progress in terms of meeting the 2020–2023 Strategic Plan allocation targets. Eleven new DAEs have had funding proposals approved in GCF-1, with DAE programming constituting 24 per cent of GCF-1 programming (in grant equivalent terms). GCF has learned that it has a unique role in supporting direct access capacity for climate programming, but operational experience to date has highlighted that results require significantly more time and hands-on support. PPF technical support and direct deployment of technical assistance through rosters has been highly instrumental in these efforts. Year-long discussions on both GCF’s accreditation strategy and Readiness Programme identified the need for a more systemic approach to support DAE capacity for programming, beyond fulfilling accreditation requirements. As a result, the Board called upon the Secretariat to respond by developing dedicated DAE window as part of the updated Readiness Strategy. Figure 6 below summarizes key outcomes related to DAEs to date. GCF will also be taking up



these lessons as part of both strategic planning for GCF-2 and updating its current support modalities.

**Figure 6: Direct access programming with GCF**



## 4.2 Fostering a paradigm-shifting portfolio

33. The second strategic priority under the 2020–2023 Strategic Plan expresses the ambition for GCF to play a more proactive role in supporting origination and development of country-driven, paradigm-shifting projects that deliver increased mitigation and adaptation impact in line with the ambitions of the UNFCCC and Paris Agreement. It sets out to do this through more directed support for project design and structuring, including finalization of sectoral guides; strengthening the GCF investment framework; collaborating on innovation and technology; and building on the comparative advantages of the risk appetite and diverse instruments of GCF.

34. **Evolution of the GCF portfolio over 2022:** Key outcomes related to this objective are captured in the evolution of the GCF’s portfolio, as described in sections I and II and annex I. GCF’s portfolio grew at a smaller pace in 2022 compared to 2021 and 2020, mirroring available commitment authority throughout the year. GCF committed an additional USD 1.4 billion for 19 projects in 2022, which have further diversified GCF’s paradigm-shifting portfolio through approval of:

- (a) Two additional projects that expand GCF’s portfolio in under-programmed results areas such as the low-emission transport sector: one project integrating disaster mitigation and resilient transit infrastructure planning and serves as a model for other urban e-mobility programs in Latin America (FP189); and GCF’s first purely private sector transport programme in the e-mobility sector targeting transport electrification at scale in India (FP186);
- (b) Interventions which enable locally-led adaptation action at scale, such as a project under implementation that will support highly vulnerable communities in Vanuatu by increasing their resilience through targeted local adaptation activities in the agriculture and fisheries sectors that reach over 60 per cent of the national population (FP184);
- (c) Projects that deliver integrated mitigation, adaptation and development benefits, such as: a project complementing GCF’s existing portfolio and contributing to growing the Great Green Wall by enhancing access to credit and technical assistance for local farmers, farmers’ organisations, cooperatives and micro and small sized enterprises to implement climate-resilient and low-emission agriculture and agroforestry (FP183); or

- a programme in the Galapagos that will help establish a sustainable and self-sufficient island system by rehabilitating ecosystems, promoting climate-smart agriculture and tourism practices, and de-risking investment for decentralized renewable energy sources (FP185);
- (d) Projects that promote or replicate innovation and new technologies, such as the first programme targeting clean cooling through the development of bioclimatic buildings in 11 countries across 4 continents spanning 7 different climates (FP194); programmes supporting Benin to replicate and scale up previously tested innovative adaptation technologies across its main agricultural production system (FP187) or the Gambia to introduce new improved climate-resilient fish processing technologies to meet international food requirements and access better markets (FP188); and the CATALI.5°T Initiative, which will build a portfolio of early-stage climate ventures in two accelerator hubs in Latin America and West Africa by bootstrapping promising climate technology start-ups and facilitating venture capital investments in start-ups with the highest climate mitigation impact and business growth potential (FP198);
  - (e) Projects that demonstrate GCF's risk appetite and utilize the diversity of GCF's financial instruments, as described further in the next section; and
  - (f) Through readiness and project preparation resources, GCF is also supporting the establishment of novel investment collaboration platforms in new markets. This includes: helping SIDS establish a blended finance facility for designing or updating blue economy frameworks and offering different levels of de-risking to attract financing from government, philanthropic or private sources for investing in the blue economy; and helping Indonesia implement the Blue Halo S initiative to serve as a scalable blueprint for national-scale implementation of blended financing strategies that advance marine and coastal ecosystem conservation.
35. To deliver these programming results, GCF has taken action across the following areas as guided by the 2020–2023 Strategic Plan:
- (a) **GCF has significantly strengthened its programming guidance and delivery of technical assistance to help partners design impactful projects and lift quality at entry:** Following extensive consultations, GCF completed and published 10 sector guides that highlight opportunities to design climate investment along sectoral paradigm shift pathways to be considered by the Board as part of its workplan. GCF also boosted its efforts to support partners, particularly DAEs, to access and use the best available climate data in designing projects. This included engaging GCF's internal climate advisory network in early-stage project origination to strengthen the climate change basis of all proposals; deliver training and technical support to DAEs on improving the robustness of the climate science basis in developing proposals; and collaborating with the World Meteorological Organization to provide countries and entities access to the necessary climate information, tools, and guidance to develop the scientific basis to support climate programming, including by establishing a climate information platform. In addition to more targeted use of readiness support and PPF technical assistance as described above, the Secretariat has also taken the opportunity of improved travel conditions to conduct strategic programming dialogues, including through ministerial meetings in the Pacific and the Caribbean, to support the development of the blended finance platforms described above;
  - (b) **A significant body of tools has been developed to facilitate the more transparent and consistent application of GCF investment criteria, pausing the urgency of advancing additional investment policies:** Supplementing work carried in 2020 and 2021 to finalize and operationalize the GCF operations and programming manuals, the Secretariat finalized in 2022 the GCF Appraisal Guidance, which serves as a comprehensive guide aligning GCF bodies, countries and partners on the due diligence

processes used to review and assess concept notes and funding proposals. Auxiliary guidance tools further elaborate key review components, including: using the investment criteria scorecard, completing review checklists at concept stage, assessing innovation and additionality, and conducting economic and financial analysis and the independent Technical Advisory Panel (TAP) review process. Following adoption of the principles for elaborating mitigation and adaptation climate impact potential, the Secretariat has included these in the Appraisal Guidance and has also advanced work on detailed mitigation guidance, expected to be finalized in 2023 in close collaboration with the independent TAP;

- (c) **New programming strategies consolidate GCF's investment orientation, including on addressing barriers to climate innovation and new technologies:** In 2021 the GCF issued a working paper on Accelerating and Scaling Up Climate Innovation, which examined barriers to climate innovation in developing countries and identified how the GCF can help address these. These approaches were further consolidated through the conclusion of GCF's adaptation guidance and Private Sector Strategy in 2022, with both containing a priority objective around seeking to accelerate innovation for business models, financial instruments and climate technologies. GCF continues to actively monitor and report on its portfolio using an internal taxonomy tool, and as at 31 December 2022, the taxonomy indicates that 69 per cent of approved projects have at least one technology component covering a wide range of mitigation and adaptation technologies (144 funding proposals). Progress towards building investments that support innovation and technology dissemination are described above and the section below; and
- (d) **GCF is exploring enhancements to programming modalities, including new applications of financial instruments, with changing circumstances pausing consideration of requests for proposals:** The GCF concluded in 2022 the second review of GCF financial instruments in parallel with conducting novel analysis on: options and avenues for diversifying financial instruments for addressing climate risk; GCF's approach to climate insurance including parametric insurance; and application of financial instruments along existing risk management categories. More specifically, GCF is exploring options to deploy guarantees in a more efficient manner, in the absence of a credit rating, through partnerships with green guarantee companies. The Board also requested the Secretariat to develop a local currency financing pilot programme that addresses current barriers and risks associated with currency fluctuations at the programme/project level, including an analysis of the requirements for the operationalization and impact assessment of a programme, work which is expected to progress over the course of 2023. Lastly, a more comprehensive look at how GCF uses requests for proposals is expected to be picked up in the context of strategic planning for GCF-2 given any novel request for proposal decisions would only have impact on programming from beyond 2024.

