

# ANNUAL REPORT ON THE TASKFORCE ON ACCESS TO CLIMATE FINANCE

*Progress, recommendations, methodology, and template*

08 November 2022



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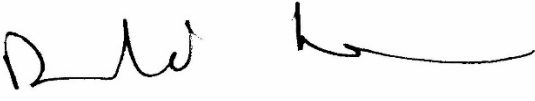

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## Quality assurance

This report has been reviewed and approved by

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## Disclaimer

**Note about the report:** The report was prepared and written by DAI. The different examples, activities, studies, and recommendations in this report are non-exhaustive and reflect a mix of opinions and perceptions of the interviewees/respondents to the questionnaire about the Taskforce, the Principles and Recommendations and climate finance more generally, including some personal views. In some cases, the interviewee might not have worked directly with the Taskforce. The report also includes perceptions and opinions of the DAI review team. Therefore, the specific examples of progress and the recommendations proposed in this report should be seen as suggestions and input for further discussion within the Taskforce. We hope this report is a useful tool for the Steering Committee and wider Taskforce community to consider.

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## ACRONYMS AND ABBREVIATIONS

ABM	Adaptation Benefits Mechanism
ADB	Asian Development Bank
AfDB	African Development Bank
CFAN	Climate Finance Access Network
CFU	Climate Finance Unit
CGD	Centre for Global Development
EIB	European Investment Bank
ETF	Enhanced Transparency Framework
FCDO	Foreign, Commonwealth & Development Office
GEF	Global Environment Facility
GCF	Green Climate Fund
GGA	Global Goal on Adaptation
GGGI	Global Green Growth Institute
GPEDC	Global Partnership for Effective Development Cooperation
GPPI	Global Public Policy Institute
IMF	International Monetary Fund
KPIs	Key Performance Indicators
LDCs	Least Developed Countries
LTS	Long-Term Strategy
LTV	Long-Term Vision
MCFs	Multilateral Climate Funds
MDBs	Multilateral Development Banks
MFAT	Ministry of Foreign Affairs and Trade
MOPAN	Multilateral Organisation Performance Assessment Network
NAP	National Adaptation Plan
NBF	Needs-based Finance
NDC	Nationally Determined Contribution
NGOs	Non-Governmental Organisations
NCQG	New Collective Quantified Goal on Climate Finance
MOPAN	Multilateral Organisation Performance Assessment Network
OECD-DAC	OECD-Development Assistance Committee
P&Rs	Taskforce Principles and Recommendations
QuODA	Quality of Official Development Assistance
SC	Steering Committee
SCFP	Southern Africa Climate Finance Partnership
SIDS	Small Island Developing States
SMEs	Small and Medium-sized Enterprises
WB	World Bank Group
WHS	World Humanitarian Summit

## EXECUTIVE SUMMARY

The Taskforce on Access to Climate Finance (the Taskforce) was convened by the UK COP26 Presidency in response to calls for enhanced access to climate finance by developing countries. It comprises of a Steering Committee made up of the following members: UK and Fiji as Co-chairs, Belize, Bhutan, Germany, Green Climate Fund (GCF), Malawi, Rwanda, Senegal, Sweden, United States of America (USA) and the World Bank Group (WB).

Its overarching objective is to deliver a transformational change in access to climate finance, with a new, programmatic approach at the country level, alongside institutional improvements in the climate finance architecture. The Taskforce has developed twenty-two recommendations for providers and recipients, underpinned by a set of five principles:

- country ownership;
- harmonization of processes and alignment of finance;
- responsiveness to country needs and climate vulnerability;
- flexibility and innovation;
- transparency and accountability.

Developed via a consultative and collaborative process, receiving the support of a broad cross-section of stakeholders and agreed by the Taskforce's Steering Committee, these Principles and Recommendations (P&Rs) set out the new approach to access, programming and use of climate finance, and are intended for adoption by a wider group of providers and recipients beyond the formal efforts of the Taskforce and its Steering Committee Members.

Since COP26, the Taskforce has worked at pace to operationalise this new approach and influence the global climate architecture to enable access. The initial pioneer countries to test this approach are: Bangladesh, Fiji, Jamaica, Rwanda, and Uganda. The trials have begun with each pioneer country supported by an anchor donor from the Steering Committee, backed by other climate finance providers and partner initiatives.

This report is based on the reflections of multiple representatives from the Steering Committee and a wider group of stakeholders, via a mix of online questionnaires and virtual interviews. While recognising that access to climate finance and related reporting is still evolving, one predominant finding in this report is the view that the relevance and validity of the Taskforce's P&Rs is widely acknowledged.

This report aims to provide an initial and non-exhaustive snapshot of the developments achieved and supported by the Taskforce over the last year. According to the research and information gathered by the DAI review team, we can say that there is recognition by stakeholders of the work and dedication exhibited by the Taskforce, as reflected in the points below. In particular, the efforts of the interim Secretariat and work supported in the pioneer country trials was noted. Since COP26, the Taskforce has gained momentum and made important progress in relation to the operationalisation of its approach.

- The G7 recognised the importance of the Taskforce and the P&Rs by urging all climate finance recipients and providers to apply them in its May 2022 [Climate, Energy and Environment Ministers' Communiqué](#). Access to finance was discussed at the [Climate and Development Ministerial 2](#), where the Taskforce was positively mentioned. Several ministers

from pioneer countries referred to concrete progress in their countries.

- There is evidence of general progress at institutional and country levels, as well as specific actions against each of the five principles, with examples in this report.
- The pioneer country trials are progressing well and moving towards the implementation phase, including peer-learning activities. Dedicated technical assistance, in the form of in-country strategic advisors, typically embedded in the relevant ministry, is proving to be a success.
- Building on last year's successful consultative and collaborative process to develop the P&Rs, the Taskforce has enhanced cooperation with key stakeholders, such as dedicated climate funds, multilateral development banks (MDBs), and others to drive improvements and cooperation.

The efforts of the Taskforce in improving access to finance are much needed and appreciated and this report marks the beginning of a longer process. This report can be considered as a first step to identifying progress in access to climate finance to make long-term systemic changes—guided by the Taskforce's P&Rs. Going forward, the Taskforce needs to continue with deliberation at pace to drive change and help increase access to climate finance for those who need it most.

In recognition of the growing focus of access to climate finance within the climate and development space, the DAI review team have identified key recommendations in three areas (value-add and the role of the Taskforce and Secretariat; outreach and communication; monitoring, evaluation, and learning) with the greatest near-term potential to support the Taskforce in delivering its desired outcomes. These recommendations are summarised below:

**1) Brand the Taskforce as a new independent voice in the climate finance architecture:**

The Taskforce's P&Rs are widely accepted, but access to climate finance is a broad and complex topic involving numerous stakeholders and initiatives. A clear articulation of the purpose and objectives of the Taskforce is therefore critical to: ensure coherence; enhance impact and effectiveness; secure resources to fulfil its objectives (capacity); and improve coordination to maximise synergies and avoid duplication of work.

**2) Focus on communication to amplify influence:** To achieve greater impact, communication (both internal and external) and outreach should become a central component of the Taskforce's work; to increase awareness of the Taskforce's objectives, the P&Rs, and the country trials. In this regard, enhancing communication could mean establishing regular communication and knowledge channels/platforms. This could be one of the functions of the independent Centre on Action to Access to Climate Finance proposed by the UK<sup>1</sup>.

**3) Enable lesson learning across providers:** To ensure impact at the scale required, it is important that all the actors involved, including providers, recipients, and practitioners/research institutions, collaboratively share knowledge and experience, enhance processes and frameworks, and monitor progress. This will also be an important component of assessing, refining, and improving the Taskforce's P&Rs and the work in the pioneer country trials. The modalities through which lessons learnt are collected and disseminated needs to be articulated and strengthened. The planned independent Centre for Action on

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<sup>1</sup> The UK has committed funding for an independent Centre for Action on Access to Climate Finance via the operationalization of the UK £100 programme of support for the Taskforce aims and objectives. No other partners have committed funding at the time of writing.



Access to Climate Finance proposed by the UK could positively support these efforts.

Lastly, this report proposes a simple yet robust annual report methodology and template that can be used to monitor progress made against the P&Rs, report performance, and facilitate learning. It is based on primary and secondary research, mainly through questionnaires and interviews<sup>2</sup>. The proposed reporting methodology and template should be further discussed with the Steering Committee to better assess its views and concerns.

Another year of implementation and learning is required before a more formal assessment of the Taskforce's progress can be undertaken, including recommendations on how to refine the P&Rs and update the approach to include private climate finance. The proposed annual report methodology and template could be used to guide the Taskforce's work, focusing on where the P&Rs can build on and amplify existing structures and progress, including the work in the pioneer country trials. Enabling other key climate finance providers and recipients, as well as practitioners and civil society, to get involved, lend their support to the Taskforce and contribute ideas, will also help enrich the discourse on access to climate finance.

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<sup>2</sup> 24 responses (18 online questionnaire, 6 virtual interviews).

## BACKGROUND AND CONTEXT

The allocation and disbursement of climate finance can often be complex, slow, and uncoordinated, leaving climate change-vulnerable developing countries without the finance needed to deliver timely ambitious national climate action plans. The most vulnerable countries and communities are frequently excluded from finance flows due to the complexity of the financial architecture and capacity constraints at national and sub national levels. Following resounding calls for improvements to finance access from developing country counterparts, the Taskforce on Access to Climate Finance was convened by the UK COP26 Presidency to respond to these concerns. The Taskforce aims to deliver a transformational step change in access at the national and local levels and spur a related shift in the wider public climate finance architecture.

Figure 1. Steering Committee Members

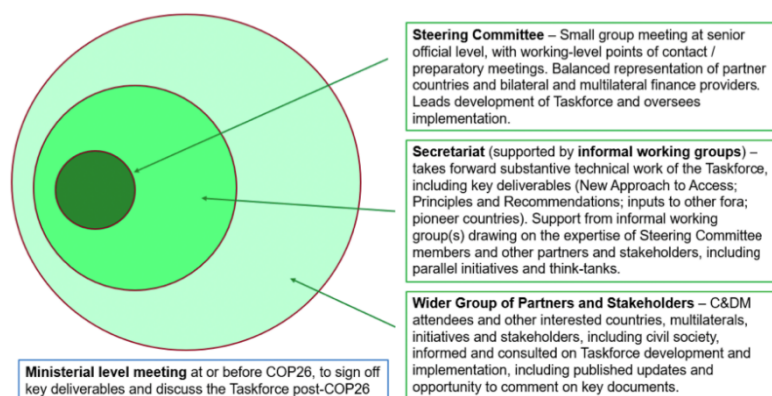
<b>Taskforce</b>	UK (Co-Chair)
<b>Steering</b>	Fiji (Co-Chair)
<b>Committee</b>	Belize
<b>Members</b>	Bhutan
	Germany
	Green Climate Fund
	Malawi
	Rwanda
	Senegal
	Sweden
	United States
	World Bank

The work of the Taskforce is led by a 12-member Steering Committee, (Figure 1) composed of senior representatives from partner governments and institutions. Membership of the Taskforce Steering Committee was agreed with the relevant government ministers and equivalent senior officials from international institutions. Announced at the Climate and Development Ministerial in March 2021, with the UK and Fiji as initial co-chairs, the Steering Committee was tasked with developing a new approach that improves the

predictability, flexibility, transparency, and speed of disbursement of climate finance.

The initial co-chairs published a Draft Concept Note in May 2021 and sought feedback from a wide range of partners and stakeholders. Incorporating this feedback and seeking agreement on the Taskforce’s scope resulted in a revised concept note (Taskforce, 2021) that acts as the key terms of reference (and theory of change) for the Taskforce’s work. The concept note sets the Taskforce’s overarching objective, which is to “transform the current system of climate finance through a new, programmatic approach based on partners’ own national climate action plans and priorities, supported by coherent, programmatic finance from multilateral and bilateral partners.”

Figure 2. Interim Governance Structure of the Taskforce (Taskforce, 2021)



In the first phase of the Taskforce, an interim governance structure has been set up (Figure 2). The concept note also stresses the central importance of co-ordination and inclusivity with existing initiatives at all levels, given the considerable efforts already underway in the access to climate finance space. It commits the Taskforce to working within existing national

or multilateral coordination structures and involving all relevant initiatives and communities as part of in-country coordination. The UK committed £100 million towards implementation.

To underpin this new approach and guide how the global system of climate finance providers and recipients can more effectively access, programme, and use climate finance, the Taskforce developed a series of [Principles and Recommendations](#) (P&Rs) in 2021 (Taskforce, 2021). These sought to facilitate a programmatic and coordinated approach to the provision of finance, with a focus on greater coordination with existing initiatives and improved inclusivity, to address the most urgent local needs. These P&Rs draw on the lessons and experiences of climate finance providers, recipients and wider aid effectiveness practices. The P&Rs were developed via a consultative and collaborative process with members of the Steering Committee and other key partners, with technical support from two leading research institutes: the Centre for Global Development (CGD) and the Overseas Development Institute (ODI), setting out the key climate finance access challenges and the evidence base for change<sup>3</sup>.

The P&Rs were designed to give providers and recipients an overarching view of how climate finance can be better accessed, programmed, and used. This received wide-ranging endorsement from Taskforce Steering Committee members and the broad support of key stakeholders and therefore became a legitimate framework for access improvements.

The P&Rs were launched at COP26 at a dedicated event on Finance Day. The five principles are:

- **Principle 1.** Country ownership: Programmes and projects should be owned and driven by recipient governments and the communities they intend to benefit.
- **Principle 2.** Harmonisation of processes and alignment of finance: The processes associated with every stage of accessing climate finance should be streamlined and coordinated to offer a more strategic, coherent, and efficient approach for recipients. Climate finance should be aligned with national plans.
- **Principle 3.** Responsiveness to country needs and climate vulnerability: Climate finance should clearly respond to the self-defined needs and priorities of recipients, including those countries and communities with the greatest needs and the lowest capacities to access funds. Climate finance must be consistent with the goals of the Paris Agreement, including pursuing efforts to limit global temperature rise to 1.5°C.
- **Principle 4.** Flexibility and innovation: Climate finance should adopt more innovative and agile approaches to delivery (alongside proportionate risk management processes) to ensure it responds to variations in local capacity and need.
- **Principle 5.** Transparency and accountability: Climate finance should be more predictable, transparent and yield measurable progress towards recipient countries' climate goals.

The principles are accompanied by twenty recommendations, and nine specific commitments. The initial pioneer countries to test this approach were announced at COP26, following agreement of the Taskforce Steering Committee and discussions with candidate countries: Bangladesh, Fiji, Jamaica, Rwanda, and Uganda. Each pioneer country is supported by an anchor donor from the Steering Committee<sup>4</sup>. The aim of the trials is to test, refine, and champion the new approach, learning lessons from the pioneers' experiences to inform further country and systemic changes; and so contribute to the overarching objective of the Taskforce to deliver a global transformational step change in access to climate finance.

Therefore, the Taskforce has two parallel (but connected) streams of work, focusing on

<sup>3</sup> Four technical workshops were held so to allow members to contribute to the drafting process, guided by CGD and ODI (7 September, 9 September, 5 October, and 6 October 2021)

<sup>4</sup> i) Bangladesh, UK; ii) Fiji: UK; iii) Jamaica: U.S., UK; iv) Rwanda: Germany and Sweden; and v) Uganda: UK

**national-level** change (including the pioneer country trials) and **systemic-level change** (including institutional reforms). The work of the Taskforce is supported by four key deliverables:

- 1) A new approach to public climate finance, which is aligned with national climate plans, coordinated more effectively and programmatic in nature.
- 2) A set of P&Rs that underpin this new approach, providing the basis for country trials in pioneer countries and set out recommendations for wider institutional reforms.
- 3) Country- and demand-led trials in five pioneer countries where partner countries and finance providers will test, model, and champion new methods for accessing climate finance.
- 4) Input into related access discussions in other forums, including climate fund boards and the Organisation for Economic Cooperation and Development's Development Assistance Committee (OECD-DAC).



The P&Rs are intended to guide and to set out a new approach to access, programming and use of climate finance for adoption by a wider group of providers and recipients beyond the Taskforce. This approach should enable the pioneer countries (and other countries employing the approach in the future) to access longer-term, predictable funding with which to implement their national climate growth, development, and investment plans, while ensuring climate action is mainstreamed into these other national strategies and budgeting and fiscal frameworks.

#### **Guidelines on Implementation of the pioneer countries (Taskforce, 2021)**

The Taskforce's work in the initial pioneer countries will take place over a three to four-year trajectory with final evaluations and lesson learning set to conclude in 2027 or 2028. The design of the trials will vary from country to country, depending on priorities and context. The primary steps to implementation tend to involve:

- Initial discussions between the pioneer country government and anchor country to determine the potential focus areas and intervention opportunities of the country trial. This will lead into initial scoping of national climate priorities, delivery channels, and coordination mechanisms with a wider group of providers and key partners. The anchor country and partners support the pioneer country government to operationalise the trial.
- In parallel, the Taskforce interim Secretariat maintains oversight of the country trials to ensure lesson learning and sharing of experiences.

