



Conference of the Parties

Twentieth session

Lima, 1–12 December 2014

Agenda item 12(d)

Matters relating to finance

Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility

Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility

Proposal by the President

Draft decision -/CP.20

Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility

The Conference of the Parties,

Recalling decisions 12/CP.2, 3/CP.16, 5/CP.16, 7/CP.16, 11/CP.17, 9/CP.18 and 6/CP.19,

Taking note with appreciation of the annual report of the Global Environment Facility to the Conference of the Parties,¹

Taking note of the recommendations of the Standing Committee on Finance contained in its report to the Conference of the Parties with regard to the provision of draft guidance to the Global Environment Facility;²

1. *Welcomes with appreciation the sixth replenishment of the Global Environment Facility (July 2014 to June 2018), while urging countries that have not fulfilled their pledges for the fifth replenishment to do so as soon as possible;*

¹ FCCC/CP/2014/2 and Add.1.

² Annex V to document FCCC/CP/2014/5.

2. *Notes* that the amount of funding available for the climate change focal area was reduced in the sixth replenishment period of the Global Environment Facility and that the country allocation of some countries, including some least developed countries, small island developing States, and African States has decreased as a consequence, while highlighting that funding for climate change related interventions at the Global Environment Facility has continued to increase with pilot integrated approaches;
3. *Welcomes* the pledges and contributions made to the Least Developed Countries Fund and the Special Climate Change Fund, and *calls* for continued support to these funds;
4. *Notes* the actions being taken by the Global Environment Facility to expedite its project cycle;
5. *Encourages* the Global Environment Facility to continue to cooperate with all its implementing and project agencies as well as recipient countries in order to improve its project cycle, taking into account the report of the fifth overall performance study of the Global Environment Facility³ and the recommendations contained therein;
6. *Also encourages* the Global Environment Facility to continue to increase the overall transparency and openness of its operations, particularly with regard to the disclosure of information on the status of the implementation of projects and programmes, the project-level accountability of its implementing agencies and with respect to the timely disbursement of funds as well as the advice provided to countries on co-financing;
7. *Welcomes* the gender mainstreaming policy of the Global Environment Facility;
8. *Requests* the Global Environment Facility to ensure that gender mainstreaming is implemented both within its portfolio and within its structure;
9. *Takes note* of the policy on co-financing of the Global Environment Facility and the concerns regarding the implementation of this policy as raised by some Parties;
10. *Encourages* the Global Environment Facility to improve the communication of its co-financing policy so that it is better understood, and appropriately applied by accredited project agencies and the implementing agencies of the Global Environment Facility, while acknowledging the potential impacts of this policy on developing country Parties, in particular the least developed countries, small island developing States, and African States;
11. *Also encourages* the Global Environment Facility to finalize the accreditation of project agencies and to share, in its next report to the Conference of the Parties, lessons learned and progress made in its pilot accreditation of project agencies, particularly in the least developed countries, small island developing States and African States;
12. *Requests* the Global Environment Facility to continue to work with its implementing agencies to further simplify its procedures and improve the effectiveness and efficiency of the process through which Parties not included in Annex I to the Convention receive funding to meet their obligations under Article 12, paragraph 1, of the Convention;
13. *Invites* Parties to submit to the secretariat annually, in writing, and no later than 10 weeks prior to the subsequent session of the Conference of the Parties, their views and recommendations on the elements to be taken into account in developing guidance to the Global Environment Facility;
14. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 13 above when providing draft guidance to the Global Environment Facility for consideration by the Conference of the Parties;

³ Global Environment Facility Evaluation Office, 2014, *Fifth Overall Performance Study of the GEF: At the Crossroads for higher Impact*.

15. *Also requests* the Global Environment Facility to include, in its annual report to the Conference of the Parties, information on the steps that it has taken to implement the guidance provided in this decision.