### 4.3 Catalysing private sector mobilization at scale

36. The third strategic priority highlights the imperative of shifting wider financial flows towards low-greenhouse-gas and climate-resilient development to meet countries' climate ambitions, and the potential of GCF to contribute to this through more systematically mobilizing private sector engagement and finance at scale. It sets out to do this through more concerted efforts to build private sector engagement by: de-risking first mover projects to mobilize resources at scale; developing the capacity of local financial systems to identify and disclose climate-related risks; appraise climate investment proposals; develop dedicated financial products and access capital markets to finance them; explore new forms of blended finance to

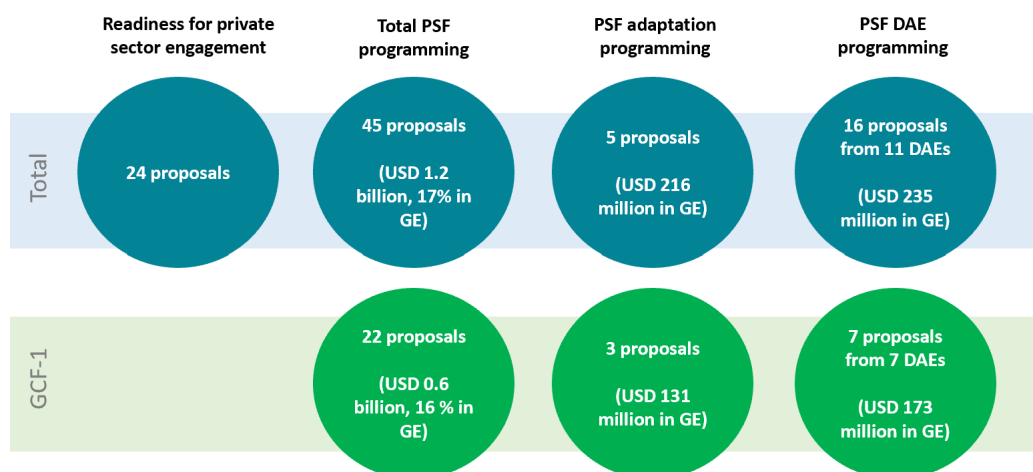
enhance the private sector’s role in adaptation; and consider staged development of PSF modalities to support these efforts.

37. **Evolution of the PSF portfolio over 2022:** As a subset of the overall portfolio outcomes described above, 2022 saw the GCF’s PSF portfolio grow by USD 530 million and six funding proposals, around 36 per cent of 2022 programming in nominal terms (25 per cent in grant equivalent). This brings PSF programming to USD 2.2 billion (of USD 6.4 billion) for GCF-1 to date and USD 3.9 billion (of USD 11.4 billion) overall. While noting that GCF’s non-PSF portfolio also covers substantial private sector engagement, highlights of the evolving PSF portfolio include:

(a) **Deploying private sector financing to accelerate innovation for climate technologies, financing instruments and business models:** 2022 saw a continuation in the GCF-1 trends of enhanced innovative private sector programming with a series of ‘first-of-their-kind’ proposals approved. As was the case throughout GCF-1, these were a result of substantial co-development and structuring collaboration between AEs and the Secretariat and include:

- (i) Approval of GCF’s first at-scale private sector programmes in the water and sanitation (FP190) and low-carbon transport sectors (FP186), with FP190 using a tailored business model structure to facilitate stage-gated de-risking that addresses high risks prevalent at the development and operational stage of climate-resilient infrastructure projects;
- (ii) GCF offering credit guarantees that will facilitate local financing to small and medium-sized enterprises (SMEs) and ESCOs in Indonesia for energy efficiency interventions. The programme will achieve business model and financial innovation by enabling local currency financing from banks and financial institutions in Indonesia while mitigating the credit risk to financial institutions from the SME and ESCO borrowers (FP196); and
- (iii) Grant support for the establishment of technology incubators and accelerators in Latin America and eight LDCs in West Africa (FP198). Additional projects have also been evolved under the pipeline for potential consideration in 2023;

**Figure 7: Private Sector Facility programming outcomes**



(b) **Exercising risk appetite to mobilize funds at scale:** Following prior GCF project preparation support, GCF’s private sector programming now sees GCF acting as the founding equity shareholder in the first ever global institution dedicated to providing guarantees to de-risk developing countries’ access to international capital markets by connecting local issuers with international investors (FP197). The programme has the

potential to unlock the deployment of up to USD 4 billion in guarantees targeting five result areas at scale covering adaptation and mitigation outcomes. A key element of GGC's value proposition will be the development of a digital platform that will build the capacity of issuers and lenders unfamiliar in environmental, social and governance and climate change monitoring and reporting to meet the international reporting standards required by global investors; and

- (c) **Strengthening the capacity of domestic financial institutions through all its investment windows:** A main avenue for supporting domestic financial institutions remains through DAE programming. Approval of a funding proposal for a new private sector DAE, JS Bank of Pakistan (SAP028), brought the number of PSF DAE proposals approved in GCF-1 to 7, and there are now 16 DAE proposals in the total PSF portfolio of 45 funding proposals. SAP028 joins a series of PSF DAE project in which GCF is partnering with national financial institutions to enhance access to finance for households, agribusinesses and SMEs for the uptake of low-emission and climate-resilient technologies. 2022 also saw the implementation of the GCF Readiness Programme to the IDFC Climate Facility advance, supporting IDFC direct access members in the pre- and re-accreditation processes and pipeline development for GCF. Building on prior GCF-1 work supporting the development of green banking protocols in Latin America, scaling up green finance practices in Armenia, and designing green institutions and/or stock exchanges in Cambodia and Jamaica, novel project preparation resources were deployed in 2022 to support joint public-private efforts to establish the Blue-Green Investment Corporation, a regional financing vehicle initially focused on Barbados and then expanding to other Caribbean countries to attract novel private financing for priority climate interventions in the region. These types of flagship proposals continue to proliferate as increasingly more countries request support for these types of activities.

38. These programming results have been enabled by action taken across the following areas as guided by the 2020–2023 Strategic Plan:

- (a) **GCF has adopted a novel Private Sector Strategy to better focus private programming engagement with AE and non-AE partners:** Adopted at B.32, the Private Sector Strategy outlines GCF's approach to using its PSF for the effective deployment of climate solutions to developing climate markets without creating market distortions, in alignment with GCF's country-driven approach. Following its adoption, the GCF began re-assessing internal capacity and structures to be able to deliver on the four strategy pillars around: (i) building conducive investment environments and strengthened capacity: fostering integrated policymaking to remove barriers to novel climate solutions; (ii) accelerating climate innovation: investing in new technologies, business models, institutions, financing instruments and practices; (iii) mobilizing finance at scale: using public resources to de-risk market creating projects; and (iv) strengthening domestic financial systems and institutions: supporting the widespread adoption of new climate solutions;
- (b) **Strategy implementation led to enhanced mainstreaming of private sector considerations across all GCF modalities:** GCF continued to advance work towards developing the capacity of policymakers and local actors to create a conducive environment for climate innovation and private sector engagement. Looking towards the Readiness Programme as a main avenue to promote this, Readiness Programme proposals are reviewed to ensure private sector engagement, and the Secretariat has provided guidance to national designated authorities (NDAs) through trainings and guidebooks on how to use the Readiness Programme for private sector engagement. Efforts are expected to accelerate to this end, enhancing the use of Readiness Programme resources towards more specific deliverables around developing climate-oriented financial systems and institutions. Following progress at national level, the GCF

has been particularly involved in supporting country programming efforts in Asia-Pacific and the Caribbean to create awareness on enhanced opportunities for private sector funding. Finally, technical assistance is also being integrated into all funding proposals to ensure they provide elements for enabling policy and country capacity for sustainability and replication of investment outcomes; and

- (c) **Additional efforts were also dedicated to proposal origination and development engagements with key private sector partners, with a focus on SIDS and LDCs:** 2022 marked the fifth GCF Private Investment for Climate Conference (GPIC), a flagship platform forging new partnerships to break through market barriers to private investment in climate action in developing countries. Held back-to-back with the GCF Programming Conference, GPIC provided a key opportunity to convene and forge alliances between global leaders, executives, experts and thought leaders from business, governments, financial institutions and technology companies around identifying solutions that accelerate private-sector driven climate action in developing countries. Specifically on pipeline development, GCF continued to engage with institutional investors on projects designed to mobilize investment at scale in developing countries, including an adaptation proposal targeted for B.35 with a leading global pension fund. GCF has also worked with an impact asset manager to co-seed and scale-up an LDC-focused investment platform aiming to increase the volume of development-stage capital for small-scale energy projects in sub-Saharan Africa. Finally, GCF has taken the opportunity at all engagements, particularly GPIC, to discuss the novel project-specific assessment approach (PSAA) (elaborated under section 4.4) with private sector fund managers, financial institutions, entrepreneurs and business leaders with a view to guide prospective PSAA proposals from non-accredited partners.