## PURPOSE OF THE REPORT

A year has now passed since the publication of the P&Rs at COP26. In this foundational document, the Taskforce committed to publicly issue annual reports, detailing progress and findings of providers and recipients on the application and institutionalisation of the P&Rs.

The aim of this report is to highlight evidence, information, and insight, showcasing early progress made against the P&Rs and the activities of the Taskforce and use this information to help develop an annual reporting template and methodology to monitor future progress. The report is the reflection of multiple representatives from the Taskforce's Steering Committee, as well as from a wider group of relevant stakeholders (Annex 1. List of stakeholders).

To report progress against the P&Rs and the activities of the Taskforce, the DAI review team have utilised findings from primary (via online questionnaires and virtual interviews (see Annex 2. Questionnaire) and secondary research sources (see Section C. Literature review).

DAI has collected the views of Steering Committee members and range of key stakeholders (24 responses) to pull together considerable existing thought leadership and expertise on improving access to climate finance. The questionnaire was designed to directly link to the Taskforce's P&Rs and progress achieved over last year (see Section A), as well as means of identifying recommendations (see Section B) and developing a reporting methodology and template (see Section C and Section D). To do so, the set of questions was divided in two sections; the first focusing on progress, while the second section focused on gaining understating on how each principle could be integrated into different contexts so to develop appropriate indicators and a reporting template.

This document has been split into four distinct sections:

- **Section A:** Summary of progress on reported actions taken by climate finance providers and recipients to align themselves against the P&Rs between COP26 and COP27.
- **Section B:** Recommendations and reflections based on a year of experiences applying the P&Rs and evidence gathering via online questionnaires and virtual interviews.
- **Section C:** The methodology and data collection techniques used to monitor progress made by recipients and providers against the P&Rs.
- **Section D:** Annual report template and methodology. This section uses the experience of developing this first annual report to suggest a reporting template and methodology for subsequent editions.

The four sections of this report are designed to facilitating learning around how to improve access to climate finance.

## SECTION A: REPORTED PROGRESS SINCE COP26

The DAI review team received 24 responses from Steering Committee members and other stakeholders; some gathered using the online questionnaire (18) and others (6) via interviews, using the questionnaire to guide the process. The questionnaire (Annex 2. Questionnaire) was divided into two components:

- The first component aims at: i) capturing progress against the application of the P&Rs and ii) seeking feedback on where the Taskforce should focus going forward. These responses are the main source for this section (Section A) and for Section B: Recommendations.
- The second component aims at gathering insights on how to measure progress against the P&Rs and the development of indicators and key performance indicators (KPIs). These responses are summarised and discussed in Section C: Methodology and Data Collection.

Given the early stages of Taskforce implementation, and the fact that any reporting template has yet to be agreed, it is most appropriate at this point for the Steering Committee, pioneers, and other stakeholders to self-report on the progress made at this early stage. The tables in this section provide a synthesis of this self-reporting. We have used the process of collating this self-reporting to inform the annual report template and methodology in Section D.

For the first component on progress, most of the respondents to the questionnaire indicated that they had taken specific actions against each of the five principles. In some cases, respondents indicated that the principles (or similar) were already embedded, or partially embedded, in their process and operations. Some did not provide further evidence to the DAI review team, but others provided some examples to prove these claims. Others simply described the different climate processes, policies, or tools in their country or at their institution.

Specific details on progress reported is described on the next two sections. The first section summarises the overarching progress reported by the Taskforce, the Secretariat, the pioneer country trials, some Steering Committee members, and other stakeholders. The second section presents several examples of actions reported against specific principles. It must be noted that this section of the report reflects on the responses to the questionnaire (online, virtual interviews) and it is not an exhaustive list of all the relevant actions taken by the Taskforce and the stakeholders participating in the survey.

### REPORTED PROGRESS SUMMARY

Since COP26 the Taskforce has gained momentum, and progress has been achieved, particularly (but not solely) through the pioneer country trials. Several ministerial-level meetings conducted at least annually, often in conjunction with COP and/or climate and development ministerial meetings, to agree key deliverables, decision points, and progress (see Table 1).

The [G7 Climate, Energy and Environment Ministers' Communiqué](#) from May 2022 addresses the need to implement the Glasgow Climate Pact's and the importance of improving access to climate finance, with a specific focus on poor and the most vulnerable countries, particularly least developed countries (LDCs) and small island developing states (SIDS). It specifically mentioned the Taskforce, urging "*all climate finance providers and recipients to apply the Taskforce's Principles and Recommendations and encourage the Taskforce to continue to advance its work, in particular with regard to the role of the private sector.*" More recently, at the [Second Climate and Development Ministerial](#) on 20 September 2022 in New York the progress of the Taskforce, among other initiatives, was highlighted, although it was stressed that the pace



of progress needed to increase, and it has not led yet to systemic changes.

As co-chairs, the UK and Fiji have provided an interim Secretariat function during the first phase of the Taskforce, with the FCDO greatly supporting this work. This support has included coordinating the work in the pioneer countries as well as the engagement with the Taskforce's partners and stakeholders (i.e. the wider group of interested countries and finance providers, parallel climate finance initiatives, and civil society organisations). To support the Secretariat, technical working groups have been commissioned, drawing on technical and working level representatives from the Steering Committee members, cooperating with other key stakeholders and initiatives.

Moreover, the Taskforce Secretariat is engaged in conversations with a wider group of partners and stakeholders, using its position and knowledge of the experience of climate change-vulnerable countries to drive improvements on access. This includes:

- Conversations with the Multilateral Development Banks (MDBs) COP Working Group. MDBs are sharing their current efforts on access and initiating MDB Climate Group conversations about harmonisation and coordination of climate finance processes and tools. The working group has also initiated engagement with the pioneer countries to begin improved MDB finance alignment with country plans and priorities.
- Engagement with the International Monetary Fund (IMF) centrally and the IMF regional centres. The trials are identifying and highlighting opportunities for the IMF to support climate finance access, and the trials will accelerate and test these opportunities to align IMF support and finance with country plans.
- Together with the pioneer countries and anchor countries, there is ongoing work to collectively determine specific coordinated asks for the multilateral climate funds (MCFs), informed by the climate change-vulnerable pioneer countries' experience and the opportunities highlighted by the work of the pioneer trials.
- Working<sup>5</sup> with the OECD-DAC to ensure complementarity and raise ambition for bilateral donors providing climate finance and ensure coherence and harmonisation of approach amongst the major bilateral donors.

*Table 1. Summary of key Taskforce meetings*

Meeting	Key issues
<b>Seven Steering Committee meetings</b> (July 2021; August 2021; September 2021; October 2021; February 2022; May 2022; September 2022)	The meetings to date have focused on: <ul style="list-style-type: none"> <li>■ Approval of foundational documents (i.e. revised concept note and narrative)</li> <li>■ Approval of key deliverables and milestones, with a focus on COP</li> <li>■ Discussion of key communication moments</li> <li>■ Development and approval of the Principles and Recommendations</li> <li>■ Discussion of criteria and selection process for the Pioneer Countries</li> <li>■ Stocktake of progress in the Pioneer Countries</li> <li>■ Stocktake of progress in members' application of / alignment against the P&amp;Rs</li> <li>■ Discussion on the future of the Secretariat and Taskforce governance arrangements.</li> </ul> At the last meeting in September 2022 the methodology for developing a report template was presented by DAI to the SC members
<b>Three pioneer countries meetings</b>	<ul style="list-style-type: none"> <li>■ February 2022: Discussion between pioneer countries, anchor donors and Taskforce Secretariat on respective roles, responsibilities and the draft guidelines for implementing the pioneer country trials.</li> </ul>

<sup>5</sup> Including weekly working-level meetings

Meeting	Key issues
	<ul style="list-style-type: none"> <li>■ July 2022: Discussion between pioneer countries and anchor donors on plans for the next Climate and Development Ministerial meeting, progress on the country trials, objectives and concrete outcomes for the country trials for COP27 and building links and lesson learning between different pioneer countries and anchor donors.</li> <li>■ September 2022: Discussion with climate vulnerable development countries regarding their experience of working with the dedicated climate funds (including the Green Climate Fund) and how best to engage them through the pioneer country trials / inform the Taskforce's system-level engagement.</li> </ul>
<b>Specific country-to-country peer learning discussions.</b>	For instance, in August 2021, working level officials in Fiji and Uganda held a technical discussion on the potential for blue and green bonds to mobilise climate finance at scale.
<b>Ninth Meeting UK-MDBs COP Presidency Working Group, July 2022</b>	Access to climate finance and the role of the Taskforce was discussed. MDBs were positive about the approach of the Taskforce and recognised that in-country work was vital for making progress on this agenda.
<b>Four Technical Working Group meetings</b>	In 2021 the Steering Committee members and other key partners discussed and jointly develop and agree the P&Rs. There are many stakeholders with strong interests in the forward agenda of climate finance access reforms e.g. climate vulnerable developing countries, donor governments, multilateral institutions, civil society, and parallel programmes and initiatives.
<b>Climate and Development Ministerial 2: Towards Transformational Change - UN Climate Change September 2022</b>	Access to finance was discussed during the meeting, with positive mentions by the chairs to the work done by the Taskforce and progress in pioneer countries. While also noting that <i>“the Taskforce and other initiatives had not yet led to significant system-level change and that not all finance recipients are noticing the effects of reforms that were being made. (...) Some countries highlighted their work on their systems, aligning themselves with the Taskforce's Principles and Recommendations and encouraged others to do the same.”</i>

### Summary of reported progress in the pioneer countries

The Taskforce's pioneer country trials are based on close working partnership between the country government, an anchor donor, and other climate finance providers and partner initiatives. The country trials are essentially working on a proof-of-concept approach—leading to replication and scale-up, as per the concept note and P&Rs. Implementation of the new approach will therefore vary from country to country, depending on national priorities and context. This includes finance modalities, which may range from support to government budgets and different sectors, depending on pioneer countries' priorities, to a more specific list of investable activities. In all cases, the aim is to facilitate access based on a coherent, country-led programmatic vision, with climate finance integrated with wider national planning.

The Taskforce intends to learn from the experience of the pioneer countries to refine the P&Rs ahead of further phases of implementation (and the wider uptake of the P&Rs and Taskforce's approach). Moreover, the pioneer country trials will support the Taskforce's efforts to deliver wider systemic changes on access including by providing specific recommendations to providers of climate finance.

The trials had made progress within the envisioned three- to five-year trajectory, led by the pioneers, anchors, and in-country strategic advisers. In all the trials, the initial stage workplan and other accompanying foundations are already in place. The five pioneer countries have commenced their inception phases and are moving towards implementation, showing concrete progress towards the planning and coordination of climate action across government ministries and finance providers as a first step, as well as access to initial funding for activities under the trials.





Alignment with the P&Rs is at the core of all the trials, with a focus on learning lessons from country experience to feed into further proposed changes at the system level, as well as supporting uptake of the approach in more countries.

There is evidence of progress on all five pioneer country trials, though at different stages and with different trajectories and aims. Each country has identified existing relevant strategies and areas of work. As part of the Taskforce country trial, they have (or intend to) focused on specific areas of work, and expanded work within the climate finance space. The five countries are taking steps towards a more programmatic and coordinated approach, building on existing initiatives. In all cases, clear framing of country trials is done based on existing national plans such as Nationally Determined Contributions (NDCs), national adaptation plans (NAPs), and others and implementation strategies, using these as a basis for development of specific ambitions and a programmatic approach under the trial itself. Progress was showcased by some of the pioneer country ministers (Fiji, Rwanda) at the [Second Climate and Development Ministerial](#).

There is evidence of early signs of peer-to-peer learning, and the importance of in-country expertise and capacity to drive progress appears particularly important. In three of the pioneers—Fiji, Rwanda, and Uganda—there is a clear, overarching statement of the overall approach under the trial. In the other two—Bangladesh and Jamaica—there is evidence of the trials moving to substantive implementation. While formal progress of the Bangladesh and Jamaica trials is less developed, efforts to initiate a more coordinated and programmatic approach is underway, with the intention to progress the trials building on those efforts.


*Table 2. Reported examples of progress within the pioneer country<sup>6</sup> trials (non-exhaustive)*


 **Bangladesh:** As part of the new approach being tested in the country trial, initial coordination is underway between Government of Bangladesh (Economic Relations Division and the Ministry of Environment) and the UK as the anchor donor. The trial has progressed following initial scoping meetings with the Government of Bangladesh and orientation and coordination meetings with other climate finance providers. Technical workshops with a full range of government, development partner and civil society actors are planned for early 2023. Existing national priorities are clearly set out in Bangladesh's NDC (2021), forthcoming NAP, and the Mujib Climate Prosperity Plan which sets out low-carbon and climate-resilient investment needs. Further prioritisation will determine the focus areas and specific intervention opportunities of the country trial. See more detail on specific activities by principle in the following sections.


 **Fiji:** Fiji already has national frameworks and strategies in place that identify, prioritise, and quantify its climate finance needs. Rather than seeking a further set of strategies or principles to adopt as the basis of the country trial, the focus is to engage with donors to operationalise these existing policies, frameworks, and strategies. Fiji understands the importance of having national frameworks and strategies that support prioritization, quantification, and access to national climate finance needs—including through direct budget support. Fiji has adopted a whole-of-government approach to the trial, led by the Ministry of the Economy and Climate Change Division, but with the aim of mainstreaming climate across all sector line ministries, and shifting the focus from projects to programmes. Fiji has set out the overall programmatic approach to the pioneer country trial, supported by the British High Commission in Suva, identifying four priority areas to focus the efforts of the Taskforce that integrate with the country's NAP and Ocean Policy and Climate Finance Strategy. These include: i) advancing strategic interventions to support and enable compliance with the Climate Change Act, ii) increasing climate finance effectiveness through a programmatic approach, iii) leveraging private sector engagement to support resilience building and low-carbon transition; and iv) piloting innovative approaches to help improve access to climate finance, including harnessing innovative financing tools such as green and blue

<sup>6</sup> Fiji and Rwanda are Steering Committee Member and pioneer countries. Examples of general progress are referred here only.

bonds. Fiji also aims to build regional capacity and share lessons on access via a small peer learning group of two or three other Pacific Island countries.

 **Jamaica:** Initial coordination is underway between the Government of Jamaica and the United States, with support from UK, to establish the framework of the country trial. Jamaica's national climate priorities are already set out in comprehensive national climate action and implementation plans. Existing coordination mechanisms have been identified as the basis of more effective climate finance planning and delivery. Discussions are underway to identify specific intervention areas following a gap analysis to identify priority areas in alignment with the Paris Agreement, Sendai Framework, Agenda 2030, and related environmental agreements, and priorities identified in the Medium-Term Socio-Economic Framework, NDC, and Comprehensive Disaster Risk Management Policy.

 **Rwanda:** The Government of Rwanda is working alongside Germany, Sweden, and the UK to move into the substantive implementation phase of the country trial. Rwanda is undertaking an in-depth gap analysis to develop a final workplan for the country trial that is integrated with the long-term Green Growth and Climate Resilience Strategy, the NDC, the National Strategy for Transformation, and Ministry of Finance climate budget tracking. The Rwanda Green Fund (FONERWA) coordinates access and delivery of climate finance at the national level. A Strategic Adviser is in place, funded by the Government of Germany, and is developing a workplan of Taskforce activities, identifying actions needed to achieve the objectives of the pioneer country trial, and assisting with coordination of key national stakeholders. The Strategic Adviser has developed several proposals and concept notes, including on the coordinated delivery of technical assistance and sector and cross-sector investment programmes and packages. The Government of Rwanda has also incorporated the trial into the work of FONERWA, which is seeking to leverage greater private investment in climate action via a new Green Investment Fund. The UK is planning dedicated technical assistance to support this initiative.

 **Uganda:** Under the country trial, the Government of Uganda and the Global Green Growth Institute (GGGI) are establishing Uganda's first Climate Finance Unit (CFU) within the Ministry of Finance. The CFU will address the lack of sufficient dedicated capacity to develop and coordinate Uganda's climate finance policy and its implementation—a major barrier to access. The P&Rs of the Taskforce have been fully integrated into the design and development of the CFU. Work is underway to identify the priority actions that will provide the focus of the country trial in alignment with Uganda's National Development Plan 3, the new Climate Change Act and revised NDC and implementation plan. The Climate Finance Forum (consisting of the Ministry of Finance, Ministry of Water and Environment, and the British High Commission) is supporting linkages between the CFU and other climate finance providers and key partners, including the European Union and the Least Developed Countries Initiative for Effective Adaptation and Resilience (LIFE-AR).

## SPECIFIC ACTIONS REPORTED BY PRINCIPLE

The Taskforce has made important progress in establishing processes and relationships in relation to its P&Rs and improve access to climate finance. All the interviewees/respondents participating in the survey (24 responses, online and virtual interviews) indicated that they had taken general and/or specific actions against each of the five principles. It must be noted that in some cases the respondents specified that the P&Rs were already embedded within existing processes and therefore did not provide the DAI review team with further specific information. Regarding specific outcomes catalysed by the actions of the Taskforce within the MCFs and MDBs, there is little evidence of attribution at this point.

Therefore, what is presented in the following tables represents a non-exhaustive collection of the sort of actions being taken in pursuit of each of the Taskforce's principles, using the information gathered via the questionnaire<sup>7</sup>.

### Examples of specific actions towards Principle 1–Country Ownership

Steering Committee members and pioneers	Non-Steering Committee members and stakeholders
<ul style="list-style-type: none"> <li>■ <b>Bangladesh:</b> Bangladesh, as part of the new approach being tested with the support of the Taskforce, is taking concrete steps relevant to Principle 1. National priorities are clearly set out in Bangladesh's NDC (2021) and forthcoming NAP. The <a href="#">Mujib Climate Prosperity Plan</a> recently adopted by the Cabinet also sets out investment needs for ambitious renewable energy and countrywide adaptation programmes. Need to identify which elements will form focus of trial. Mainstreaming climate funding remains an issue and coordination is also very weak partly owed to the under capacitated Ministry of Environment, Climate Change, and Forest.</li> <li>■ <b>Belize:</b> Belize is undertaking a number of strategic planning and policy actions consistent with Principle 1. For instance, the Plan Belize Medium Term Development Strategy (MTDS 2021-2025) is awaiting cabinet endorsement. Projects are measured against the MTDS, Horizon 2030, NDC (updated in 2021), climate finance strategy, GCF Country Programme (updated in 2022). No-objection and endorsement letters are requested from relevant ministries and stakeholders before project are submitted, to ensure there is no duplication and to ensure country ownership.</li> <li>■ <b>Fiji:</b> As part of the new approach, Fiji has adopted a whole-of-government approach to the trial, led by the Ministry of the Economy and Climate Change Division, but with the aim of mainstreaming climate across all sector line ministries, and shifting the focus from projects to programmes.</li> <li>■ <b>GCF:</b> By the end of September 2022, the GCF has 72 accredited Direct Access Entities (DAE) (63 percent of the total accredited entity portfolio) with 58 countries having at least one DAE (national or regional). There was also an increase in the share</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Asian Development Bank (ADB):</b> All the ADB's actions are country driven. One concrete example is the <a href="#">NDC Advance platform</a> approved in 2019, prioritising country needs. The Just Transition Platform will be launched by COP27.</li> <li>■ <b>African Development Bank (AfDB):</b> The AfDB has supported the preparation of expression of interest to access the Climate Investment Funds (CIF). The teams preparing country strategy plans for its regional member countries now include climate specialists to mainstream climate in them.</li> <li>■ <b>European Investment Bank (EIB):</b> The EIB does not directly support country plans. However, its work with cities and regions does support country ownership. Everything EIB does is aligned with principles on country ownership. EIB are in discussion with NDC Partnership (NDPC) and others to ensure support on regional/country plans are aligned in the direction they are heading.</li> <li>■ <b>Global Environment Facility (GEF):</b> The <a href="#">GEF-8</a> Programming Directions enable countries to prioritise GEF funding for interventions that are in line with national priorities, as defined in their NDCs, NAPs, Technology Needs Assessments (TNAs), Long-Term Strategies (LTSs), and National Adaptation Programmes of Action (NAPAs).</li> <li>■ <b>Inter-American Development Bank (IaDB):</b> The Bank's <a href="#">Country Development Challenges and Country Strategies</a> are prepared in coordination with countries and take into consideration countries' official commitments on climate.</li> <li>■ <b>International Monetary Fund (IMF):</b> The IMF's Resilience and Sustainability Trust (RST) launched in 2022 supports reforms in policy areas that are based on country vulnerabilities and national policy priorities that enhance the beneficiary countries' climate resilience. It complements the IMF's existing lending</li> </ul>

<sup>7</sup> In some cases, it was explicitly mentioned that the progress in access to climate finance is not directly attributable to the work of the Taskforce.

## Steering Committee members and pioneers

of DAE programming (represents 17 percent of 2021 programming in grant-equivalent terms). GCF continues to provide guidance to and engagement with country partners to translate NDCs, adaptation plans, and climate strategies into plans, policies, and investment responses, and to develop GCF-aligned concept notes and funding proposals. An action plan has been developed to provide more programming support for DAEs, integrating readiness and project preparation facilities (PPF) tools, and to provide more training. The Fund is undertaking a feasibility study examining options for expanding the footprint of the Fund to host regional offices, closer to partners' time zones and in their local language.

- **Rwanda:** Implementation of the Taskforce approach is underway, guided by the Green Growth and Climate Resilience Strategy ([GGCRS](#)), a long-term strategy to ensure Rwanda's development is climate compatible, the NDCs, and the National Strategy for Transformation. Rwanda's climate interventions draw from and are aligned with a good cross section of the country's development and climate strategies, including sector strategic plans (SSPs) and district development strategies (DDS).
- **Uganda:** Under the framework of the country trial, work is underway to identify the priority actions that will provide the focus for the country trial in alignment with Uganda's National Development Plan 3, the new Climate Change Act and Uganda's revised NDC and implementation plan.
- **UK:** The UK's £100 million programme of support to deliver the aims and objectives of the Taskforce includes the provision of programmatic finance (defined as longer-term financial support for country-led programmes and policies rather than project-based assistance) for ambitious, timely, and high-quality national climate plans. This funding will be in the form of direct government-to-government bilateral financial aid, where this aligns with partner country priorities and necessary assurances are met. This support may be delivered with wraparound technical assistance to further strengthen core state systems and processes. All technical assistance will be co-designed with partner governments. At an organisational level, by 2025 the UK intends to spend around three-quarters of its funding through country and bilateral programmes—this is intended to strengthen national systems and strengthen government ownership of the interventions and expected results.
- **United States:** In May 2022, USAID Administrator Samantha Power pledged a goal of having “25 percent of [USAID] money spent directly with local partners by 2025, 50 percent placing local communities in the lead on co-design, priority setting, implementation, or evaluation before the decade is out.”

## Non-Steering Committee members and stakeholders

toolkit by providing longer-term, affordable financing to address longer-term challenges, including climate change and pandemic preparedness.

- **The LDC Initiative for Effective Adaptation and Resilience (LIFE-AR):** LIFE-AR uses a participatory process to develop and integrate climate and development goals into NDCs and long-term plans.
- **NDC Partnership (NDCP):** NDCP's entire model has an emphasis on country ownership. Countries request support that they need, and the Partnership sets about finding that support.
- **SouthSouthNorth:** Within four direct access institutions, the Southern Africa Climate Finance Partnership ([SACFP](#)) has undertaken a climate mainstreaming strategy gap analysis and detailed engagements on strengthening steps in advance of climate finance programming to align with national priorities.

## Examples of specific actions towards Principle 2—Harmonisation of Processes and Alignment of Finance

Steering Committee members and pioneers	Non-Steering Committee members and stakeholders
<ul style="list-style-type: none"> <li>■ <b>Belize:</b> All projects are aligned to sectoral and national targets and where possible, projects are assessed for complementarity with other projects/programmes, such as the Medium-Term Development Strategy or the NDC. The Public Sector Investment Programme reports gives a snapshot of investment in different sectors for climate and on how projects can be upscaled and complemented by other proposed initiatives.</li> <li>■ <b>GCF:</b> The GCF Board adopted an updated simplified approval process (<a href="#">SAP</a>) for small-scale projects in LDCs, SIDS, and African states, simplifying climate finance access and increasing the level of funding available from USD 10 million to up to USD 25 million. A new accreditation framework introduces a streamlined process for organisations seeking finance for one-off, innovative climate solutions. During the first year of implementation, priority will be given to project proposals by subnational, national, and regional entities in developing countries.</li> <li>■ <b>Uganda:</b> As part of the Taskforce country trial, one peer learning session organised with Fiji, one of the pioneer countries and co-chair of the Taskforce, to exchange on innovative financing processes and aligning with GCF requirements.</li> <li>■ <b>UK:</b> As part of its support to the Taskforce the UK will use the evidence generated from the pioneer country trials, combined with expert technical assistance and diplomatic engagement, to remove system-level constraints by pushing for reforms within the funds, organisations, and institutions that constitute the global climate finance system. At the organisational level, this supports the UK's position on the boards of the major climate funds and institutions to lobby for improvements and efficiencies in rules, processes, and operating procedures e.g. the harmonisation of accreditation and application processes and ensuring providers align their funding behind single long-term national climate plans. The UK has made improvements to harmonise its own internal processes and procedures. This is explained further under the flexibility principle.</li> <li>■ <b>United States:</b> Through ongoing programs such as the Climate Ready (<a href="#">Pacific</a>) program, the United States supports countries to access different pools of international climate finance, comply with accreditation processes, and engage more effectively with climate finance stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>AfDB:</b> The AfDB, in the context of the <a href="#">Africa Development Fund</a>, set up a climate action window focused on climate activities in 37 countries to mobilise resources and facilitate access to climate finance.</li> <li>■ <b>Climate Analytics:</b> Supports LDCs and SIDS in the analysis and options for reducing the burden and simplification of current application and reporting processes, mainly in the context of the work of the GCF Board.</li> <li>■ <b>EIB:</b> There are ongoing discussions between multilateral development banks around coordination, alignment, and harmonisation of processes, to increase complementarity. At COP27 the work prepared by the multilateral development banks on Paris Alignment will be presented. Under the Paris Alignment for Counterparties framework, <a href="#">PATH framework</a>, the EIB is the first multilateral bank to consider not just the climate impact of the projects it finances, but also the wider activity of borrowers. Under the initiative the EIB offers technical support to counterparties to help them meet the goals of the Paris Agreement and deliver a more sustainable future.</li> <li>■ <b>GEF:</b> Internally, the GEF has continued to work to streamline its processes and operational procedures with the view of making them simpler and quicker, including revising and streamlining all its project information submission templates. The GEF also led and participated in engagements with other providers of climate finance, to improve coordination and coherence, most notably to operationalise the Long-Term Vision on Complementarity, Coherence, and Collaboration Between the GCF and the GEF (LTV) and through the work of the "<a href="#">Climate Funds Collaboration Platform on Results, Indicators and Methodologies for Measuring Impacts</a>." To aid harmonization and alignment the GCF and GEF are proposing to carry joint investment support to five countries and are in discussion with the Taskforce pioneer countries.</li> <li>■ <b>IMF:</b> The IMF is supporting countries with green public financial management to integrate climate with country budgets, but also show greater transparency (and ambition) over the mobilisation of resources, and use of proceeds for climate purposes. Such a framework can unlock climate finance options through transparency and improved governance.</li> <li>■ <b>LIFE-AR:</b> The Ethiopia Climate Resilient Green Economy (<a href="#">CRGE</a>) facility has been established and is accredited to GCF and the Adaptation Fund (AF). It accesses climate finance from bilateral donors as well.</li> <li>■ <b>NDCP:</b> NDCP uses a yearly survey of members to understand where the barriers to access are across the landscape. Outputs are then used to inform</li> </ul>



Steering Committee members and pioneers	Non-Steering Committee members and stakeholders
	<p>engagement with providers when they are setting up new programmes.</p> <ul style="list-style-type: none"> <li>■ <b>SouthSouthNorth:</b> Delivered detailed technical training for a recently accredited GCF Direct Access Entity regarding the full life cycle of programme management of GCF resources including internal process alignment with the expectations of GCF policy</li> </ul>

Examples of specific actions towards Principle 3—Responsiveness to Country Needs and Climate Vulnerability

Steering Committee members and pioneers	Non-Steering Committee members and stakeholders
<ul style="list-style-type: none"> <li>■ <b>Belize:</b> Through cross-ministerial collaboration, Belize has conducted several site visits, stakeholder consultations, and workshops to sensitise the public about the impacts of climate change. Extensive consultations, validations workshops and community engagement sessions have been undertaken in the locations identified under a couple of ongoing adaptation projects.</li> <li>■ <b>Rwanda:</b> As part of the new approach, FONERWA’s <a href="#">NDC facility</a> and the pilot Community Adaptation Facility (<a href="#">CAF</a>) provide access to climate finance at the community level.</li> <li>■ <b>UK:</b> By 2025, FCDO intends to spend around three-quarters of its funding allocated at the 2021 Spending Review through country and bilateral programmes<sup>8</sup>. The aim is to become more responsive to country priorities by having more and even closer bilateral partnerships that are tailored to local geopolitical realities.</li> <li>■ <b>United States:</b> At COP26, President Biden launched the President’s Emergency Plan for Adaptation and Resilience (<a href="#">PREPARE</a>) that brings together the diplomatic, development, and technical expertise of the U.S. government to support more than half a billion people in developing countries to adapt to and manage the impacts of climate change through locally led development by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>AfDB:</b> The AfDB is a demand-driven institution. For example, in response to the increased focus on adaptation, AfDB is pioneering the <a href="#">Adaptation Benefits Mechanism</a> to support investment into adaptation through payment for certified adaptation benefits.</li> <li>■ <b>IMF:</b> The <a href="#">RST</a> provides financing for policy reforms (rather than projects) and thus provides governments with increased control over how the resources are allocated. And it can provide a pre-defined amount (up to 150 percent of a country’s quota, or Special Drawing Rights (SDR) 1 billion (USD 1.4 billion), whichever is lower, subject to the ambitiousness of the policy reforms).</li> <li>■ <b>LIFE-AR:</b> The LIFE-AR Ten-year development plan has a core objective of reducing vulnerability.</li> <li>■ <b>SouthSouthNorth:</b> Execution of a tailored online learning course to enhance the responsiveness of six soon-to-be and recently accredited GCF DAEs to identify front-runner concepts that align with organisational mandates, country priorities, and a scientifically identified vulnerabilities in their respective contexts.</li> </ul>

Examples of specific actions towards Principle 4—Flexibility and Innovation

Steering Committee members and pioneers	Non-Steering Committee members and stakeholders
<ul style="list-style-type: none"> <li>■ <b>GCF:</b> One of the four prongs of GCF’s approach achieving climate action is by catalysing innovation through novel business models and high-impact technologies to establish a proof of concept.</li> <li>■ <b>Rwanda:</b> In relation with the trial and principle 4, Green Investment Facility (<a href="#">RGIF</a>) provides an innovative partnership between FONERWA and Rwanda Development Bank (<a href="#">BRD</a>) to unlock and accelerate blended finance that provides incentives for enhanced private sector investments.</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>AfDB:</b> The AfDB is pioneering an adaptation benefits mechanism as an innovative instrument to finance adaptation pilot projects. Developing a green banks initiative to provide capital and capacity building to green banks and national climate change funds to facilitate the mobilisation of blended finance from international and national sources.</li> <li>■ <b>ADB:</b> The ADB has a range of programmes designed to test innovative and new approaches. For instance, the <a href="#">energy transition mechanism</a> (ETM) pilot will seek to retire or repurpose five to seven coal-fired power</li> </ul>

<sup>8</sup> The UK Government’s Strategy for International Development – CP 676 (publishing.service.gov.uk)

Steering Committee members and pioneers	Non-Steering Committee members and stakeholders
<ul style="list-style-type: none"> <li>■ <b>Uganda:</b> As part of the trial, initial work and engagement is undertaken to secure support for innovative climate finance, including green bond development.</li> <li>■ <b>UK:</b> The UK has committed to accelerating every stage of its programme approval process, while ensuring effort is focused on good programme design. FCDO has specifically committed to reducing the time taken to approve a business case, for programmes less than £40 million in value, down from many months to less than six weeks.</li> <li>■ <b>United States:</b> The United States has advanced its efforts to improve the flexibility and innovation of finance provided and mobilised by multilateral development banks, including committing to explore options to expand the use of debt deferment clauses for severe shocks related to extreme weather events across multilateral development bank sovereign lending, improving transparency criteria for accessing International Development Association (<a href="#">IDA</a>) assistance in the event of severe climate-related disasters, and improving access to blended finance approaches.</li> </ul>	<p>plants in the pilot countries in the near term. ADB will work with government stakeholders to pilot ETM by jointly conducting a thorough feasibility study focusing on the optimal business model for each pilot country; bringing together concessional resources from donor governments and philanthropies, in close coordination with global climate change-focused funds; and leveraging large amounts of commercial capital to trigger a decisive shift toward decarbonisation. The ADB is working with member countries and key partners to ensure the ETM is a replicable and scalable mechanism that can be successfully adjusted and adopted in various regions and contexts.</p> <ul style="list-style-type: none"> <li>■ <b>GEF:</b> New Least Developed Countries Fund/Special Climate Change Fund (<a href="#">LDCF/SCCF</a>) strategy includes support for the very successful Challenge Program for Adaptation Innovation, with USD 60 million to USD 80 million allocated over the next four years to innovative initiatives that receive support based on a global call for proposals.</li> <li>■ <b>NDCP:</b> NDCP uses in-country facilitators and a light touch partnership model allows for flexibility and innovation in responding to a specific countries' needs.</li> <li>■ <b>IMF:</b> The RST includes a long-term instrument (not available before) to provide financing for climate-related policy reforms in member countries.</li> <li>■ <b>LIFE-AR:</b> During the planning phase of the piloting of LIFE-AR, innovative approaches have been designed based on the lessons from the approach used before.</li> </ul>