#### 4.4 Improving access to GCF resources

39. Through its fourth strategic priority, the 2020–2023 Strategic Plan reaffirms the GCF approach as a partnerships institution and recognized the significance of enabling developing countries' access to GCF resources as a key strategic priority. The 2020–2023 Strategic Plan recognized the key role of AEs in enabling and delivering impact and focused on GCF's accreditation function as the main window towards enabling access to GCF resources. As such, this priority recognized that GCF will need to build a complementary network of AEs by adopting a more strategic approach to accreditation and reaccreditation focused on AE value-added to GCF country-driven programming; strengthening the role of DAEs; further streamlining the accreditation process and developing alternative accreditation modalities; and fostering climate mainstreaming across the GCF partnership network.

40. Throughout 2022, GCF has broadened its understanding of the main GCF access dimensions, taking a more complete and comprehensive view of GCF's business model, looking beyond just the accreditation function. As such, in addition to actions taken against this 2020–2023 Strategic Plan priority of enabling access, GCF has taken efforts to systematically address the issue of access as a multidimensional problem by looking across multiple access dimensions (see below) that are covered throughout the report:

- (a) **Speed:** accelerating GCF processes from end-to-end and fully matching programming to execute available commitment authority (see section V);
- (b) **Simplicity:** simplifying processes for accessing GCF climate finance through the novel simplified approval process (SAP) and PSAA (see section 4.2 and below);
- (c) **Harmonization:** working through its partnerships to harmonize processes and increase access to climate financing from other climate financing institutions (see section II);

- (d) **Direct access:** increasing the share of climate finance managed by DAEs (see section 4.1);
- (e) **Flexibility:** broadening the range of programming strategies and non-grant instruments to address a wider range of needs from expanding direct access to communities to de-risking new forms of finance (see sections 4.2 and 4.3); and
- (f) **Volume:** increasing climate finance by unlocking and catalysing private and public financing through its innovative approaches and tools (see section 4.3).
41. Specifically in relation to the 2020–2023 Strategic Plan objectives under strategic priority 4, notable outcomes and lessons learned from GCF-1 to date and 2022 in particular include:
- (a) **The first half of GCF-1 saw GCF continue building its AE network with a focus on value-addition to programming and increasing the share of DAEs:** The GCF has accredited an additional 20 AEs in GCF-1 (18 of in 2020–2021), of which 17 (85 per cent) are DAEs, and 2022 also saw twice the number of AEs upgraded to expand their accreditation scope (8 AEs upgraded, of which 2 are DAEs). This aligns with the call in the 2020–2023 Strategic Plan to strengthen the role of DAEs in programming and increase the share of DAEs above the IRM level (now 64 per cent relative to the IRM level of 59 per cent). As previously reported, GCF’s AE network has been diversified to include more national public development banks, as well as private commercial, trade and infrastructure banks. GCF has in parallel expedited efforts toward the signing of accreditation master agreements (AMAs), with 33 additional AEs signing and making their AMAs effective in GCF-1 (for the first accreditation term);
- (b) **2022 required efforts to be redirected towards re-accreditation:** Following the launch of re-accreditation in 2021 (5 AEs re-accredited, of which 3 are DAEs), 2022 saw an additional 14 AEs (including 5 DAEs) re-accredited as at 31 December 2022. Re-accreditation work also saw the need for expediting efforts towards signing AMAs for second accreditation terms, with 7 AMAs becoming effective in 2022. Due to accreditation term lapses, the number of AEs able to fully engage with GCF on programming is 74 of 113 (66 per cent) as of the end of 2022, relative to 38 of 95 (50.5 per cent) in the IRM. Looking towards the last year of GCF-1, it is expected that at least 27 AEs will need to seek re-accreditation during in 2023 in order to continue their partnership with GCF. Increasingly AEs will be seeking re-accreditation to GCF while new applicants continue to seek accreditation. For 2023 alone, there are 175-plus accreditation and re-accreditation applications in the pipeline (up from 150 in 2021). At the same time, Secretariat capacity continues to gravitate around processing an average of 60 applications at any given time, while the Board historically concluded around 15 applications in a single year. The Accreditation Strategy adopted at B.34 (described below) provides a preliminary framework for managing the accreditation pipeline to minimize operational and reputational risks posed by growing demand;
- (c) **Significant initial steps were taken to update, simplify and enhance GCF’s accreditation processes:** 2022 saw the Board adopt an updated accreditation framework that seeks to guide a better screening of AEs and remove duplications across accreditation review stages. GCF also decided to implement, on a pilot basis, a PSAA that combines assessments undertaken during the existing accreditation and proposal approval processes in a fit-for-purpose manner. Adoption of the PSAA modality serves as a key avenue for engaging partners which may not require full-term accreditation to programme with GCF. With the updates to the accreditation framework and PSAA coming into effect by 1 April 2023, GCF has already launched preparatory implementation steps, including updating or developing relevant guidance and tools, such as the PSAA application form. GCF also continued operational efforts to streamline the accreditation process and increase efficiency through improving tools and guidance,

increasing transparency, enhancing communication and digitalizing workflows, including via full operationalization of the Digital Accreditation Platform to improve the efficiency and transparency of the accreditation process, along with AE upgrades, reporting and reaccreditation; and

- (d) **Initial steps define GCF's Accreditation Strategy but additional decisions are required to ensure an optimized management of growing accreditation demand:** 2022 also saw the adoption of GCF's Accreditation Strategy seeking to clarify the GCF operating model and guide the evolution of the GCF network of AEs in order to deliver on the GCF's mandate, objectives and programming directions. The strategy is built around a dual approach of moving at speed with programming-capable partners and building the capacity of DAEs. Recognizing the high transaction costs for both AEs and GCF in the accreditation and reaccreditation process, the strategy also reinforced GCF's intent to align the AE network and prioritize accreditation applications based on programming directions, including by providing clearer guidance to countries and partners on partnership fit. Over 2020–2021, the Secretariat conducted an internal analysis of the current AE portfolio, which showed that the most significant gaps in the current network lie with AEs not utilizing their full accreditation scope, instrument coverage and/or sectoral/geographical coverage rather than a need for more AEs per se. GCF will take another look at the analysis as part of GCF-2 strategic planning to inform Accreditation Strategy options. GCF will also conduct a first-of-its kind analysis in 2023 on the potential for GCF to enable all AEs to apply their own systems and policies (including with respect to GCF policies and standards not assessed during accreditation or re-accreditation) as a means to simplify and enhance access.

## V. Operational and institutional priorities

42. In section V, the 2020–2023 Strategic Plan identifies seven overall operational priorities as well as a series of actions to optimize operations and enhance institutional capacity. These were designed to underpin the successful delivery of the GCF's programming strategy and strategic priorities for 2020-2023 by enabling GCF to execute programming with greater predictability, transparency, speed, efficiency and effectiveness to match the urgency of the climate challenge. Substantial progress has been made against these operational and institutional priorities up to the end of 2021, with detailed tracking of delivery status set out in **annex II**.