**Examples of specific actions towards Principle 5—Transparency and Accountability**

Steering Committee members and pioneers	Non-Steering Committee members and stakeholders
<ul style="list-style-type: none"> <li>■ <b>Belize:</b> The Government of Belize has specific mechanisms in place to increase transparency and accountability. 1. Public Sector Investment Programme is a quarterly report that shows all ongoing, proposed, and pipeline programmes in the country (their status, financier, total amount, and sector that it targets). These are published on the Government of Belize website for public access. 2. Ministry of Economic Development is working on developing a monitoring and evaluation mechanism for the Ministry.</li> <li>■ <b>Rwanda:</b> Rwanda's updated NDC has a complementary monitoring, reporting, and verification tool which, among other areas, is designed to track climate finance flows to Rwanda.</li> <li>■ <b>Uganda:</b> As part of the Taskforce country trial, Uganda is supporting the development of outputs for the 20 programmes under the National Development Plan 3, ensuring the <a href="#">programme Budgeting System</a> is improved to include these codes. This climate budget tagging is envisaged to improve both national and international reporting.</li> <li>■ <b>UK:</b> As the first donor to publish project information to the International Aid Transparency Initiative (<a href="#">IATI</a>) open data standard, the UK has driven improvements in aid transparency over the years, including with the UK Aid Transparency Guarantee.</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>ADB:</b> ADB was the MDB to publish project level data on climate change, all project documents are disclosed on the ADB website.</li> <li>■ <b>Climate Analytics:</b> The climate diplomacy team and implementation strategies team have provided capacity building activities on the implementation of the Enhanced Transparency Framework, including on the necessary reporting of climate finance received. The teams have been actively involved in the technical expert dialogues of the New Collective Quantified Goal on Climate Finance (NCQG) during 2022.</li> <li>■ <b>EIB:</b> The EIB reports on climate by project. All the information is externally audited and completely public.</li> <li>■ <b>GEF:</b> The GEF has taken significant steps to make available modalities and procedures for countries to access resources from a specific set aside of GEF financing to support the preparation of biennial transparency reports, as well as to support the establishment of technical capacity and the improvement of reporting systems at national levels, through the Capacity Building Initiative for Transparency (<a href="#">CBIT</a>). The GEF's projected support to countries for the next four-year period has been publicly announced, and it continues to report in a transparent way on project progress through regular</li> </ul>

The UK's 2020 Open Data Strategy champions the flow of international data. The UK has also led efforts to promote climate finance transparency through its membership of the OECD-DAC, including working towards shared aims on greater accountability and transparency in how we define, account for and report overseas development assistance (ODA) related to climate, biodiversity, and the environment.

- **United States:** The United States continues to work constructively with the OECD-(DAC) Creditor Reporting System (CRS) and [Research Collaborative on Tracking Finance](#) for Climate Action, including responding to a survey in 2022 regarding the methodological comparability of OECD CRS and UNFCCC climate finance reporting.

publication on the International Aid Transparency Initiative standard.

- **IMF:** The IMF is supporting countries put together green public finance management among other things to increase transparency (and ambition) over the mobilisation of resources, and use of proceeds for climate purposes.

## REPORTED GENERAL ACTIONS ON ACCESS TO CLIMATE FINANCE

Table 3 summarises specific and non-exhaustive examples of general actions on access to climate finance reported by Steering Committee members (with the exception of those participating in the country trials, see Table 2) as well as other stakeholders in the past year and/or more historically. The main source of information is the online questionnaires and virtual interviews.

Table 3. Reported examples of general actions on access to climate finance (non-exhaustive)

Steering Committee members <sup>9</sup>	Non-Steering Committee members and stakeholders
<ul style="list-style-type: none"> <li>■ <b>Belize:</b> Belize is preparing sectoral national adaptation plans that will identify the needs of communities and industries within each sector and measures that need to be taken to ensure climate resilience, including stakeholder consultations, awareness-raising campaigns, and capacity-building activities. The National Climate Change Office and the Climate Finance Unit put together a climate finance "write-shop" to present opportunities to the broader public. There is one national accredited entity to access funds from both the GCF and Adaptation Fund and seeking the accreditation of other institutions to the GCF. Belize has adopted the NDCP tool to track the progress of projects/programmes against the updated NDC targets.</li> <li>■ <b>Green Climate Fund (GCF):</b> Since COP26, GCF has approved 110 capacity development grants (USD 81.7 million) to enhance developing countries access to climate finance, including supported the development of five NAPs and the mainstreaming of climate into four national strategies. With more than 200 delivery partners, the GCF's role is increasingly to act as a hub of climate finance and create coalitions for transformative change, they aim to leverage this role to unify processes with multilateral institutions, delivery partners and bilateral financing partners—the long-term vision (LTV) on complementarity and coherence collaboration</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>African Development Bank (AfDB):</b> AfDB has approved the <a href="#">Climate Change and Green Growth Strategy and Policy</a> which includes a focus on adaptation, mitigation, mobilising climate finance, and creating enabling environments. With the Climate Change and Green Growth Strategic Framework, the AfDB have committed to full alignment with the Paris Alignment by 2025 and set targets such as spending at least 50 percent of its climate finance allocation on climate adaptation and resilience, pursue the 40 percent target and the aggregate climate finance target of USD 25 billion between 2020 and 2025 and improve the joint multilateral development bank tracking and reporting methodologies.</li> <li>■ <b>Asian Development Bank (ADB):</b> The ADB's core principles are reflected in the P&amp;Rs. The ADB is developing innovative approaches to access and technical assistance, including <a href="#">NDC Advance</a> and the <a href="#">Energy Transition Mechanism</a>; incorporating early engagement, feedback, and learning.</li> <li>■ <b>Climate Analytics:</b> Climate Analytics has supported progress towards enhancing access to climate finance mainly through the provision of strategic advice and capacity building to LDCs and SIDS on finance-related issues, linked to the implementation of the Paris Agreement.</li> <li>■ <b>European Investment Bank (EIB):</b> The EIB is making progress in all the five principles. The EIB has been using a similar approach to the P&amp;Rs and good progress has been achieved last year in relation to the</li> </ul>

<sup>9</sup> As pioneer countries, Fiji and Rwanda are included in Table 2.



Steering Committee members <sup>9</sup>	Non-Steering Committee members and stakeholders
<p>between the GCF and the Global Environment Facility (GEF) is a good example of this.</p> <ul style="list-style-type: none"> <li>■ <b>UK:</b> Through a new £100 million programme combined with climate diplomacy, the UK is supporting the aims and objectives of the Taskforce by ensuring the P&amp;Rs are tested at the country level and applied across the international climate finance system. This programme represents the UK's financial commitment to the implementation of the Taskforce and is a component of a wider set of organisation-wide climate finance access reforms. At a government level, the UK has re-affirmed its commitment to doubling International Climate Finance (ICF) to £11.6 billion between 2021-2022 and 2025-26. This encompasses a wide portfolio of programmes and policy initiatives which channel and mobilise climate finance for adaptation, mitigation, energy security, biodiversity, and sustainability in climate vulnerable and developing countries. For instance, the Small Island Developing States Capacity and Resilience Programme (<a href="#">SIDAR</a>) will provide £40 million over five years for capacity support that enables SIDS to draw down climate and wider concessional funding from other sources, deliver programmes and improve policy frameworks..</li> <li>■ <b>United States:</b> The United States has taken several concrete actions across all five principles to enhance access to climate finance throughout 2022, including a goal of 25 percent of USAID money spent directly with local partners by 2025 or specific adaptation and regional programmes.</li> <li>■ <b>Sweden:</b> Sweden has been using similar principles and approaches to those presented by the Taskforce and sees the work of the Taskforce as a unique opportunity to present and showcase the P&amp;Rs. No further specific reporting against each of the principles. The Swedish climate-relevant information is publicly available online.</li> </ul>	<p>implementation of their <a href="#">Climate Roadmap</a>, as well as the setting up of the EIB Global. The <a href="#">Green Gateway</a> portal helps EIB financial intermediaries assess and report on the green eligibility and green impact of projects, offers essential guidelines and case studies on green investment criteria and provides with access to our interactive e-learning programme. Moreover, within the MDBs group, is also leading efforts on alignment with the Paris Agreement, as well as in gender issues, currently chairing the MDBs Working Group on Gender.</p> <ul style="list-style-type: none"> <li>■ <b>Global Environment Facility (GEF):</b> The GEF continues to make significant efforts to enhance access to climate finance, both internally and externally. This includes streamlining its processes and operational procedures with the view of making them simpler and more expedited and operationalising the Long-Term Vision (<a href="#">LTV</a>) on Complementarity, Coherence and Collaboration Between the GCF and the GEF.</li> <li>■ <b>Inter-American Development Bank (IaDB):</b> The IaDB has produced an analysis and lessons learned of the preparation and implementation of projects with climate finance from four external sources (<a href="#">Climate Investment Funds</a>, <a href="#">Forest Carbon Partnership Facility</a>, GCF and GEF). This includes a set of recommendations to optimise the access and use of these funds in future rounds of climate investment.</li> <li>■ <b>International Monetary Fund (IMF):</b> In 2022 the IMF Resilience and Sustainability Trust (<a href="#">RST</a>) was approved. The RST helps low-income and vulnerable middle-income countries build resilience to external shocks and ensure sustainable growth, contributing to their longer-term balance of payments stability. It complements the IMF's existing lending toolkit by providing longer-term, affordable financing to address longer-term challenges, including climate change and pandemic preparedness. The IMF supports policy reforms that enhance climate resilience and unlock other sources of climate finance and the RST would benefit some of the most climate vulnerable countries currently constrained by limited access to climate finance.</li> <li>■ <b>The LDC Initiative for Effective Adaptation and Resilience (<a href="#">LIFE-AR</a>):</b> The key principles of LIFE-AR are in line with the Taskforce's Principles and Recommendations.</li> <li>■ <b>NDC Partnership (NDCP):</b> NDCP's own principles complement the Taskforce's, including the emphasis on ownership and transparency. Some 90 percent of support requests include a climate finance component. New finance strategy highlights some of the key support offerings. There is a strong focus on knowledge and learning work, including reports summarising trends in climate finance demand.</li> <li>■ <b>SouthSouthNorth:</b> The <a href="#">Southern Africa Climate Finance Partnership</a> has continued to support six institutions (either recently accredited or soon to be accredited to the GCF) with preparedness to programme resources. The programme has enabled the formation and growth of a climate finance</li> </ul>

Steering Committee members <sup>9</sup>	Non-Steering Committee members and stakeholders
	community of practice, including key public and private sector institutions in several southern African countries.

## SECTION B: RECOMMENDATIONS

Assessing progress against its desired outcomes is important for the Taskforce, and it will allow richer assessment going forward. Given the early stage of the Taskforce's implementation at which this review is taking place, it is challenging to draw conclusive assessments against the desired outcomes (stated or otherwise). The DAI review team prepared a questionnaire and responses were received online or via virtual interviews. The first component of the questionnaire was designed to capture progress and seek feedback on where the Taskforce should focus going forward. A more detailed assessment of the responses received on the way forward can be found in Section C, under Data collection: questionnaire and interviews.

Based on the great deal of experience<sup>10</sup> gained through the desk review, the questionnaire/interviews, and considering the challenges and Limitations faced during the development of this report, the DAI review team have identified three areas in which the Taskforce can advance progress, reinforce coherence and coordination, and enhance capacities. These are grouped into the following categories, focusing both on system-level work and on work at country level through the pioneer country trials: i) value-add and role of the Taskforce and the Secretariat; ii) outreach and communication; iii) monitoring, evaluation, and learning. Therefore, the recommendations outlined below are focused on catalysing the desired impact at scale.

### 1. Value-add of the Taskforce and the Secretariat

Access to climate finance cannot be enhanced in isolation and needs the coordination and cooperation of different stakeholders. The process will be complex, involving numerous parties and interaction with multilaterals, international bodies and funds. The Taskforce's P&Rs cover a lot of ground, and much has been made of the number of other organisations and initiatives in this space. Despite the broad acceptance and validity of the P&Rs and the good progress achieved in its first year, it will take time for the Taskforce to gain traction globally and catalyse change at the scale required.

Several actions are suggested to enable a better understanding of the Taskforce's purpose, improve coherence and coordination, avoid duplication, and ensure capacities and resources are sufficient to enhance impact and effectiveness:

- Taskforce to play a central coordination and oversight role:** The Taskforce could consider conducting an analysis of its role in the access landscape, drawing on existing mapping efforts<sup>11</sup> and analysis to enhance its understanding of where the capacity gaps are and better identify where the Taskforce can better contribute (please see information in Table 6 and Table 7). We recommend that the climate finance access initiatives funded by the Steering Committee members and relevant partners and parallel initiatives are consistent with P&Rs, with the Taskforce playing a central coordination and oversight role.

**An independent body to drive and assess progress on access:** The Taskforce gains sustainability by integrating the P&Rs into system-level reforms and by mainstreaming

<sup>10</sup> See previous sections and Literature review

<sup>11</sup> The German Federal Government recently commissioned a [study](#) to feed into the Climate Finance Delivery Plan Progress Report, which reviews initiatives and options for promoting access to climate finance. It is recommended that the Taskforce draw on, and not duplicate such efforts, in reviewing their role within the landscape.

successful approaches at the country level. Building on the existing interim governance model (Following resounding calls for improvements to finance access from developing country counterparts, the Taskforce on Access to Climate Finance was convened by the UK COP26 Presidency to respond to these concerns. The Taskforce aims to deliver a transformational step change in access at the national and local levels and spur a related shift in the wider public climate finance architecture.

- Figure 1) and on the cooperative and consultative processes put in place for the development of the P&Rs, we recommend developing an inclusive, lean, and sustainable governance model and a four- to five-year workplan with milestones and deliverables. At the end of the four- to five-year cycle, an assessment of the Taskforce and its objectives should be carried out.
  - Establish the Secretariat as an independent unit to support the Taskforce, its members, and the pioneer countries. Access is a systemic issue that will require large-scale reform of the climate finance architecture to address. The existence of a body or initiative to oversee and coordinate responses to the access issue on this scale is currently a clear gap. An independent unit will help to facilitate internal and external communications and relations, ensuring trust and cooperation among all the members and coordinating the work of the different technical working groups. An independent unit would also be better placed to monitor and coordinate reform responses across the landscape, including by developing an objective set of criteria by which to measure progress. It must be noted that the current interim Secretariat has already proposed the establishment of an independent centre<sup>12</sup>. The proposed independent centre (the Centre for Action on Access to Climate Finance) would house the Secretariat but would also be responsible for an expanded set of functions, including knowledge sharing, policy analysis, and international influencing. We consider that the proposal to establish a new Centre for Action on Access to Climate Finance is a good one and could better support the work of the Taskforce. At the time this report was drafted only the UK has committed to funding, therefore it raises the question of sustainability if other donors do not come forward with support (finance and/or in-kind).
  - It is recommended that a transparent and continuous dialogue is formalised with key institutions or group of institutions, building on the experience gained when developing the P&Rs, the technical working groups and the ongoing conversations between the Taskforce Secretariat and key stakeholders. The independent Secretariat could steer and guide the process. Observer status could be granted to all or some of these institutions. Moreover, external non-member advisors could be also appointed in an ad-hoc/rotating basis and in connection with the priorities for a given year. The wider group should include<sup>13</sup>:
    - OECD-DAC Secretariat
    - The Group of MDBs
    - The main MCFs
    - The UNFCCC Standing Committee on Finance

<sup>12</sup> <https://www.find-tender.service.gov.uk/Notice/023688-2022>

<sup>13</sup> Access to finance will be fundamental within the UNFCCC process in the next years. But also within the broader development agenda and how climate finance is defined, measured, tracked, and accessed in relation to ODA. Based on the research conducted to elaborate this report, and even though the Taskforce is outside of the UNFCCC negotiations, it is important that the Taskforce is well informed and aligned with the processes happening at the UNFCCC, as well as in the broader development finance context, such as the OECD-DAC and others, such as the Global Partnership for Effective Development Cooperation.

- Relevant practitioners and representatives from civil society
- **Strengthen the Taskforce’s theory of change:** To outline how it intends to achieve its desired impact, including on communication, outreach, knowledge, capacity building and monitoring of progress against the P&Rs. This exercise will generate new analytical insights and facilitate discussion and dialogue about the P&Rs, including for instance further development or prioritisation of recommendations (see Figure 5). The independent centre could steer and support the process, building on the experience gained by the Taskforce while developing the P&Rs. This will enable a better understanding of what the core purpose of the Taskforce is, without which it would be difficult to:
  - Synergise and avoid duplication.
  - Establish tasks and responsibilities within the governance structure and in the pioneer country trials and clarifying roles and activities in-country (e.g., who is responsible for driving what, between pioneer, anchor, and Secretariat). The independent centre could also help in this regard.
  - Promote knowledge creation and sharing.
  - Develop a monitoring, evaluation and learning strategy, for the Taskforce’s activities and for the pioneer country trials.
  - Refine and prioritise the P&Rs in terms of relevance (e.g. see Figure 5).
- **Improve learning and feedback mechanisms:** More clarity on the way in which learnings from the pioneers will be used to catalyse progress at the landscape level should be drawn out when finalising the Taskforce theory of change, as currently there does not yet seem to be a clear articulation of how the two prongs of the Taskforce (pioneers and institutional change) interact.
  - COP27 and the next year ahead of COP28 will be an opportunity to explore enhanced collaboration between climate finance actors in the context of the pioneer trials, with some stakeholders (e.g. MDBs, MCFs, and IMF) keen to be engaged with pioneer and anchor efforts<sup>14</sup>.

## 2. Communication and Outreach

The P&Rs received broad support from key stakeholders and are widely considered as a useful framework to improve access to climate finance. However, many of the Taskforce’s Recommendations are already being undertaken in some form by multiple climate finance actors, so the value of the Taskforce lies in communication and facilitating join up across the landscape. Communication (both internal and external) and outreach should become a central component of the Taskforce’s work. This should have a positive impact in the uptake and implementation of the P&Rs and in the global climate finance architecture so to improve access to climate finance globally.

Therefore, several actions are proposed to increase awareness around the Taskforce, the P&Rs and the new approach and the country trials so avoid duplication, promote cooperation, and communicate more widely to achieve greater impact:

- Enhance communication between Taskforce members, and the pilot countries, with regular exchanges and channels in-between Steering Committee meetings. This could mean

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<sup>14</sup> Examples of activities: integrate climate into long-term investment plans, support, and coordination with ongoing work on climate mainstreaming of capacity building and public financial management, technical assistance in support of investment plans, policy-based/programmatic lending, transparency initiatives, leveraging finance from other funds, policy advice, regional analysis, or testing new approaches to alleviate blockages.

establishing regular communication and knowledge channels/platforms, e.g., with the support of the independent Centre proposed by the UK, to collect relevant information through the year. This recommendation is two-fold:

- Improve knowledge management and sharing, as well as peer-learning and promotion of case studies, including between pioneer countries but not limited to them, so to enhance regional cooperation and creation of knowledge.
- To minimise extra reporting requirements for the Taskforce members and pioneer countries, a combination of existing aid effectiveness metrics (see literature review in Section C) and elements of the new reporting regime under the Enhanced Transparency Framework could be utilised.
- It is recommended that the Taskforce builds on the cooperative processes put in place for the development of the P&Rs to develop a set of targeted actions or focus areas which specific providers and recipients can adopt; ensuring alignment with the P&Rs and improve access to finance. Designing appropriate targets requires careful, sustained negotiation between donors and recipients to achieve multiple goals. Donor and recipient governments can work together to establish a hierarchy of objectives and expectations, which are clearer and, at an appropriate level of ambition (ODI, 2021).
  - The Taskforce could consider catalysing new partnerships with key initiatives and providers of climate finance to respond better to pioneer country needs, such as MDBs, MCFs and the IMF.
- Improve outreach and external communication with key stakeholders. This will maintain and enhance the involvement of the wider group of partners and stakeholders, described in the Taskforce's concept note.
  - The Secretariat/independent centre could represent the Taskforce in key meetings and for a.
  - Develop and include a communication and outreach plan in the Taskforce's workplan.
  - Ad-hoc technical support (advisory, capacity building) to the pioneer countries, including reaching out to new countries.
- So far there is little evidence of systematic sub-national engagement and yet this is fundamental to enhance access to climate finance. A key issue in ensuring national-level climate finance coordination is identifying lead sub-national entities and building on existing cross-government coordination mechanisms that bring together ministries and finance providers (ODI, 2021). Hence it would be advisable to improve coordination and synergies with LIFE-AR<sup>15</sup> and others, as the focus should go beyond adaptation and resilience and involve mitigation and sustainable development so to promote and enhance co-benefits. It is worth noting the good progress and current cooperation with LIFE-AR as it was an active member in the technical working groups that developed the P&Rs.
  - The work in the pioneer countries should help in this regard, but subnational engagement should also happen at the Steering Committee level.
  - Consider a joint workshop on locally led climate action with the five pioneer countries, that could be also extended to other countries facing similar situations (e.g. regional).
  - Finance does not always reach the local level. Therefore, explore ways to reinforce the integration of locally led principles for climate action in the P&Rs and Taskforce's activities.

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<sup>15</sup> LIFE-AR were active members of the technical working groups which developed the Principles and Recommendations.



### 3. Monitoring, Evaluation, and Learning (MEL)

The ultimate goal of the Taskforce is “to transform the current system of climate finance through a new, programmatic approach based on partners’ own national climate action plans and priorities, supported by coherent, programmatic finance from multilateral and bilateral partners.” It is therefore fundamental that all the actors involved, providers, recipients, and practitioners/research institutions collaboratively share knowledge and experience, enhance processes and frameworks, and monitor progress. MEL, and in particular the learning component, is limited within the Taskforce and lacking a clear strategy. This will be fundamental to measuring progress and alignment against the P&Rs. But equally important, to further assess, refine and improve the Taskforce’s P&Rs and working methods, including the pioneer country trials.

Several recommendations are proposed in this regard:

- The modalities through which lessons learnt are collected and disseminated needs to be articulated and strengthened. An independent Secretariat/Centre would positively support these efforts <sup>16</sup>. Findings from the country trials should be used to iteratively update the P&Rs, inform system reform, and enhance climate ambition. Likewise, opportunities arising from systemic reform can inform country trials and lead to enhanced climate ambition and uptake of new opportunities. This will lead to amplification of messages and processes and will improve performance (recipients and providers). Immediate priorities could include:
  - Clarity on the link between the targeted support in-country and informing systemic change.
  - Leveraging national and internal processes to report against the principles and avoid unnecessary reporting
  - The country trials are essentially working on a proof-of-concept approach—leading to replication and scale-up. Specific assessments of the country trials are needed, together with the MEL system based on the experience gained in the country trials.
- Designing programmatic approaches requires intense technical assistance and capacity building and should be allowed the space to progress slowly at first. The consolidation and streamlining of technical assistance was highlighted as an aspect of the Taskforce’s work that required more efforts and resources. It is currently not clear how the Taskforce will approach this on an individual country level and across the pioneer countries.
  - Strengthen national and sub-national capacities and capacity building is considered as a priority by most respondents to the questionnaire (see Figure 5). Stronger focus should be placed on these activities, including reinforced cooperation with existing activities and key actors.
  - Reinforce the work at the country level, with broader engagement and assessment of capacity needs.
  - Taskforce strategic advisors will have a critical role within each country and for sharing lessons between pioneer countries, the Taskforce, the wider group of stakeholders and others.
  - Having a varied, representative set of countries is an effective approach for lesson learning as the Taskforce seeks to implement regional and global learning from the trials.

<sup>16</sup> So far only the UK has committed funding via the operationalization of the UK £100 million programme.

Providers<sup>17</sup> and recipient countries could consider further trials for next year and broaden the scope and type of countries supported by the Taskforce to include other typologies so to diversify and increase knowledge from other regions and context and for instance include fragile and conflict-affected countries, landlocked developing countries, LDCs, or SIDS.

- The annual report methodology and template presented in this report should be further discussed with the Taskforce Steering Committee to better assess their views and concerns. This consultation could be extended to the wider group of stakeholders and others.
  - The independent Secretariat and/or the independent centre proposed by the UK, with an expanded set of learning and monitoring functions, could act as an independent entity to monitor, evaluate, and review available information in relation to processes and methods. And even assess the accuracy of responses to the annual report. Moreover, when it is not possible to get responses from all Steering Committee members the Secretariat could propose ways to assess progress, such as via an independent review using publicly available information.
  - Consider peer review of the annual report, as well as other reports that the Taskforce might produce. The peer review could be conducted by a broader group of stakeholders beyond the Taskforce members, including researchers, think tanks, or civil society.
  - Balance the requirement between quantitative and qualitative assessment of progress—ensure lessons from the pioneer countries are universalised.
- Knowledge creation and sharing could be promoted and improved, among all the stakeholders and especially among the pioneer country trials.
  - Despite the limited number of responses, the DAI review team has collected a good deal of examples, tools, and case studies. And there are more experiences that can be analysed and shared to support efforts in improving the access to climate and development finance landscape. The Taskforce could consider specific channels and tools to facilitate knowledge creation and sharing, for instance via the independent Secretariat.

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<sup>17</sup> The UK, for example, is interested in testing the approach in a fragile and conflict-affected state or LDC and in a SIDS that is close to ODA graduation.

## SECTION C: METHODOLOGY AND DATA COLLECTION

### METHODOLOGY

This section looks to use the experience of developing this first annual report to suggest a reporting template and methodology for subsequent editions.

The Taskforce interim Secretariat have tasked DAI with collecting evidence, information and insight to inform the development of an annual reporting template and a methodology, including Key Performance Indicators (KPIs) to showcase progress made against the P&Rs and facilitate learning around how to improve access to climate finance.

To develop this report, the review team have assessed the Taskforce's progress to date and utilised findings from primary and secondary research sources. DAI has aimed at collecting the views of the Steering Committee members<sup>18</sup> and a range of key stakeholders to pull together considerable existing thought leadership and expertise on improving access to climate finance.

The findings from primary and secondary research sources are presented in this report using a narrative approach, with the aim to assess, critique, and synthesise the information in a way that:

- Provides qualitative information to suggest potential indicators and data gathering tools
- Collects progress, and
- Enables new theoretical frameworks and approaches to emerge, as well as recommendations.

In this regard the following methodology was used to capture evidence and knowledge:

#### 1. Review of relevant references and bibliography

The umbrella review, and secondary research, consists of the identification of key past reports, evaluations, reviews, or studies. The review focused on the findings, conclusions and recommendations presented in these documents to draw overall lessons and highlight key emerging indicators and patterns. All the sources used are included in the full list in the References.

#### 2. Identification of key stakeholders

The following categories of stakeholders were identified. These informants were then contacted directly with a request for their input. The organisations and names of informants were agreed with FCDO before they were contacted. A full list of the organisations contacted are in Annex 1. List of stakeholders.

- Taskforce Steering Committee members.
- Technical working groups, such as the UNFCCC Standing Committee on Finance.
- Providers and recipients of climate finance, including global and regional climate funds and MDBs.
- Experts and other stakeholders, such as non-governmental organisations (NGOs) and Think Tanks.

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<sup>18</sup> Not all the Steering Committee members have provided inputs to the Questionnaire.



### 3. Design of questionnaire

Primary research was conducted through a combination of a questionnaire and interviews:

- Virtual interviews (6) and
- Responses to a questionnaire (18).

The questionnaire was designed to directly link to the P&Rs, as well as addressing recommendations and progress achieved over the last year. To do so it was divided in two sections. The first focusing on progress and way forward/recommendations. While the second section focused on gaining understanding on how each principle could be integrated into different contexts so to develop appropriate indicators and a reporting template.

### 4. Data collection

Responses to the questionnaire were collated in DAI Collect, a bespoke data collection platform, and extracted in Excel format. Interviews used the questionnaire to be delivered in a semi-structured format.

The methodology undertaken for this report was intended to be further developed for use in future assessments and is included in the report template below.

#### Limitations

While conducting the research to produce this report the DAI review team faced several limitations and challenges summarised below:

- Limited response to questionnaire.
- Limited engagement (Steering Committee members).
- Limited communication with non-Steering Committee members including main climate finance providers.
- Early stages of the approach, limited lessons learnt and experiences in practice.
- The Taskforce's Theory of Change is not yet fully developed and publicly available.
- Limited available literature on how to specifically measure access to climate finance. In most cases reports and existing initiatives focus on barriers to access to climate finance but not on how to report on increased access to climate finance.
- Limited experience and methods on how to report progress against access to climate finance (providers and recipients).
- Plethora of initiatives related to climate finance but with limited available results and in some cases no connection with the Taskforce (even if COP26 Presidency led).
- Some responses to the questionnaire are vague and do not clearly link to progress against the principles<sup>19</sup>. There is the risk of simply stating "principles are already included" or "progress has been made" or referring to initiatives not clearly link to access to climate finance and the P&Rs.

## LITERATURE REVIEW

To inform the development of the Taskforce and its Principles and Recommendations, several literature reviews have already been undertaken, including the Evidence Review for the Taskforce on Access to Climate Finance (ODI, 2021).

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<sup>19</sup> Quantitative inputs, and in some cases personal views.

To avoid duplication, the review conducted for this report (see References) only focuses on collecting evidence, metrics and potential actions around the P&Rs, and does not intend to address wider issues in relation to access to climate finance. Therefore, the focus in this report is new relevant reports/studies in the last year as well as methodologies and inputs for developing robust and simple indicators (by principle), given the importance of climate finance within the broader context of development finance.

### Evolution of aid effectiveness indicators and their relevance to access to climate finance

Following the landmark international meetings on aid effectiveness of the first decade of this millennium, several overlapping “core” aid effectiveness principles have been established and refined (Mckee, 2019). It is from these that the Taskforce Principles and Recommendations have been drawn from (Taskforce, 2021). Common amongst these principles is the acknowledgment that metrics and indicators should be used to underpin and support delivery of effectiveness principles, with corresponding attempts to set out methodological frameworks with monitorable sets of indicators, also relevant for climate finance and hence for the Taskforce.

In terms of the official (inter-governmental) aid effectiveness framework, monitoring was initially conducted through the “Paris Monitoring Survey” (following the 2005 Paris Declaration), and then subsequently via the biennial reports of the Global Partnership for Effective Development Cooperation (GPEDC). The Paris Declaration included 12 monitorable indicators, with targets for achievement in the medium term and a process for monitoring at country level (The Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, 2022). The GPEDC monitoring exercise is a multi-stakeholder process among partner countries (recipients), development partners (donors), and other partners (civil society, private sector, etc.) led by a recipient country national coordinator. Designed with the dual aim of driving behaviour change towards more effective development co-operation; and supporting global accountability for implementation of Busan commitments. Following three rounds of results the Partnership is now reviewing the framework, a process which included a series of virtual stakeholder consultations in July 2021. During these sessions, many participants reported that the monitoring exercise provides useful comparative country-level evidence that can generate peer-learning and behaviour change. However, most constituencies noted that the “quantitative” nature of many of the indicators misses out on useful qualitative information that may help assess the drivers of stakeholders’ performance, and the roles of multiple actors in bringing about performance improvements. There was a high degree of agreement that the revised monitoring framework should continue to provide evidence to drive global accountability by providing a global picture, while also generating evidence that is relevant and usable in different country contexts, which also supports accountability (Global Partnership for Effective Development Cooperation, 2021).

**Most of the public climate finance is development finance and therefore the work on access to finance and effectiveness and transparency of aid carried out of the GPEDC and others, including OECD-DAC, is highly relevant for the work of the Taskforce.**

Rigorous studies are not available for many types of donor behaviour and in these cases, we rely on international consensus. The Global Partnership Principles form the bulk of this consensus on aid effectiveness, but we can also refer to other international commitments with wide participation such as the 2030 Agenda for Sustainable Development to achieve the SDGs or the Grand Bargain to address humanitarian aid. The 2030 Agenda for Sustainable Development requires unprecedented mobilisation of global knowledge across many sectors, including climate, and regions as well as accurate, timely (not several years out of date) information (Letouzé, 2019). The global indicator framework for Sustainable Development Goals was developed by the Inter-Agency and Expert Group on SDG Indicators.

The global indicator framework includes 231 unique indicators, some of them relevant for access to climate finance and the P&Rs. In addition to these quantitative efforts, some qualitative sets of indicators have been ongoing, notably the DAC Peer Reviews for bilateral development agencies and the assessments by the Multilateral Organisation Performance Assessment Network ([MOPAN](#)) for multilateral agencies.

The Global Partnership’s monitoring framework tracks development stakeholders’ progress in aligning their policies and practices with four internationally agreed development effectiveness principles using SDG indicators as well. See

Table 4 for correlation with the P&Rs.