43. In relation to the overall operational objectives, by the end of 2022:

- (a) GCF has programmed 72 per cent of overall resources expected for GCF-1 as agreed in contribution agreements and 91 per cent of resources received, reflecting that GCF has the capacity to programme at speed once resources are available, but is inherently dependent on contributions materializing. As previously reported, under current contribution arrangements, approximately 10 per cent of the GCF-1 commitment authority is expected to be realized after the last Board meeting in 2023;
- (b) As at the end of 2022, 87 per cent of the GCF portfolio is under implementation (up from 60 per cent at the start of GCF-1, 73 per cent in 2020, 80 per cent in 2021), with considerable advances made in maturing the GCF's portfolio and results management capabilities. This is on track to having 90 per cent of the GCF portfolio under implementation by end 2023. GCF-1 has seen strong advancements in GCF's results and risk management capabilities. With regard to results, GCF (i) began operationalizing the newly approved IRMF with all proposals approved from B.32 onwards in alignment with IRMF requirements and implementing remedial measures for its IRM portfolio; and (ii) fully operationalized a risk-based adaptive monitoring system identifying early warnings across implementation process cycles;



- (c) GCF has also evolved its risk-management approach. Building on the comprehensive mapping, streamlining, codifying and automating of its operational processes during the first half of GCF-1, in 2022 it undertook a comprehensive review of its implementation of the risk management framework and associated internal control mechanisms, considering the significant changes in GCF's operating context since its adoption in 2017 when only 45 funding proposals were approved. Operational interventions have commenced implementation and changes that are expected to require policy amendments will be brought for Board consideration in 2023. As a top-down approach, the Secretariat sought to increase the level of granularity of risk identification by risk category, operational process and project to ensure GCF is aware and able to respond to the internal and external risks attached to its business model. As a bottom-up component, the Secretariat initiated a risk control self-assessment exercise to examine every Secretariat-led process to identify inherent risks and the controls required to mitigate and manage those risks;
- (d) GCF initiated the second replenishment process by the 2020–2023 Strategic Plan target of July 2022, which was 30 months after the commencement of GCF-1, and held initial organizational and consultation meetings over second half of 2022. GCF also held initial conversations on strategic planning for GCF-2, adopted a timeline for the conclusion of the 2024–2027 Strategic Plan by mid-2023 and considered the Independent Evaluation Unit's Summary Report on the Second Performance Review;
- (e) In 2022 the GCF updated its SAP modality and included significant reforms which will further simplify the documentation required for proposals, in parallel to developing an expedited review process for SAP projects. The level of GCF funding for SAP projects/programmes also increased from USD 10 million to up to USD 25 million, helping with the prioritization of smaller, nationally led projects;
- (f) Full transparency and real-time information on portfolio, proposal and disbursement status is being delivered to NDAs and AEs through web-based portals since 2021. GCF's digital efforts advanced beyond the 2020–2023 Strategic Plan objectives in line with GCF's 2020–2023 Digital Agenda. 2022 saw supplementary progress made through the launch of GCF's open data library that provides public access to data from the GCF portfolio. More than 80 per cent of GCF processes are now benefiting from automation support, with notable improvements made in 2022 in the areas of accreditation, digital proposal submission for concept notes and funding proposals, end-to-end readiness, the independent TAP, taxonomy, risk and compliance, constituent relationship management and data management. Additional efforts were taken to collect an inventory of detailed processes across GCF to identify automation gaps and opportunities, and further implementation efforts are expected in areas of financial, risk and policy management in 2023;
- (g) GCF continued developing its own environmental and social safeguards standards and used 2022 to conduct three public consultations enabling wide stakeholder engagement. A major milestone for GCF in 2022 was giving indigenous peoples a voice in GCF's activities through the formation of the inaugural Indigenous Peoples Advisory Group;
- (h) 2022 saw the Secretariat engage in aggressive recruitment to grow staff capacity toward the new Board-approved headcount of 300 staff in 2022 and 350 staff in 2023. A total of 88 recruitments were concluded in 2022, enabling the Secretariat's headcount to reach 237 as at end of 2022. Through a continuous evolution of GCF's employee value proposition, significantly increased targeted outreach and talent acquisition activities, and streamlined recruitment processes, 2022 has seen a shortening of recruitment timelines and a 58 per cent improvement in offer acceptance rate over 2021. GCF also concluded in 2022 its first salary scale update in six years, aligning compensation and benefits to comparable global indicators. 2023 will focus on doubling down and



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capitalizing on these efforts, which are expected to lead to a 90 per cent fill ratio of 315 staff by the end of 2023.

## Annex I: GCF results reporting as at 31 December 2022

GCF Impact level – Paradigm shift potential					
Scale Replicability Sustainability	<i>Reporting on this results level is not expected until after IRMF implementation and project evaluation data is available</i>				
GCF Outcome Level A: Impact potential – Mitigation & Adaptation – Portfolio Outcomes <sup>1</sup>					
		IRM results <sup>2</sup>	IRM resourcing	GCF-1 <sup>3</sup> results	GCF- resourcing
Reduced emissions and increased resilience	Tonnes of GHG emissions reduced, avoided or removed/sequestered (Core indicator 1) <ul style="list-style-type: none"> <li>Expected results</li> <li><i>(Actual results delivered through disbursements)</i></li> </ul>	739 Mt CO <sub>2</sub> -eq <sup>4</sup> <i>(60 Mt CO<sub>2</sub>-eq)</i>	USD 2.7 billion <sup>5</sup> <i>(USD 1.6 billion)</i>	1545 Mt CO <sub>2</sub> -eq <i>(3M)</i>	USD 3.8 billion <i>(488M)</i>
		Average tonnes/billion USD		Average tonnes/billion USD	
		271 Mt CO <sub>2</sub> -eq / billion <i>(37 Mt CO<sub>2</sub>-eq / billion)</i>	404 Mt CO <sub>2</sub> -eq / billion <i>(6 Mt CO<sub>2</sub>-eq / billion)</i>		

<sup>1</sup> **Expected results:** For this report, expected results mean the aggregate of targeted results from approved projects as at 31 December 2022 and are reported for projects approved under the IRM and GCF-1 periods respectively. Funding volumes reflect the exchange rate as at 31 December 2022 (USD 1.000 = EUR 0.939). The expected results against the IRMF Core indicators 3 and 4 are estimates only by extracting partial data available against similar indicators in the adaptation performance measurement framework (PMF), namely indicators A3.1 (number and value of physical assets made more resilient to climate variability and change) and A.4.1 (coverage/scale of ecosystems protected and strengthened). Note the data extracted are partial due to the reason that the PMF indicators collect data against multiple units of measurement.

**Actual results:** For IRM and GCF-1 periods, actual results are based on data reported by AEs as 'achieved results' as of 31 December 2021 via annual performance reports (APRs) 2021. For both IRM and GCF-1 periods, the actual disbursement amounts reported are also as at 31 Dec 2021, to reflect funding disbursed for the delivered results. Disbursed amounts in the resourcing columns for Core 1 and Core 2 indicators respectively are estimates and calculated by applying the funding allocation percentages provided for relevant results areas (provided by AEs) to the total disbursed amounts. Similarly, for Core 3 and Core 4 indicators, disbursed amounts are estimated by applying the funding allocation percentages provided for relevant result areas ((Infrastructure Built environment for Core 3 and Ecosystems and Ecosystem services for Core 4) to the total disbursed amounts.

<sup>2</sup> The initial resource mobilization (IRM) lasted from 2015 to 2019.

<sup>3</sup> The first replenishment period of the Fund (GCF-1) covers 2020-2023.

<sup>4</sup> The eight investments in the GCF REDD+ results-based payments (RBP) pilot programmes have been removed from the portfolio figure due to the reason that these results reported by the RBP programmes were claimed by the participating countries for GHG Emission Reductions achieved in the past (between 2014-2018) which were not the result of GCF investments.

<sup>5</sup> The resources linked to the corresponding RBP pilot programmes have been removed due to the same reason noted above (see footnote 4).