**The GPEDC principles and indicators are linked and aligned to the Taskforce’s work and P&Rs. It would be advisable that the Taskforce further reflect on how to expand research around this area and the broader development finance landscape and its relationship with climate finance.**

*Table 4. GPEDC principles and indicators, and connection with the Taskforce’s P&R*

<p><b>1. Focus on results</b></p>	<ul style="list-style-type: none"> <li>■ Indicator: Countries strengthen their national results frameworks (1b)</li> <li>■ Indicator: Development partners use country-led results frameworks (1a and SDG 17.15)</li> </ul>	<p>Link to Taskforce’s Principle 1, Country ownership and Principle 2 Harmonisation of processes and alignment of finance</p>
<p><b>2. Ownership of development priorities by developing countries</b></p>	<ul style="list-style-type: none"> <li>■ Indicator: Development co-operation is predictable: annual predictability (5a)</li> <li>■ Indicator: Development co-operation is predictable: medium-term predictability (5b)</li> <li>■ Indicator: Quality of Countries’ Public Financial Management Systems (9a)</li> <li>■ Indicator: Development partners use country systems (9b)</li> <li>■ Indicator: Aid is untied (10)</li> </ul>	<p>Link to Taskforce’s Principle 1 Country Ownership, and Principle 5, Transparency.</p>
<p><b>3. Inclusive development partnerships</b></p>	<ul style="list-style-type: none"> <li>■ Indicator: Quality of public-private dialogue (3)</li> <li>■ Indicator: Civil society organisations operate within an environment that maximises their engagement in and contribution to development (2)</li> </ul>	<p>Link to Taskforce’s Principle 1, Country Ownership, Principle 4 Flexibility and innovation, Principle 5, Transparency and accountability.</p>
<p><b>4. Transparency and accountability to each other (link to all principles)</b></p>	<ul style="list-style-type: none"> <li>■ Transparency and accountability to each other (link to all principles)</li> <li>■ Indicator: Transparent information on development co-operation is publicly available (4)</li> <li>■ Indicator: Mutual accountability among development actors is strengthened through inclusive reviews (7)</li> <li>■ Indicator: Development co-operation is included in budgets subject to parliamentary oversight (6)</li> <li>■ Indicator: Countries have systems to track and make public allocations for gender equality and women’s empowerment (8 and SDG 5c)</li> </ul>	<p>Link to the five Taskforce’s Principles</p>

Other relevant initiatives that have adopted effectiveness indicators relevant for the Taskforce and access to climate finance are described below. Further discussion within the Taskforce would be needed to incorporate these experiences within the work of the Taskforce and/or the P&Rs:

- Launched during the World Humanitarian Summit (WHS) in Istanbul in May 2016, the [Grand Bargain](#) is an agreement between some of the largest donors and humanitarian organisations who have committed to get more means into the hands of people in need and to improve the effectiveness and efficiency of the humanitarian action. This fifth annual independent review (AIR)'s analysis of signatories' actions in 2020 quantitative and qualitative data was analysed using the same methodology as for previous AIRs (Metcalf-Hough, 2021). A coding system, adapted from that developed by Global Public Policy Institute (GPPi) for the first AIR, was used to mark when each individual signatory reported taking an action and any results achieved. To ensure a more qualitative analysis of actions and results for those commitments against which individual signatories could report (i.e. some commitments require collective action), the research team rated results reported on a scale of 0–4, with '0' representing no progress or results reported and '4' representing excellent progress/commitment achieved.
- The Centre for Global Development (CGD) launched the Quality of Official Development Assistance (QuODA). It draws and builds on the GEPDC, with the fifth edition launched in 2021. The current edition is based on a framework of 17 indicators that account for the latest evidence and data on aid effectiveness. The indicators are grouped into four dimensions that broadly reflect best practices on aid quality and that are very much aligned with the Taskforce's P&Rs: Prioritisation, Ownership, Transparency and Untying, and Evaluation.
- The ONE Campaign's forthcoming "Donor Scorecards" offer alternative approaches to addressing recent challenges around fragile states and "aid in the national interest." It assesses the 21 biggest donors on their aid volume, aid targeting and aid quality and could also provide insights for the work of the Taskforce, especially when looking at the broader development finance picture in the context of climate finance.

#### Responsiveness to Country Needs and Climate Vulnerability. The case of the "States of fragility report" [OECD](#)

Climate change and environmental fragility will be a permanent feature of operating in fragile contexts in terms of the impact of environmental conditions on humans and the human activities that benefit from and/or exploit the environment. It is important to not just increase but also to better tailor climate and environment-related action in fragile contexts in terms of programming, instruments, preparedness for shocks and losses, and links to policy. Similarly, it is important to foster better dialogue between development, peace and security actors. The delivery of security is an essential regional and global public good. Awareness of the interconnectedness of development and peace activities in fragile contexts can drive more complementary approaches in fragile contexts, especially on issues such as peacebuilding or security sector governance that often struggle for funding. But also, for climate and resilience. In 2020, ODA to security system management and reform amounted to only 0.6% of DAC members' total ODA to fragile contexts, and this is also particularly important in the context of access to climate finance.

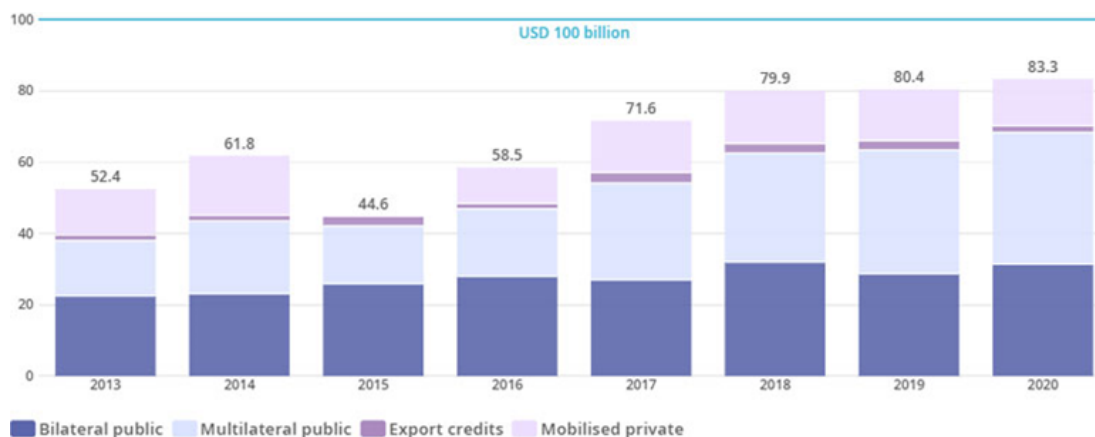


#### Access to climate finance and relevant climate finance processes, initiatives and reports

The provision of climate finance continues to be a key topic in the UNFCCC negotiations, and so will be of vital importance to the Taskforce work. The objective of developed country parties to jointly mobilising USD 100 billion per year by 2020 to address the needs of developing countries in fighting climate change was agreed in 2009.

This goal was confirmed in 2015 when adopting the Paris Agreement, together with an agreement to set a new climate finance goal by 2025 which should go beyond the mobilisation of USD 100 billion per year (UNFCCC, 2015). To date, developed country Parties have fallen short of reaching the goal of mobilising USD 100 billion climate finance annually. According to the latest OECD report of climate finance (OECD, 2022), total climate finance mobilised from public bilateral and multilateral sources was USD 63.4 billion in 2019 and USD 68.3 billion in 2020. These reports offer useful insights for the work of the Taskforce, as it is clear that access to climate finance continues to be a problem particularly for LDCs and SIDS.

Figure 3. Climate finance provided and mobilised by developed countries (OECD 2022)



Climate finance provided and mobilised by developed countries has so far largely focused on mitigation in relatively high-emitting countries. Between 2016 and 2020, the 40 Small Island Developing States (SIDS), the 46 Least Developed Countries (LDCs) and the 57 fragile states respectively represented 2%, 17% and 22% of total climate finance provided and mobilised. More could be done to measure the impact of climate finance and assess effectiveness. The limited information available is in part due to the non-mandatory nature of reporting requirements for developing countries under the UNFCCC and the limited capacity of these countries to collate such information. However, a clear definition of what should count as climate finance remains absent (Shishlov, 2022).

A [Climate Finance Delivery Plan Progress Report](#) led by Germany and Canada was released ahead of COP27. The report outlines developed country updates on the ten key action areas identified to deliver on the US\$100 billion goal as outlined in the [Climate Finance Delivery Plan Report](#) (2021). These areas reflect developed country efforts in responding to the needs and priorities of developing countries and building on previous experience to deliver more effective and enhanced climate finance. Under one of these ten key action areas, the German government commissioned a [study](#) on the initiatives and options for promoting access to climate finance, particularly for SIDS and LDCs (IKI, 2022). The study maps some existing initiatives and instruments that aim to reduce barriers, presenting gaps that continue to impede access to climate finance and providing recommendations for enhancing access to climate finance. The study refers to the Taskforce among other initiatives (some also outlined in this report, Table 6 and Table 7) The finding of this study provides some analysis of the initiatives and take-aways for Germany's Federal Foreign Office that the Taskforce can support, strengthen and coordinate with.

Given the key importance of the OECD-DAC and ODA in access to climate finance it is recommended that the Taskforce reinforce the cooperation and engagement in this area; and also, with key initiatives such as the Climate Finance Delivery Plan Progress Report and related studies and work.

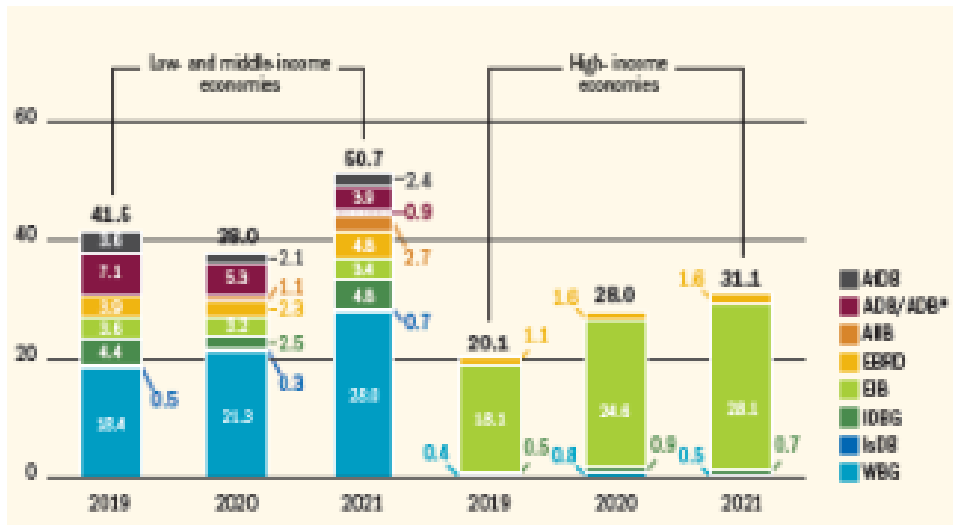
In the 4th The Biennial Assessment and Overview of Climate Finance Flow (UNFCCC, 2020) the Standing Committee on Finance distinguishes between MCFs and MDBs (Table 5). Fourteen agencies have been identified: six are MCFs and eight are MDBs. So far only one MCF (the GCF) and one MDB (the WB) are members of the Steering Committee of the Taskforce.

Table 5. Multilateral Climate Finance Providers

Multilateral Climate Fund (MCF)	Multilateral Development Bank (MDB)
Adaptation Fund, AF	African Development Bank, AfDB
Climate Investment Funds, CIF	Asian Development Bank, ADB
Green Climate Fund, GCF	Asian Infrastructure Investment Bank, AIIB
Global Environment Facility, GEF	European Bank for Reconstruction and Development, EBRD
Least Developed Countries Fund, LDCF	European Investment Bank, EIB
Special Climate Change Fund, SCCF	Inter-American Development Bank Group, IDBG
	Islamic Development Bank, IsDB
	World Bank Group, WBG

The MDBs are key players in the climate finance landscape, acting as implementation partners for the MCFs and providing a much larger amount of climate finance. In 2021 the total financing by MDBs provided collectively US\$ 51 billion for low- and middle-income economies (62% of overall MDB climate finance) in climate finance. Of this total, more than \$33 billion (65%) was for climate change mitigation and more than \$17 billion (35%) for climate change adaptation (Group of MDBs, 2022).

Figure 4. MDB Climate finance (in US\$ billion) (Group of MDBs 2022)



It is to be noted that MDBs have agreed on a set of common principles for Long-Term Strategy (LTS) Support and are currently exploring the potential of developing a joint LTS Facility to help developing countries and other public sector clients prepare and implement such strategies, as also announced in the [COP26 Joint MDB Statement on collective climate ambition](#).



**Given the key importance of the MDBs and MCFs in access to climate finance it is recommended that the Taskforce reinforce the cooperation and engagement with them.**

The establishment of a new collective quantified goal on climate finance (NCQG) is one of the most fundamental processes to create a bolder commitment with the necessary tools and capacities to reduce climate finance gaps in aid of climate-resilient development. At COP26, the deliberations on a new collective quantified goal for the period beyond 2025 were initiated and Parties decided to set such a goal in 2024. It is stated under paragraph 53 of Decision 1/CP.21 that “developed countries intend to continue their existing collective mobilisation goal through 2025 in the context of meaningful mitigation actions and transparency on implementation”. Deliberations on the NCQG continued in March 2022 with [the first Technical Expert Dialogue](#) (TED) in South Africa. The [second TED](#) took place in June alongside the 56th meeting of the subsidiary bodies in Bonn. The [third TED](#) was held in Manila in September in anticipation of COP27. All actors, from Parties to non-state stakeholders, must work together to create a bolder commitment to climate finance learning from the previously set goal of USD100 billion by 2020.

**The related NCQG discussions, processes and work are very important to the work of the Taskforce, as the discussion focuses not only on volumes of finance but on how to access the available finance (development finance and climate finance, private and public, domestic and international).**

The Paris Agreement establishes an Enhanced Transparency Framework (ETF) designed to build trust and confidence that all countries are contributing their share to the global effort. The ETF represents an important component of the ambition cycle in the global climate regime established by the Paris Agreement by building trust and confidence that countries are taking action to meet their national climate targets and actions defined in their NDCs under the Paris Agreement, including on efforts related to climate finance for developing country Parties (Article 9.6, (UNFCCC, 2015)).

**The ETF is very relevant for access to climate finance and the Taskforce, not only in relation with Principle 5, but also with Principle 1, 2 and 3.**

The global stocktake of the Paris Agreement ([GST](#)) is a process for taking stock of the implementation of the Paris Agreement with the aim to assess the world’s collective progress towards achieving the purpose of the agreement and its long-term goals (Article 14, (UNFCCC, 2015)). The first GST will run from 2021 to 2023 and will be repeated every 5 years thereafter. The outcomes of the GST will inform countries on updating and enhancing, in a nationally determined manner, their climate actions and support, as well as on enhancing international cooperation for climate action. Climate finance is therefore fundamental in the process, and how countries can access sufficient funds to address their needs and achieve their objectives. During the [First meeting](#) of the Technical Dialogue of the Global Stocktake, and although the Taskforce and the P&Rs are not mentioned, access to climate finance was greatly featured. Capacity-building for accessing climate finance was also highlighted as a key need and priority for developing countries with initiatives like the [GCF Readiness and Preparatory Support Programme](#) mentioned. Among other issues, it was emphasised that decarbonising the economy required global action to address fundamental economic inequities in access to finance, as well as its terms and conditions, and countries’ exposure to physical impacts of climate change overall resulted in a worsening outlook for a global just transition. It was highlighted that the relatively slow implementation of commitments by countries and stakeholders in the financial system to scale up climate finance, did not reflect the urgent need for ambitious climate action nor the economic rationale for ambitious climate action.

Another key question raised in relation to access to climate finance was the complex, lengthy and costly procedures to access climate finance from the climate funds. It was, however, noted that efforts were made local level access through empowering local actors. It was emphasised that adequacy and predictability of climate finance suffered from the access challenges. (Summary report on the global first meeting of the under the Paris Agreement Report [UNFCCC, October 2022](#)).

**The GST is a fundamental process, and the related issues will be very important for the work of the Taskforce and hence improved communication and cooperation with the GST and related UNFCCC processes should be promoted.**

The global goal on adaptation ([GGA](#)) was established in the Paris Agreement in 2015 in response to calls from developing countries to scale up action on adaptation. At COP26 the two-year Glasgow Sharm el-Sheik work programme ([GlaSS](#)) on the GGA was established. Standardised methodologies are needed for the GGA to become an aggregate of how well countries are doing and hence feed into the Global Stocktake. Therefore, it is fundamental the development of a common framework is for (a) measuring climate risks in critical sectors; (b) identifying and prioritising adaptation options; (c) developing an investment and financing plan; and (d) setting targets and measuring progress. As an input to this work, the UNFCCC Secretariat prepared a compilation and synthesis of indicators, approaches, targets and metrics that could be relevant for reviewing overall progress made in achieving the GGA (UNFCCC, 2022).