	Number of direct and indirect beneficiaries reached (Core indicator 2) <ul style="list-style-type: none"> <li>Expected results</li> <li>(Actual results delivered through disbursements)</li> </ul>	332 <sup>6</sup> million (57 million)	USD 2.1 billion (USD 1343 million)	334 million (0)	USD 2.3 billion (75M)
		Average beneficiaries/billion USD		Average beneficiaries/billion USD	
		161 million beneficiaries / billion USD (42 million beneficiaries / billion)	146 million beneficiaries / billion USD (0 beneficiaries / billion)		
	Value of physical assets made more resilient to the effects of climate change and/or more able to reduce GHG emissions (Core indicator 3)	1334 million USD eq. (115 million USD eq.)	0.5 billion (228 million)	1004 million USD eq. (0 million USD eq.)	USD 385 million (15million)
Hectares of natural resource areas brought under improved low emission and/or climate resilient management practices (Core indicator 4)	11 million ha (6 million ha)	0.3 billion (97 million)	88M ha (0 million USD eq.)	USD 0.5 billion (64 million)	
<b>GCF Outcome Level A: Impact potential – Mitigation &amp; Adaptation – Expected Results Area outcomes<sup>7,8</sup></b>					
		<b>IRM results</b>	<b>IRM resourcing</b>	<b>GCF-1 results</b>	<b>GCF- resourcing</b>
<b>GHG emissions reduced, avoided or removed/sequestered (Unit: tonnes)</b>	Reduced emissions from energy generation and access	424 MtCO <sub>2</sub> eq	USD 1745 million 36% of IRM portfolio	432 MtCO <sub>2</sub> eq	USD 1151 million 19% of GCF-1 portfolio
	Reduced emissions from low-emission transport	22 MtCO <sub>2</sub> eq	USD 136 million 3% of IRM portfolio	187 tCO <sub>2</sub> eq	USD 797 million 13% of GCF-1 portfolio
	Reduced emissions from buildings, cities, industries and appliances	149 MtCO <sub>2</sub> eq	USD 575 million 12% of IRM portfolio	380 MtCO <sub>2</sub> eq	USD 1130 million 18% of GCF-1 portfolio
	Reduced emissions from forestry land use	144 MtCO <sub>2</sub> eq	USD 268 million 6% of IRM portfolio	546 MtCO <sub>2</sub> eq	USD 891 million 12% of GCF-1 portfolio

<sup>6</sup> The expected results for Core indicator 2 reflect adjustments made to remove auxiliary beneficiary figures (co-benefits) as well as revisions made to the expected targets for applicable projects.

<sup>7</sup> The expected results by results area have been estimated based on the percentage of funding allocated for the respective results area out of total programming. The delivery of results will be confirmed as more granular data becomes available from project implementation through the APRs, linking resourcing and actual results.

<b>Direct and indirect beneficiaries reached (unit: individuals, total direct and indirect)</b>	Beneficiaries of increased resilience and enhanced livelihoods of the most vulnerable people and communities	128 million beneficiaries	USD 601 million 13% of IRM portfolio	145 million beneficiaries	USD 891 million 15% of GCF-1 portfolio
	Beneficiaries of increased resilience of health and well-being, and food and water security	90 million beneficiaries	USD 606 million 13% of IRM portfolio	81 million beneficiaries	USD 461 million 8% of GCF-1 portfolio
	Beneficiaries of increased resilience of infrastructure and the built environment	85million beneficiaries	USD 572 million 12% of IRM portfolio	71 million beneficiaries	USD 425 million 7% of GCF-1 portfolio
	Beneficiaries from improved resilience of ecosystems and ecosystem services	28 million beneficiaries	USD 286 million 6% of IRM portfolio	37 million beneficiaries	USD 517 million 8% of GCF-1 portfolio
<b>GCF Outcome Level A: Impact potential – Mitigation &amp; Adaptation – Supplementary indicators</b>					
<i>Reporting on supplementary indicators is not expected until after IRMF implementation and sufficient project data is available</i>					
<b>GCF Outcome Level B: Impact potential – Enabling environment portfolio outcomes</b>					
		<b>IRM results</b>	<b>IRM resourcing</b>	<b>GCF-1 results<sup>9</sup></b>	<b>GCF- resourcing</b>
<b>Enabling Environment</b>	Number of GCF projects/% portfolio contributing to strengthening institutional and regulatory frameworks for low-emission climate-resilient development pathways in a country-driven manner (Core indicator 5)	New GCF-1 indicator	N/A	46 projects 52% of GCF-1 portfolio	Delivered through total programming budget - projected USD 6.4 billion
	Number of GCF projects/% portfolio contributing to technology deployment, dissemination, development or transfer and innovation (Core indicator 6)	New GCF-1 indicator	N/A	8 projects 12% of GCF-1 portfolio	
	Number of GCF projects/% portfolio contributing to market development/	New GCF-1 indicator	N/A	<i>(to be reported)</i>	

<sup>9</sup> Pending implementation of the IRMF, the GCF-1 results column shows the number of projects from the GCF-1 portfolio to date that have selected to report on comparable RMF/PMF indicators. This data is available for Core indicators 5 and 6 only.

	transformation at the sectoral, local or national level (Core indicator 7)				(11.4B in cumulative) in GCF-1
	Number of GCF projects/% portfolio contributing to effective knowledge generation and learning processes, and use of good practices, methodologies and standards (Core indicator 8)	New GCF-1 indicator	N/A	(to be reported)	
<b>Additional portfolio-level information<sup>10</sup></b>					
		<b>IRM results</b>	<b>IRM resourcing</b>	<b>GCF-1 results</b>	<b>GCF-1 resourcing</b>
<b>Additional portfolio-level indicators</b>	Total expected co-financing <ul style="list-style-type: none"> <li>Expected co-financing</li> <li>(Actual co-financing delivered through disbursements)</li> </ul>	12.7 billion <i>(USD 1.0 billion disbursed)</i>	USD 5.0 billion <i>(USD 2.3 billion disbursed)</i>	USD 18.6 billion <i>(USD 384million disbursed)</i>	USD 6 billion <i>(USD 749 million disbursed)</i>
	Total mobilized private sector finance (co-financing only <sup>11</sup> ) <ul style="list-style-type: none"> <li>Expected mobilization</li> <li>(Actual mobilization delivered through disbursements)</li> </ul>	USD 6.1 billion <i>(USD 194M disbursed)</i>	USD 1.7 billion <i>(USD 720 million disbursed)</i>	USD 8 billion <i>(USD 348 million disbursed)</i>	USD 2 billion <i>(USD 225 million disbursed)</i>
	GHG abatement costs <ul style="list-style-type: none"> <li>Expected results</li> </ul>	USD 16.4/tCO <sub>2</sub> eq	USD 2.7 billion GCF financing, USD 9.4 billion co-financing, for mitigation	USD 12.1/tCO <sub>2</sub> eq	USD 3.8 billion in GCF financing, USD 12.1 billion in co-financing, for mitigation

<sup>10</sup> For both IRM and GCF-1 periods, actual results and disbursements are based on data reported by GCF's accredited entities (AEs) as at 31 December 2021 via annual performance reports (APRs) 2021

<sup>11</sup> As the Secretariat is developing a new methodology for measuring indirect mobilized finance from the private sector, the reported values in this document are subject to change in the near future. Current figures indicate private sector co-financing amounts.

Institutional-level outcomes					
		IRM baseline	GCF-1 goal	Progress as at end 2022	Resourcing
Outcome 1: Improved GCF processes	Output 1.1: Codified and transparent GCF processes	Ad hoc use of administrative instructions for internal governance	All key processes codified in manuals, guides and SOPs	Programming, Operations, Finance, Procurement, HR, Policy Manuals in place. Project Appraisal Manual and Readiness Guidebook update also completed in 2022. Updates to initial Manuals planned for 2023.	Delivered through GCF-1 administrative budget
	Output 1.2: Real-time stakeholder access to information on proposal status	Stakeholders do not have real-time access to the status of their proposals	Accessible web-based real-time tracking platforms in place	Web-based tracking available to NDAs/AEs/AE applicants for readiness, funded activities and accreditation. Public Open Data Library launched. Pilots developed for sub-project web pages.	
	Output 1.3: Service standards for GCF Secretariat processes and reduction in processing times	Service standards not in place or partially in place and measurement not consistent	Service standards developed and Secretariat turnaround timelines are reduced	Service standards included in the Secretariat work programme for accreditation, readiness, PAP FPs, SAP FPs, major and minor changes	
Outcome 2: Strengthened implementation, results and knowledge management	Output 2.1: Increased implementation with reduction in implementation timelines	New indicator	Implementation timelines for readiness and FPs reduced over GCF-1	87% of portfolio in implementation Median times from FP approval to disbursement reduced from 276 days in 2020 to 205 days in 2021 and ~150 in 2022 (5 months) for the 2022-approved FPs that reached the implementation milestone.	Delivered through GCF-1 administrative budget
	Output 2.2: Comprehensive tracking and monitoring of results of GCF investments	New indicator	Results management framework in place and implemented	IRMF adopted by Board and applied from B.32 onwards. Ex-ante and ex-post validation of results integrated into processes. M&E remedial measures to address gaps in IRM	

			to enable credible results reporting	portfolio in negotiation or implementation with AEs.	
	<b>Output 2.3:</b> Automated portfolio management system and risk monitoring	New indicator	PPMS with risk flagging and early warnings in place	PPMS with traffic light risk flagging and early warnings in place, streamlining the performance and risk assessment process at the project level	
	<b>Output 2.4:</b> Implementation of knowledge management system	New indicator	KM system in place and learning being realized	KM strategy in final year of implementation and roadmap being developed for upcoming cycle. GCF taxonomy was integrated into search, categorization, and analysis systems and used for analysis. Learning products being generated for Readiness & FPs.	
<b>Outcome 3:</b> Improved stakeholder collaboration and engagement with impacted people and communities	<b>Output 3.1:</b> Observance of GCF Gender Policy, Indigenous Peoples Policy and environmental and social safeguards	100% of FPs comply	100% of FPs comply	100% of FPs comply	Delivered through GCF-1 administrative budget
	<b>Output 3.2:</b> Full GCF staff participation in gender, social inclusion and SEAH training	New indicator	100% of staff trained	SEAH module rolled out beginning in 2022. 92% of staff completed training on gender, SEAG and harassment prevention, data and privacy.	
	<b>Output 3.3:</b> Implementation of partnerships and communications strategy	New indicator	Partnerships and communications strategies developed and implemented	Outreach, advocacy and engagement with key global leaders, networks and inter-governmental organizations continued to strengthen GCF's position in the climate finance landscape through a series of strategic engagements	
<b>Outcome 4:</b> Enhanced	<b>Output 4.1:</b> Predictable management of commitment authority	New indicator	40% of resources programmed by end 2021 and 95% by end 2023	Financial plan presented to Board at B.29. 65% of resources programmed by end 2022.	Delivered through GCF-1 administrative budget



institutional capacity	<b>Output 4.2:</b> Expanded coverage of privileges and immunities	23 P&Is signed in IRM	Ps and Is coverage increased	Six additional P&Is signed in GCF-1 Total: 29	
	<b>Output 4.3:</b> Digitalization of operations	New indicator	Increased % of business processes digitalized, automated or benefit from automation-enabled re-engineering	92% of 2022 Digital Agenda goals achieved for digital workplace, business process automation, data-driven GCF, enhancing digital collaboration.	
	<b>Output 4.4:</b> Strengthened staff capacity	New indicators	90% fill ratio. 100% of staff undertake GCF onboarding/core training	<ul style="list-style-type: none"> <li>79% fill ratio in 2022, projected 90% by end 2023.</li> <li>91.86% staff undertake GCF onboarding/core knowledge training in 2023</li> </ul>	
	<b>Output 4.5:</b> Efficient operating costs	New indicators	Administrative budget <1% AUM. Annual budget execution within 10% of allocation	<ul style="list-style-type: none"> <li>Secretariat administrative budget 0.67% of AUM</li> <li>Estimated 81 % budget execution<sup>12</sup></li> </ul>	

<sup>12</sup> Final numbers will be confirmed through the Trustee Report

## Annex II: Progress tracking against Operational and Institutional priorities

Operational priorities	Progress	Status as at end of 2022
<b>5.1.1 Improving GCF processes</b>		
<b>(a) Review GCF policies and frameworks</b> , as part of the 2020-23 Board workplan, to better understand policy impacts, resulting challenges or delays in implementation, gaps, and opportunities to simplify, streamline and harmonize policies.	<ul style="list-style-type: none"> <li>Delivered</li> </ul>	<ul style="list-style-type: none"> <li>Review delivered and presented to the Board in 2022 (B.33), covering an analysis of overall policy coherence, implementation and impact, taking account of operational experience.</li> <li>Implementation of operational review recommendations initiated, supplementing standardized policy development process and policy implementation planning and reporting under the Secretariat Policy Manual; Updates to the Policy Manual based on operational experience planned for 2023.</li> </ul>
<b>(b) Continue to streamline programming and approval processes</b> to enable timely disbursements, and develop simplified processes for approval of proposals for certain activities, including by enhancing and updating SAP as part of the 2020-23 Board workplan	<ul style="list-style-type: none"> <li>Partially delivered - work ongoing</li> </ul>	<ul style="list-style-type: none"> <li><i>FP</i>: Steps to streamline FP review process implemented, including shift to ITAP rolling reviews and finalization of Appraisal Manual.</li> <li><i>SAP</i>: Updated SAP concluded by the Board at B.32 expanding programme scope.</li> <li><i>Readiness</i>: 'Readiness Action Plan' to strengthen and streamline the review process cycle conducted in 2022</li> <li><i>Accreditation</i>: Initial streamlining measures adopted by Board at B.31 through an Updated Accreditation Framework.</li> </ul>
<b>(c) Identify operational bottlenecks</b> and examine the most effective ways to address these to speed up access, including through improved productivity, effective resourcing and/or further streamlining programming, approval and Secretariat implementation processes, modalities and timelines	<ul style="list-style-type: none"> <li>Delivered</li> </ul>	<ul style="list-style-type: none"> <li>Review of Secretariat capabilities to deliver the USP completed in 2021, including diagnostic of operational bottlenecks across key business processes. Implementation of process improvements measures implemented in 2022.</li> </ul>
<b>(d) Review ways towards improving functioning</b> of the independent units and panels and the interface between AEs and the Secretariat, and between the Secretariat, independent units, the independent TAP and the Accreditation Panel	<ul style="list-style-type: none"> <li>Not started</li> </ul>	<ul style="list-style-type: none"> <li>Pending Co-Chairs' guidance on approach and timeline, noting this is a matter that concerns the intersection between different Fund organs.</li> <li>To evolve pending degree of prioritization in the context of strategic planning for GCF-2.</li> </ul>
<b>(e) The Board will consider, as part of its review of the Board's committees panels and groups</b> , as appropriate, the way they comply with their obligation to assist the Board in its decision-making and exercise any delegations of its authority	<ul style="list-style-type: none"> <li>Delivered</li> </ul>	<ul style="list-style-type: none"> <li>Guidelines for the operation of Board committees adopted by the Board in 2022.</li> </ul>