**Reports and UNFCCC work related to the GGA could also guide the work of the Taskforce when developing indicators, especially for adaptation finance but not only.**

The first report on the determination of the needs of developing country Parties (NDR) related to implementing the Convention and the Paris Agreement (UNFCCC, 2022) aims to enhance collective understanding of the available quantitative and qualitative information on the needs of developing country Parties related to implementing the Convention and the Paris Agreement, including inter alia, information on climate finance costs and investment needs. It highlights processes and approaches utilised for determining the needs of developing country Parties and underlying assumptions and methodologies while at the same time it highlights opportunities, challenges, gaps and opportunities in determining needs.

**The NDR includes five recommendations that are also of relevance for the P&Rs, and the Taskforce could consider broader engagement in this UNFCCC process, among others. NDR recommendations and its relationship with the principles are listed below:**

- Enhancing availability of granular data on needs to address existing data gaps (Taskforce principles 3, 5)
- Enhancing methodologies for determining and costing needs (Taskforce principles 1, 4, 5)
- Encouraging actors to support developing countries in determining and costing needs (Taskforce principles 1,2, 3, 4)
- Encouraging different actors to make use of the information contained in the first NDR, especially when supporting developing countries (Taskforce principles 1, 2)
- Requesting the Standing Committee on Finance to engage with different actors in disseminating the findings of the first NDR (Taskforce principle 5).



Lastly, there are a number of relevant climate and access to climate finance initiatives (see Table 6 and Table 7) that could also help provide valuable inputs to the Taskforce and on how the P&Rs could also support the agenda within these countries and regions. Synergies and coordination with these activities should be sought and promoted.

Table 6. Main relevant initiatives

<p><b>Principles for locally led adaptation.</b></p>	<p>Over 80 governments, leading global institutions and local and international NGOs that have already endorsed these principles and are advocating their endorsement by others. The way the principles are followed is by simply filling-in a commitment form. The eight principles, linked to the Taskforce P&amp;Rs are:</p> <ul style="list-style-type: none"> <li>■ Devolving decision making to the lowest appropriate level</li> <li>■ Addressing structural inequalities faced by women, youth, children, disabled and displaced people, Indigenous Peoples and marginalised ethnic groups</li> <li>■ Providing patient and predictable funding that can be accessed more easily</li> <li>■ Investing in local capabilities to leave an institutional legacy</li> <li>■ Building a robust understanding of climate risk and uncertainty</li> <li>■ Flexible programming and learning</li> <li>■ Ensuring transparency and accountability</li> <li>■ Collaborative action and investment.</li> </ul>
<p><b>The LDC Initiative for Effective Adaptation and Resilience (LIFE-AR<sup>20</sup>)</b></p>	<p>LIFE-ARE is driven by key principles to support the achievement of the LDC 2050 Vision and support a shift away from 'business-as-usual' practice. The principles underpinning LIFE-AR are very much linked to the Taskforce P&amp;Rs as described below:</p> <ul style="list-style-type: none"> <li>■ Equality: between LDCs and the international community, between government and non-government actors, involving equal decision-making and mutual accountability, that values all contributions to generate shared solutions</li> <li>■ Integration: uniting sectors and actors horizontally and vertically to deliver whole-of-society action through long-term planning and programmes. Donors and climate funds can play their part by improving their collaboration and integration, and simplifying procedures to minimise burden</li> <li>■ Ownership: emboldening LDCs and their communities to lead on the development of climate solutions, following their direction, guidance and pace, and working with existing LDC institutions, structures and systems in-country to build sustainable capabilities</li> <li>■ Placing local action at the heart, where resources are put into local hands with a target of 70% finance flows that support action on the ground in LDCs by 2030, and</li> <li>■ Inclusion: leaving no country and no one behind, challenging social barriers that exclude and limit people's potentials with a focus on gender transformation and social justice.</li> </ul>
<p><b>The Long-Term Vision (LTV) on Complementarity, Coherence and Collaboration (GEF and CGF)<sup>21</sup></b></p>	<p>Launched in 2021, it is a roadmap of, and commitment to, a collaboration between the two largest public climate finance institutions, the Green Climate Fund (GCF) and the Global Environment Facility (GEF). It aims to build on the Pilot Coordinated Engagement exercise the GCF and GEF have been carrying out since 2018, and further define specific areas of cooperation, where complementarity of action might be most efficient and effective, and possible modalities to generate long-lasting outcomes and outputs in climate change adaptation and mitigation. The two Secretariats will prepare and submit a joint progress report to the governing bodies of both Funds every year on activities undertaken and results to date. One of the ongoing activities, very relevant to the Taskforce, is the preparation of a wide scope independent studies which will analyse policies and operational procedures of the two funds and will make recommendations on operational adjustments that could be made to foster harmonisation, while respecting the respective mandates of the two funds. Moreover, the LTV the GEF and the GCF are also proposing joint investment support to five countries, and to carry this out in the pilot countries for the Taskforce.</p>

<sup>20</sup> LIFE-AR responded to the on-line questionnaire.

<sup>21</sup> The GCF is one the members of the Taskforce's Steering Committee. Both the GCF and the GEF responded to the on-line questionnaire.

<p><b>Annual Dialogue of Climate Finance Delivery Channels</b></p>	<p>The Adaptation Fund (AF), The Climate Investment Funds (CIF), the GEF and GCF have been enhancing collaboration since 2017. At COP26 they committed to enhance complementarity and collaboration and deliver a roadmap of activities to advance the implementation of the three pillars of the partnership: synergies in programming; monitoring, evaluation and learning; communication and outreach. They will provide an update on the work at COP27 and will be very relevant for the Taskforce.</p>
<p><b>The NDC Partnership (NDCP<sup>22</sup>) Finance Strategy</b></p>	<p>Launched in April 2022 to advance the work of the NDC Partnership in supporting countries to mobilise finance and drive transformational investments that contribute to both sustainable development and the climate goals. Finance is the most frequently requested area of support among NDC Partnership countries, and the Finance Strategy is structured around eight elements, very much related to the P&amp;Rs and the Taskforce. Each of the elements evolves through the stages of country engagement:</p> <ul style="list-style-type: none"> <li>■ Capacity Development</li> <li>■ Improving Enabling Environments</li> <li>■ Developing NDC Financing Strategies</li> <li>■ Greening the Financial System through Central Banks</li> <li>■ Engaging the Private Sector</li> <li>■ Identifying projects and matching with finance providers</li> <li>■ Engaging subnational entities</li> <li>■ Cross cutting learning</li> </ul>
<p><b>NDC Assist II – Financing and implementing NDCs<sup>23</sup></b></p>	<p>Launched in 2021, and financed by Germany, NDC Assist II supports selected member countries and actors of the NDC Partnership in financing and implementing their NDCs. To this end, the project provides technical assistance and strategic advice on financing strategies and investment plans and/or on integrating climate targets into economic stimulus programmes. The project provides support for private actors to finance climate change adaptation measures. Small and medium-sized enterprises (SMEs) that offer technologies or services to this end receive tailored support to scale up their business models. The project will cooperate with the private equity fund CRAFT (<a href="#">Climate Resilience and Adaptation Finance &amp; Technology Transfer Facility</a>).</p> <p>The project's partners include the ministries of finance and environment in Albania, Burkina Faso, Indonesia and Kenya, as well as regional organisations in the Caribbean and Pacific. In the Pacific region, the project receives additional funding from the New Zealand Ministry of Foreign Affairs and Trade (MFAT).</p>
<p><b>The Champions Group on Adaptation Finance</b></p>	<p>Launched at the UN General Assembly in September 2021, it has 14 members including Australia, Belgium, Canada, Denmark, Finland, Germany, Ireland, Italy, the Netherlands, New Zealand, Sweden and the United Kingdom as well as the African Development Bank and is supported by the European Commission. The objectives of the group are very much related to the Taskforce, as its aim is to increase the total share of adaptation finance, particularly for Least Developed Countries (LDCs) and Small Island Developing States (SIDS) by committing to a balanced approach in their own public climate finance, leading by example, and encouraging others to join them in this effort. And to advocate for improved quality and accessibility of adaptation finance.</p>
<p><b>The World Bank<sup>24</sup> Group's Country Climate and Development Reports (CCDRs)</b></p>	<p>CCDRs are new core diagnostic reports that integrate climate change and development considerations. First being produced for 25 countries and will be rolled out to at all World Bank's countries over the next four years. There are six published CCDRs (China the last one published, October 2022). As public documents, CCDRs aim to enable effective engagements with the development and climate agenda. CCDRs will feed into other core Bank Group diagnostics, country engagements and operations, and help attract funding and direct financing for high-impact climate action.</p>
<p><b>Toolkit to Enhance Access to Climate Finance A</b></p>	<p>The Toolkit offers an overview of the key dedicated international climate funding opportunities, as well as the associated procedures, policies and requirements of the various climate funds. It provides experiences, best practices and lessons learnt in six areas, that are relevant for the Taskforce: Climate change project development; Achieving climate finance readiness and understanding the associated support mechanisms; Accreditation support; Human and institutional capacity development initiatives to support mobilisation of climate finance; Climate</p>

<sup>22</sup> The NDCP has an observer status within the Taskforce and responded to the questionnaire (virtual interview).

<sup>23</sup> Germany is one of the Taskforce's Steering Committee members.

<sup>24</sup> The World Bank is one the Taskforce's Steering Committee members.

<p><b>Commonwealth Practical Guide</b></p>	<p>policy support for effective implementation of national climate financing frameworks; Knowledge management and sharing across countries and regions for enhanced access to climate finance.</p>				
<p><b>The Access to Finance Action Group of the COP26 Catalyst call to Action</b></p>	<p>With the aim of developing practical solutions and systemic changes it developed recommendations, including practical next steps, given the complexity of the climate finance architecture. They see a need to build capacity on the providers’ side to better understand the needs of those seeking finance and therefore to better design models of finance provision that do not constitute barriers to access. They also see a need for a dual approach, combining a focus on short term, narrowly targeted interventions, in tandem with long-term, country-driven, integrated, programmatic and continuous capacity building that builds on existing processes and focuses on the institutional and systemic levels. These recommendations are well aligned with the Taskforce’s P&amp;Rs, especially Principle 1 and Principle 3 (See summary table below):</p> <table border="1" data-bbox="412 527 1432 1083"> <thead> <tr> <th data-bbox="412 527 972 558">Short-term Recommendations</th> <th data-bbox="972 527 1432 558">Medium to long-term Recommendation</th> </tr> </thead> <tbody> <tr> <td data-bbox="412 558 972 1083"> <ul style="list-style-type: none"> <li>■ Develop guidance to support planning and implementation of capacity building initiatives</li> <li>■ Improve coordination for the implementation of transformative capacity-building processes</li> <li>■ Develop an initiative that can identify and match the demand and supply of capacity building</li> <li>■ Promote the process of climate mainstreaming in MDB-financed activities operations that is adapted to the specific contexts of developing countries</li> <li>■ Promote initiatives that support mainstreaming of climate into planning, budgeting and governance</li> <li>■ Organise a forum for climate and development finance providers to start a broader dialogue</li> <li>■ Promote peer learning by strengthening existing communities of practice, particularly south-south.</li> </ul> </td> <td data-bbox="972 558 1432 1083"> <ul style="list-style-type: none"> <li>■ Develop approaches that focus on the local level and non-government stakeholders.</li> <li>■ Build the capacity of climate finance providers to address the gaps in their models.</li> <li>■ Address the “brain drain” in developing countries, through a stronger focus on the institutional and systemic levels by:                             <ul style="list-style-type: none"> <li>- Strengthening national institutions</li> <li>- Strengthening the organisational capacities of relevant institutions</li> <li>- Supporting the review of procurement processes and manuals</li> <li>- Addressing incentives to retain personnel</li> <li>- Engagement of developing countries governments.</li> </ul> </li> </ul> </td> </tr> </tbody> </table>	Short-term Recommendations	Medium to long-term Recommendation	<ul style="list-style-type: none"> <li>■ Develop guidance to support planning and implementation of capacity building initiatives</li> <li>■ Improve coordination for the implementation of transformative capacity-building processes</li> <li>■ Develop an initiative that can identify and match the demand and supply of capacity building</li> <li>■ Promote the process of climate mainstreaming in MDB-financed activities operations that is adapted to the specific contexts of developing countries</li> <li>■ Promote initiatives that support mainstreaming of climate into planning, budgeting and governance</li> <li>■ Organise a forum for climate and development finance providers to start a broader dialogue</li> <li>■ Promote peer learning by strengthening existing communities of practice, particularly south-south.</li> </ul>	<ul style="list-style-type: none"> <li>■ Develop approaches that focus on the local level and non-government stakeholders.</li> <li>■ Build the capacity of climate finance providers to address the gaps in their models.</li> <li>■ Address the “brain drain” in developing countries, through a stronger focus on the institutional and systemic levels by:                             <ul style="list-style-type: none"> <li>- Strengthening national institutions</li> <li>- Strengthening the organisational capacities of relevant institutions</li> <li>- Supporting the review of procurement processes and manuals</li> <li>- Addressing incentives to retain personnel</li> <li>- Engagement of developing countries governments.</li> </ul> </li> </ul>
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<p><b>Climate Finance Access Network (CFAN)</b></p>	<p>Launched in 2020 the Climate Finance Access Network (CFAN) is a demand-driven initiative that supports developing countries in securing and structuring finance for climate investments. CFAN is a global network that brings together developing countries, donors, institutions, and regional and international organisations. CFAN builds the capacity of developing countries to access climate finance and achieve their climate objectives more quickly. The Network is guided by a Steering Committee and Advisory Group comprised of member initiatives, country representatives, and donors. CFAN is managed by a network coordinator, currently RMI — an independent, non-partisan, non-profit organisation.</p>				
<p><b>Needs-based Finance (NBF) Project, UNFCCC</b></p>	<p>In response to these mandates the UNFCCC Secretariat launched the Needs-based Finance (NBF) project with the objective of facilitating access and mobilisation of climate finance for the implementation of priority mitigation and adaptation projects to address the needs identified by developing countries. The NBF approach is being implemented as <a href="#">regional projects</a> and <a href="#">national projects</a> in over 100 countries. NBF activities are country-driven, with regional projects being undertaken by groups of countries which share geographical boundaries and/or economic interests. For national NBF projects the secretariat has to date collaborated with the governments of: Antigua and Barbuda, Belize, Cambodia, Honduras, Lebanon, Philippines and Uruguay. Further information about some regional initiatives/meetings in 2022 can be found in Table 7.</p>				

Table 7. Some NBF Regional relevant initiatives in 2022

Regional initiative	Strategic Areas/Recommendations/Expected outcomes
<p><b>Accessing Climate Finance: Challenges and opportunities for Small Island Developing States (UN, 2022)</b></p>	<ul style="list-style-type: none"> <li>■ A dedicated Enhanced Direct access envelope for SIDS under the GCF</li> <li>■ A Global Data Hub for SIDS</li> <li>■ A renewed effort to building lasting capacity and programmatic approaches in SIDS.</li> </ul>
<p><b>Climate Finance Access and Mobilisation Strategy for the East African Community (2022/23–2031/32) (UNFCCC, 2022). Strategic areas for cooperation:</b></p>	<ul style="list-style-type: none"> <li>■ Strategic area 1: Strengthening technical skills related to climate finance through capacity-building at the national and regional level</li> <li>■ Strategic area 2: Enhancing capacity and establishing mechanisms for developing and implementing mitigation and adaptation projects, and development projects with climate change co-benefits, at the national and regional level</li> <li>■ Strategic area 3: Enhancing enabling environments for mobilising funding and catalysing public and private investment</li> <li>■ Strategic area 4: Identifying and mobilising effective, innovative and appropriate additional finance for priority actions.</li> </ul>
<p><b>Climate Finance Access and Mobilisation Strategy for ECOWAS Countries (2022-2031), (UNFCCC, 2022).</b></p>	<ul style="list-style-type: none"> <li>■ Enhanced enabling environment for mobilising funding and catalysing private investment.</li> <li>■ Enhancing technical capacity for developing and implementing mitigation and adaptation projects.</li> <li>■ Enhancing institutional capacity and mechanisms at the national and regional level for the coordination of climate finance mobilisation</li> <li>■ Identifying and mobilising effective, innovative and appropriate financing for priority climate actions; and</li> <li>■ Strengthening and developing measurement, reporting and verification systems for means of implementation.</li> </ul>
<p><b>Arab States Climate Finance Mobilisation and Access Strategy (UNFCCC, 2022).</b></p>	<ul style="list-style-type: none"> <li>■ The project aims to facilitate a country-driven needs assessment and a resulting climate finance mobilisation and access strategy for the Arab region</li> <li>■ Assessment of climate finance needs and architecture of financial institutions/climate finance in the region</li> <li>■ Developed and adopted/implemented Climate Finance Mobilisation and Access Strategy at the highest political level</li> <li>■ Consultation and validation of Climate Finance Mobilisation and Access Strategy for the region, including mobilisation and green finance matchmaking</li> <li>■ Project pipelines matched to finance with key public and private financing institutions, both domestic and international, via several Green Investment Catalyst Roundtables and other pertinent engagements in the region</li> <li>■ An important network of focal points and champions established to support the project and long-term climate finance strategy.</li> </ul>
<p><b>Southern Africa Climate Finance Partnership</b></p>	<p>The Partnership seeks to foster a regional partnership and south-south knowledge brokering between six countries (Botswana, Lesotho, Namibia, South Africa, Zambia and Zimbabwe). The aim is to support country-owned and managed climate finance portfolios that can access finance from the GCF and other climate finance avenues, mobilising private investment where possible. Stakeholders have reported on how the project has achieved several key outcomes<sup>25</sup>, including greater connectivity and improved cooperation and new appreciation for strategic approaches to accessing the GCF.</p>
<p><b>Training workshop on Climate Finance access and mobilisation for different regions (UNFCCC, GCF, GEF, regional stakeholders and other UN agencies and IOs)</b></p>	<ul style="list-style-type: none"> <li>■ The Island States in the Indian Ocean, 23 - 26 May 2022</li> <li>■ Least Developed Countries in Asia, 08 - 11 Aug. 2022</li> <li>■ Arab States 18 - 20 Sep. 2022</li> </ul>

<sup>25</sup> <https://cdkn.org/story/sacfp-boosts-countries-readiness>

## DATA COLLECTION: QUESTIONNAIRE AND INTERVIEWS

The DAI review team received 24 responses from Steering Committee members and other stakeholders; some gathered using the online questionnaire (18) and others (6) via interviews. As previously mentioned, the questionnaire (Annex 2. Questionnaire) was divided into two components:

- Capturing progress against the application of the P&Rs and seeking feedback on where the Taskforce should focus going forward (these responses are the main source for Section A on progress and Section B on Recommendations)
- Gathering insights on how to measure progress against the P&Rs and the development of indicators and KPIs (these responses are discussed in Section C: Methodology and Data Collection).