Operational priorities	Progress	Status as at end of 2022
<p><b>(f) Establish a public online tracking platform and service standards</b>, to show real-time portfolio, pipeline and disbursement status and set expected turnaround times.</p>	<ul style="list-style-type: none"> <li>Delivered</li> </ul>	<ul style="list-style-type: none"> <li>Web-based portals established in 2020 to allow real-time tracking of proposal status; expanded in 2021 to include review. API also allows UNFCCC to showcase GCF portfolio data in real time. Open Data Library (public and Secretariat) established in 2022.</li> <li>Service standards for Secretariat processes adopted as part of 2021 and 2022 Secretariat work programme KPIs</li> </ul>
<p><b>(g) Codify internal review processes</b> through the Secretariat's development of operations, programming and policy manuals, also improving consistency of application through development of review tools and more intensive staff training</p>	<ul style="list-style-type: none"> <li>Delivered and work ongoing for delivery of training</li> </ul>	<ul style="list-style-type: none"> <li>Operations and Programming Manuals finalized in 2020 and operationalized in 2021; Policy Manual finalized and operationalized in 2021 to codify and standardize key internal processes. Appraisal Manual and additional review tools, Secretariat training initiatives, and collaboration with iTAP to improve consistency in application of review standards delivered in 2022.</li> <li>Enhanced training planned under 2023 Work Programme.</li> </ul>
<p><b>(h) Translate key operational documents</b> into six United Nations languages to ease language barriers to efficient engagement with the GCF</p>	<ul style="list-style-type: none"> <li>Delivered</li> </ul>	<ul style="list-style-type: none"> <li>Key GCF operational documents and operational policies have been translated from English into the five United Nations languages (Arabic, Chinese, French, Russian, Spanish). A total of 225 documents in various languages are published on the GCF website and a search function has been added that allowing filtering by language. Work ongoing to establish translation principles and a protocol for standardizing translation processes.</li> <li>AI-based translation for web-based meetings in place since 2020.</li> </ul>
<p><b>5.1.2 Strengthening implementation, results and knowledge management</b></p>		
<p><b>(a) Accelerate processes from approval to implementation and disbursement</b>, through measures including ensuring AEs have signed and effective accreditation master agreements to undertake programming; stabilizing GCF policies; examining policy barriers to implementation; increasing use of standard legal agreements; and earlier negotiation and execution of funded activity agreements where feasible</p>	<ul style="list-style-type: none"> <li>Partially delivered - work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Portfolio under implementation increased from 73% at end of 2020 to 80% at end 2021 and 87% at end 2022.</li> <li>Overall policy review examining policy barriers to implementation delivered in 2022.</li> </ul>
<p><b>(b) Implement an adaptive portfolio management approach</b>, by deploying digitized monitoring systems to provide early warning of needed course-corrections; and</p>	<ul style="list-style-type: none"> <li>Delivered - work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Portfolio Performance Management System fully implemented and operationalized in 2021 and expanded in 2022 to systematically manage and monitor AE reporting and disbursements.</li> </ul>

Operational priorities	Progress	Status as at end of 2022
<p>providing Secretariat implementation support to AEs, particularly DAEs, where needed</p>		<ul style="list-style-type: none"> <li>Project-level risk monitoring traffic-light monitoring integrated into system, supporting real-time monitoring of risks throughout the project life cycle</li> <li>Over 162 adaptive management requests responded to in GCF-1 supporting over 16 DAEs.</li> <li>Review and refinement of the GCF risk management framework and risk controls initiated and expected for delivery in 2023.</li> </ul>
<p><b>(c) Update the GCF results management framework</b>, to ensure GCF can measure how its funded activities contribute to project, result area, portfolio and paradigm shift outcomes, in order to move from measurement of expected to actual results as the portfolio matures</p>	<ul style="list-style-type: none"> <li>Delivered</li> </ul>	<ul style="list-style-type: none"> <li>Integrated Results Management Framework adopted by the Board at B.29 and under implementation from B.32 onwards.</li> <li>Readiness results management framework finalized.</li> </ul>
<p><b>(d) Link systems for monitoring, reporting, evaluation and knowledge management</b>, ensuring adequate budgeting for monitoring and evaluation, full and regular results reporting and performance evaluations and knowledge capture</p>	<ul style="list-style-type: none"> <li>Partially delivered - work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>All FPs reviewed for adequacy of M&amp;E provisions and budgets on ongoing basis; M&amp;E remedial measures under negotiation or implementation by AEs (13 AEs implementing remedial measures for 21 funded activities)</li> <li>Review of results reporting regularized under Secretariat work programme/KPIs.</li> <li>Evaluation Policy adopted in 2021 to clarify roles and responsibilities with regard to programming and Fund performance evaluations, and evaluation standards and guidance under development</li> <li>Open Data Library was launched in 2022 allowing for more effective access, visualization and analysis of portfolio data</li> <li>Initiatives to finalize learning loops and link results and knowledge back to programming included in 2023 Secretariat work programme.</li> </ul>
<p><b>(e) Build the GCF knowledge management capabilities to enable improved programming and implementation</b>, by capturing evidence-based results and lessons from implementation; and integrating global knowledge into GCF operations</p>	<ul style="list-style-type: none"> <li>Partially delivered - work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>GCF KM system progressed in 2022 through establishment of first cycle of learning loops for the Readiness programme being integrated in the Readiness programme SoW and action plan.</li> <li>Work on-going to establish a funded activity learning loop in 2023.</li> <li>Work commenced in 2022 on establishing knowledge partnerships and engagements, also included in the 2023 Work Programme.</li> </ul>

Operational priorities	Progress	Status as at end of 2022
<b>5.1.3 Stakeholder collaboration and engagement with impacted people and communities</b>		
<p><b>(a) Continue to advance best practice policies and standards on environment and social safeguards, indigenous peoples, gender and integrity</b> in ways that not only include safeguarding measures of “do not harm” but also improve environmental, social and gender outcomes, and generate critical co-benefits. Work in collaboration with NDAs and AEs to build capacity for implementation and monitoring</p>	<ul style="list-style-type: none"> <li>Delivered and work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>All FPs reviewed for adherence to the standards of the ESS, Gender and IP policies on an ongoing basis, and co-benefits highlighted.</li> <li>ESP revised to include SEAH provisions related to GCF-funded activities, SEAH Action Plan produced and a SEAH Risk Assessment Tool developed.</li> <li>GCF’s new ESS in development to reflect lessons from international best practice, full draft of the standards developed with input from stakeholders.</li> <li>Regular discussions held with AEs/NDAs to provide support to meet policy requirements and raise awareness.</li> </ul>
<p><b>(b) Promote gender mainstreaming</b> across internal and external activities and programming, including working toward ensuring project proposals have gender assessment and action plans, as well as strengthening gender-mainstreaming and social inclusion capabilities among staff, partners and stakeholders</p>	<ul style="list-style-type: none"> <li>Partially delivered</li> <li>Gender assmt/ action plans delivered, mainstreaming in progress</li> </ul>	<ul style="list-style-type: none"> <li>One hundred per cent of funding proposals contain gender assessment and action plans; gender assessment also mainstreamed across NAP, Readiness, country programme and entity work programme reviews.</li> <li>Training videos on gender-mainstreaming in NAPs produced, and other forms of capacity building on gender undertaken with partners.</li> <li>Progress made under the Generation Equality Forum, to implement commitments made to the Action Coalition on Feminist Action for Climate Justice</li> <li>Gender-mainstreaming and diversity integrated into the GCF People Plan with implementation initiatives in progress, constrained to date by resourcing.</li> </ul>
<p><b>(c) Enhance engagement with indigenous peoples</b> in line with the Indigenous Peoples Policy, including through establishing an Indigenous Peoples Advisory Group</p>	<ul style="list-style-type: none"> <li>Delivered and work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Engagement with indigenous peoples was held regularly through meetings with IPOs, the UN Permanent Forum on Indigenous Issues, and Facilitative Working Group of the UNFCCC Local Communities and Indigenous Peoples Platform.</li> <li>The IPAG (established at the end of 2021) initiated its work as a group in 2022 with an informal meeting and one formal meeting (IPAG-1). The IPAG developed its workplan and began to implement a number of activities. It also provided advice to the Secretariat and AEs on issues related to indigenous peoples.</li> </ul>

Operational priorities	Progress	Status as at end of 2022
<p><b>(d) Support broad-based and inclusive stakeholder participation in GCF activities</b>, including local communities and authorities, civil society, private sector, indigenous peoples and others, to ensure needs and concerns are put into local context</p>	<ul style="list-style-type: none"> <li>Delivered and work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Consideration of multi-stakeholder consultation and engagement of affected communities mainstreamed across Readiness, NAP, country programme, entity work programme and FP reviews</li> <li>Two public consultation periods, and two stakeholder engagement events, were held as part of the development of the new ESS during 2022.</li> <li>A guidance note on designing and ensuring meaningful stakeholder engagement on GCF-financed projects was produced.</li> </ul>
<p><b>(e) Review the implementation of the Information Disclosure Policy</b> per the 2020-23 Board workplan, in light of the experience in the IRM and the latest information access standards of peer institutions, to maintain best practice for access to GCF information</p>	<ul style="list-style-type: none"> <li>In progress, on track for delivery in 2023</li> </ul>	<ul style="list-style-type: none"> <li>Policy update advanced in 2022 informed by background analysis conducted in 2021. 2022 analysis covered linkages with other policy mandates including on Programmatic approaches and ESS disclosure requirements.</li> <li>Policy proposal resolving potential policy conflicts to be presented to EAC in 2023.</li> </ul>
<p><b>(f) Strengthen outreach and communications</b>, including through Secretariat development of a partnerships strategy to guide GCF partnering outside of formal funding arrangements; a traditional and social media strategy to strengthen the GCF brand, and enhanced communication and reporting of results and performance for accountability</p>	<ul style="list-style-type: none"> <li>Delivered and work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Partnerships roadmap and communications strategy developed in 2020 and being operationalized through annual Secretariat work programmes, with focus on enhancing the visibility of and mobilizing political capital for the Fund. GCF participated in/contributed to more than 36 events in 2022, hosted 4 high-level events, and issued more than 70 new publications, web pages and press releases/news updates on performance and results (almost double compared to 2021)</li> <li>Social media strategy has led to 53.40% growth in online followers and 19,238 traditional media mentions gained in 2022</li> <li>Publication of Annual Report to capture results and performance reporting initiated from 2021 and under finalization for 2022.</li> </ul>
<p><b>5.2 Enhancing institutional capacity</b></p>		

Operational priorities	Progress	Status as at end of 2022
<p><b>(a) Implement the Board’s four-year workplan for 2020-2023</b>, which establishes a policy development, implementation, learning and review cycle which stages consideration of outstanding policy items and reviews in a sequence informed by time-sensitivity to programming and strategic priorities. Co-Chairs are requested to update the Board workplan upon adoption of the USP.</p>	<ul style="list-style-type: none"> <li>In progress but delayed</li> </ul>	<ul style="list-style-type: none"> <li>Significant progress in closing policy gaps (18 new or updated policy items concluded in GCF-1 to date) and securing decisions on policy mandates during Board Meetings. Full BWP implementation delayed relative to the policy cycle adopted by the Board at B.25, particularly in terms of delivering anticipated reviews.</li> <li>Update of Board workplan to align with the USP was developed for B.28 but not formally adopted by the Board. 2023 BWP and update of the policy cycle for GCF-2 in progress and on track for delivery in 2023.</li> </ul>
<p><b>(b) Ensure predictable management of commitment authority</b>, by the Board setting at the last meeting of each year annual programming and disbursement targets for the following year, and Secretariat business planning in line with the above operational objectives</p>	<ul style="list-style-type: none"> <li>Delivered and work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Financial plan presented to B.29 outlining scenarios for management of programming based on available commitment authority</li> <li>Annual programming and disbursement targets integrated into Secretariat annual Work Programmes approved by Board</li> <li>Secretariat business planning integrates financial planning toward annual and USP operational implementation targets</li> </ul>
<p><b>(c) Clarify internal roles and responsibilities and resolve inefficient duplications/ overlaps</b>, by refining the GCF internal control framework by mid-2021</p>	<ul style="list-style-type: none"> <li>Partially delivered</li> <li>Internal control framework refinement delayed</li> </ul>	<ul style="list-style-type: none"> <li>Operations, Finance, Procurement, Policy and Appraisal manuals finalized in 2020/21/22 have clarified roles and responsibilities for key Secretariat processes.</li> <li>Review of risk-related aspects of Secretariat internal control framework and pilot risk- and control- self assessments completed and launched in 2022.</li> <li>Wider refinement of internal control framework is linked to the review of the interface between Fund organs per action 5.1.1(d).</li> </ul>
<p><b>(d) Review the capabilities of the GCF</b>, in particular the Secretariat and independent Technical Advisory Panel, to deliver increased programming (regular and SAP projects) and implementation over 2020-2023 in line with the USP</p>	<ul style="list-style-type: none"> <li>Delivered</li> </ul>	<ul style="list-style-type: none"> <li>Review of iTAP capabilities concluded at B.25 and B.28 leading to expansion of iTAP capacity from 6 to 10 members and update of iTAP operational modalities.</li> <li>Review of Secretariat capabilities concluded at B.30 (2021)</li> </ul>

Operational priorities	Progress	Status as at end of 2022
<p><b>(e) Strive to increase coverage of privileges and immunities</b> as foreseen in the Governing Instrument through all available channels</p>	<ul style="list-style-type: none"> <li>Limited progress</li> </ul>	<ul style="list-style-type: none"> <li>6 privileges and immunities agreements signed in GCF-1 (4 in 2020, 1 in 2021 and 1 in 2022). Limited increase in coverage of Ps &amp; Is through existing channels due to minimal country incentives.</li> </ul>
<p><b>(f) Pursue a human resources strategy to attract, nurture and retain talent</b>, fostering highly skilled professional groups with the capacity to execute the GCF mission and vision, and aligning staff deployment with evolving organizational needs</p>	<ul style="list-style-type: none"> <li>Partially delivered - work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Secretariat staff capacity increased from 196 staff (end of 2020) to 219 staff (end of 2021) and 237 (end of 2022), projected to reach 315 by end of GCF-1. Almost 100 recruitments conducted in 2022.</li> <li>People Plan developed and Employee Value Proposition articulated to attract and nurture a skilled professional workforce. Digital onboarding developed in 2021/2022 and planned to be launched in 2023. Grievance and dispute resolution architecture clarified in 2020.</li> <li>Update of the GCF salary structure presented to and concluded by the Board at B.34 with implementation from start 2023. Additional work on establishing a compensation policy and updating the HR legal framework mandated for 2023.</li> </ul>
<p><b>(g) Advance as a digital organization</b> by seeking to improve key work processes through automation, and toward 2023 developing a strategy for constructing a virtual workspace for outposted staff and consultants;</p>	<ul style="list-style-type: none"> <li>Partially delivered - work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Digital transformation and workplace development accelerated by COVID-19 pandemic, leading to functional virtual Board meeting environment and virtual workspace in place from 2020.</li> <li>More than 80% of GCF processes are now benefiting from automation support, with notable improvements made in 2022 in the areas of accreditation, digital proposal submission for Concept Notes and Funding Proposals, end-to-end Readiness, iTAP, taxonomy, risk and compliance, constituent relationship management and data management.</li> <li>Additional efforts were taken to collect an inventory of detailed processes across the fund to identify automation gaps and opportunities and further implementation efforts are expected in areas of financial management, risk management and policy management in 2023</li> </ul>
<p><b>(h) Assess needs and options for establishing a GCF regional presence</b> to be closer to the countries GCF serves and monitor portfolio implementation. The Secretariat will undertake a cost-benefit assessment of potential options,</p>	<ul style="list-style-type: none"> <li>Partially delivered - work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Initial cost-benefit assessment completed and presented to the Board as part of the USP capability review at B.29 and B.30 and Terms of Reference for a feasibility assessment were developed for Board consultation and consideration in 2022.</li> </ul>



Operational priorities	Progress	Status as at end of 2022
looking at specific operational bottlenecks, capacity gaps and experience with pilots to Date, for the Board's consideration		<ul style="list-style-type: none"> <li>ToRs pending Board consideration and decision.</li> </ul>
<p><b>(i) Undertake ongoing resource mobilization efforts,</b> including seeking new contributors, updating policies to enable potential contributions from private and alternative sources, and building the scale and predictability of resource mobilization over time.</p>	<ul style="list-style-type: none"> <li>Partially delivered - work ongoing</li> </ul>	<ul style="list-style-type: none"> <li>USD 9.87 billion in contributions agreements signed for GCF-1, or 100 per cent of GCF-1 pledges.</li> <li>USD 116.53 million additional pledges made during GCF-1 (USD 114.4 million in 2020 and USD 1.4 million in 2021 and USD 0.73 million in 2022) from 8 new or existing contributors.</li> <li>Approach paper on contributions from alternative sources of funds was submitted to the Board and considered at B.34 without a decision.</li> <li>Second Replenishment process was launched, with the initial organizational meeting and first consultation meeting held in 2022.</li> </ul>