Responses to the questionnaire were collated in DAI Collect, a bespoke data collection platform, and extracted in Excel format. Interviews used the questionnaire to be delivered in a semi-structured format. The first component of the questionnaire sought to capture progress (reflected on Section A) and feedback on where the Taskforce should focus going forward (reflected on Section B).

What follows is a summary of the reflections and recommendations on the way forward, that have been used to inform Section B.

- On the question on how the Taskforce can better facilitate learning and support providers and recipients in undertaking the Recommendations, many respondents felt that knowledge exchange amongst peers was critical to effective implementation. Respondents also mentioned that the Taskforce is well placed to put in place additional opportunities for this to happen, especially working at country level with the pioneer countries. It was suggested that South-South knowledge brokering can provide sustainable and long-lived capacity within the national and sub national organisational structures that will be at the forefront of driving implementation. The Taskforce could also promote a catalogue/mapping of relevant initiatives to understand better where the capacity gaps are and where the Taskforce could better contribute. It was also highlighted the need to reinforce outreach and communication beyond the Steering Committee and pioneer countries, as well as better coordination with other initiatives and communities of practice (e.g. the [Community of Practice for Direct Access Entities](#) under the Adaptation Fund and GCF). It was also recommended that the Taskforce should promote knowledge exchanges and peer-to-peer learning opportunities, ideally focused on specific aspects of the principles and recommendations, as well as developing new principles or recommendations which may be missing. And showcasing good practice examples to promote action around the P&Rs, promoting peer learning beyond the pioneer countries and promote wider impact and exchanges. The creation of a knowledge platform is considered as useful in the future, while the Taskforce should focus on refining principles and recommendations, and its related pilot program of implementation in pioneer countries. It was also mentioned that at this stage a dedicated Monitoring, Evaluation and Learning team could be premature, although others expressed different views. Suggestions provided by interviewees included:
  - Country visits and periodic webinars, allowing experiences (of both what has worked and what has not) from different national policy and processes to catalyse the scaling up and replication of implementation.
  - Several respondents also identified the need to collate country experiences in strategic reports or a virtual platform, containing best practice and lessons learnt (including at the technical level).



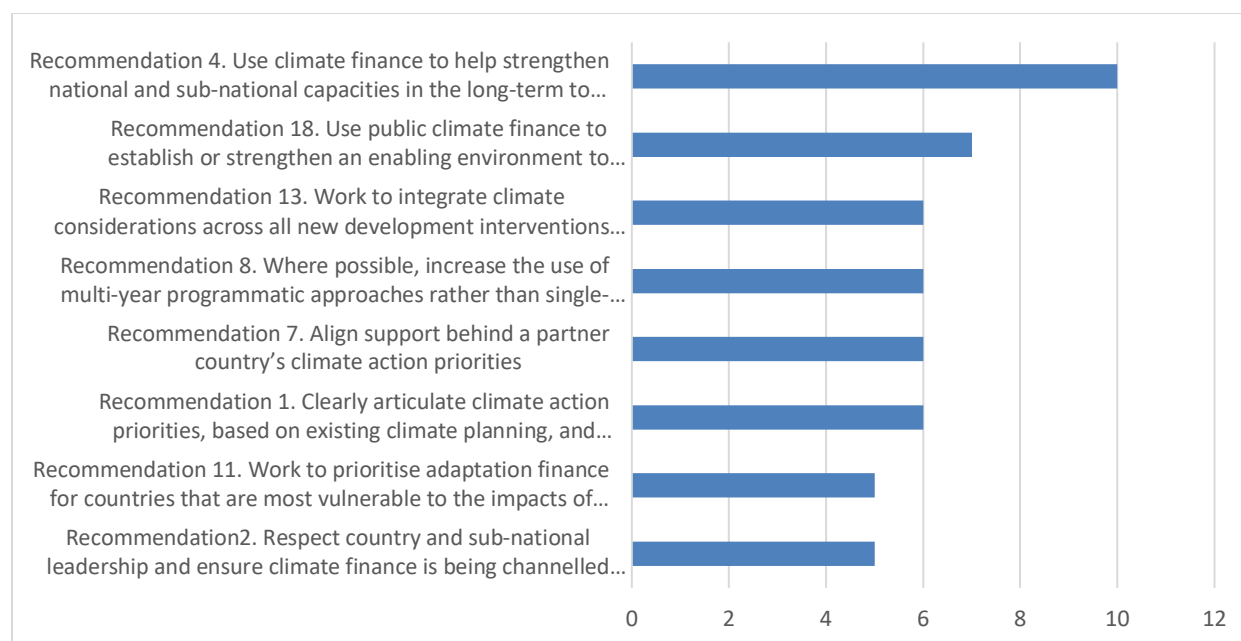
- It was noted that some organisations already undertake the development of such knowledge sharing products (for example the NDCCP), but further work should be undertaken to ensure complementarity.
- These additional modalities were suggested partly in recognition that there are many institutions outside the core Taskforce members that would welcome the opportunity to further exchange ideas.
- External engagement could usefully happen on a regional basis (as has already started happening), led by the pioneers themselves.
- On the question of which further actions should be prioritised over the next year to better align with the P&Rs, a wide variety of focus areas were suggested, particularly for providers, reflecting the diversity of respondents and the climate finance landscape. There was general agreement that recipients could usefully focus on refining their articulation of climate action priorities and needs. This would involve strengthening national and subnational capacities so that a reliable all-of-society delivery framework could be put in place. This would also help strengthen the creation of a co-ordinated, cross-sectoral, and multi-year programmatic investment pipeline.

Co-ordination between providers and recipients was another theme picked up by the respondents, and was seen as vital to identifying need, catalysing rapid implementation, and ensuring complementarity of approach. The vital role of dedicated technical assistance to pioneer countries in the form of in-country long-term strategic advisors in facilitating this co-ordination was also noted. These long-term strategic advisors are often embedded in the Ministries of Finance and Environment, hence increasing positive impact and supporting better country needs. The need to include multilateral development partners (including the MDBs or the IMF) and parallel initiatives in the in-country discussion is also mentioned.

- Some respondents felt that providers should focus on simplifying their application and reporting processes, using a common framework where possible and even considering pooling resources in a country led technical assistance and capacity building basket. It was also felt that providers should focus on developing innovative financing instruments which explicitly enhance access, whether that be to small scale climate resilient activities or in more programmatic and direct sectoral financial support. It was also recommended that the Taskforce focuses on refining the P&Rs, based on the experiences and lessons learnt. Taskforce members should focus on applying the P&Rs, especially those more relevant for their roles and contexts. Some respondents also highlighted the need to support specifically actions at country level (pioneer countries) in line with national needs, priorities and policies, including leveraging private sector engagement and piloting innovative approaches.
- The need to discuss climate finance within the broader development finance framework was also highlighted, as a recurrent issue within the access to finance discussion, with different views on how they relate to each other.
- The Taskforce could also consider the issue of debt and how recipients need to develop a more integrated approach to mobilising climate finance (domestic and international public finance, domestic and international private sector).
- To allow some prioritisation and way-forward with the alignment against the P&Rs, respondents were asked to identify the top 5 recommendations. Figure 5 summarises the results.



Figure 5. Most impactful/relevant recommendations according to responses (4 or more votes)



On other reflections and initiatives pertinent to enhance access to climate finance that might have not been covered by the questionnaire, several examples were reported by the respondents and could be further discussed with/considered by the Taskforce, such as:

- The work of GCF as advisor to LDC Board members, which includes the analysis of access related GCF policies and instruments.
- In the context of the GEF-GCF LTV the GEF is preparing a comparative study looking at processes and policies of the two funds, which will produce recommendations on how to foster harmonisation.
- Further cooperation with existing capacity building initiatives, for instance the work of the Southern Africa Climate Finance Partnership ([SCFP](#)) would be welcomed into the Taskforce, as well as others providing capacity building support services for climate finance.
- The IMF will publish a working paper on climate finance later this year, and it could be discussed within the Taskforce.
- The Taskforce could catalyse a coordinated partnership with key providers (MDBs, MCFs, UN, others), including a common communication platform on responding to pioneer country needs and requirements in a way that demonstrates overall support for the Taskforce.

### Possible Indicators of Progress

In the second part of the questionnaire, respondents provided a wealth of information breaking down the types of processes and activities that might be used to indicate progress in alignment with the P&Rs. This information has been used to develop Section B and Section D.

Respondents also provided a great deal of detail of existing processes, tools or cases studies that, although not included in this report, could potentially be followed up bilaterally and/or in the next steps of the Taskforce for instance, as knowledge sharing activities, and incorporated in Section B.

Some key stakeholders felt that it was inappropriate to proceed with the development of KPIs given the early stage of the process and the evolving nature of the P&Rs.

- On the question on how to assess the integration of climate priorities into budgets, most of the respondents considered that the analysis of national and sectorial budgets is fundamental, although challenges are mentioned. The existence of a Climate Financing budget report or similar, environment and climate change monitoring statement, or climate budget tagging is also highlighted as a good tool by several respondents. The establishment of an effective coordination, such as an inter-departmental and ministerial platform, together with the existence of a Long-Term Strategy (LTS) is mentioned. As well as the importance of top-down and bottom-up interventions.
- On which national plans, policies and strategies need to be listed as climate relevant most of the respondents mentioned the need to include National Development Strategies and Plans, long-term national development plans setting the vision for the country, together with policies and plans in climate relevant sectors. On the questions on what actions are needed to strengthen national and subnational capacities the need of an integrated approach with high level support was stressed by some, together with the involvement of sectoral ministries and inter-governmental committees. Specific actions taken by climate funds can help in identifying needs and gaps. More programme-based interventions are needed, together with reinforcement of institutional capacities, such as a Programme Management Unit or an Implementation, Monitoring and Evaluation Unit. In general, the need for more capacity building (public and private, human and institutional) is stressed, as well streamlining reporting and delivery mechanisms.
- On how to assess the broader engagement and the relevant mechanisms, respondents stressed the importance of analysing existing decision-making processes and if permanent or ad-hoc committees exist, beyond general consultation processes. In these cases, it is highlighted the importance of including civil society and the private sector in these processes. Gender and inclusion mainstreaming is considered as an appropriate tool by some. The establishment of National Green Banks or National Climate Funds could also promote a broader engagement with relevant stakeholders.
- Examples or relevant harmonisation initiatives include:
  - The GCF and the GEF harmonisation efforts through the Long-Term Vision on Complementarity ([LTV](#)) and other collaboration platforms with multilateral climate funds.
  - The IaDB's [Regional Climate Change Platform of Economy and Finance Ministries](#).
  - Ongoing work in Uganda with the operationalisation of the Climate Finance Unit.
  - AfDB initiatives such as the African Financial Alliance on Climate Change ([AFAC](#)) or the [NDC Hub](#).
- On the questions of climate vulnerability indicators, the [ND-GAIN indicator](#) is referred to by several respondents, with others pointing to indexes such as the UN Multidimensional Vulnerability Index ([MVI](#)), the [Children's Climate Risk Index by UNICEF](#) or the [Maplecroft Exposure Index](#). It is also mentioned that some other indicators and studies could be useful, including the Sendai Framework Indicators. While all the indexes will have strengths and weaknesses, the Adaptation Benefits Mechanism ([ABM](#)) pilot recognises that it is the prerogative of every country to define their own adaptation needs and donors and ultimately consumers to choose which of those adaptation needs they wish to finance. An important consideration to be considered is the fiscal space and the composition of climate finance and countries' debt.

- Regarding how to assess that sufficient volumes of concessional finance are allocated to the most vulnerable so to increase their capacity to access climate finance, some stressed the need to support those countries in assessing and communicating their needs, hence capacity building is very important. Support should be channelled to technical teams in sectorial and technical agencies and institutions, and relevant service providers. Different plans and reports can support this assessment. It is also mentioned the importance of monitoring the concessional finance received from climate funds.
- On the question of how to assess alignment with the Paris Agreement and what indicators are needed, some indicated that tools are needed to monitor NDCs and national plans to ensure they are aligned with the Paris Agreement. Again, capacity building is deemed as fundamental. Most of the respondents considered the four main characteristics from OECD<sup>26</sup> as useful guidance for the assessment. Moreover, it was mentioned that the methodological questions related to assessing progress toward Article 2.1c are a matter for the UNFCCC, in particular the Standing Committee on Finance. In addition, the extent to which national long term climate plans are aligned with the long-term temperature objectives of the Paris Agreement should also be evaluated.  
The tools and ongoing work by the MDBs on the Joint MDB Assessment Framework for Paris Alignment was also mentioned as important, with progress to be presented at COP27.
- On the question on indicators related to flexibility and innovation it was mentioned that to demonstrate efforts is important to refer to a baseline, depending on the information available as well as to reflect general trends in the implementation of solutions. Other options could be assessing co-benefits (adaptation, mitigation, development) of the actions, as well as consultation with stakeholders leading to changes in planning or methodologies. Again, the need to reinforce institutional capacities was stressed, so to enable the trial of new and innovative approaches, both local and national. Specifically on adaptation finance, the [Adaptation Benefits Mechanism](#), as well as commitments for Certified Adaptation Benefits.
- On the issue of scaling up the mobilisation of private climate finance, there is global agreement on the importance of public finance to trigger and scale up private finance, including through blended finance and de-risking instruments. The allocation of public resources needs to be strategic, address market failures and respond to the sectors and countries most in need. Some mentioned that public climate finance can cover the technical assistance to deliver an enabling environment for private sector investors to engage in, as well as supporting capacity building (human and institutional). Moreover, the responses pointed out that international climate finance can help in mobilising domestic climate finance and attract international investors. When working with the private sector directly, it is advised to ensure proper coordination and timelines, as well as integrating public sector objectives to generate knowledge and models that can be extrapolated and replicated.
- On transparency, most of the respondents agree that the relevant mechanisms are in place within the UNFCCC, and hence on the importance of regular and robust monitoring within the UNFCCC, covering each ex-post and ex-ante climate finance information. Again, the issue of capacity building is considered fundamental to ensure that robust and transparent monitoring and reporting practices are in place and parties provide high quality information. Moreover, other reporting mechanisms are needed in order to be more inclusive and focus

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<sup>26</sup> According to the [OECD report 2019](#), four main characteristics of development co-operation that is effectively aligned with the Paris Agreement: does not undermine the Paris Agreement but rather contributes to the required transformation; catalyses countries' transitions to low-emissions, climate-resilient pathways; supports the short- and long-term processes under the Paris Agreement; proactively responds to evidence and opportunities to address needs in developing countries.

on Micro and Small Medium Enterprises (SMEs and MSMEs). The importance of considering policy coherence and just transition elements in the deployment and reporting of climate finance was also mentioned, as was the need for enhanced collaboration between private and public entities, civil society and academia, and knowledge sharing through south-south cooperation, for effective climate finance governance.

## SECTION D: ANNUAL REPORT & RESULTS TEMPLATE

Based on the research and methodology described in the previous sections of this report, on the Evidence Review for the Taskforce on Access to Climate Finance (ODI, 2021) and on the information gathered via the questionnaire, presented here is the proposed Annual Report structure (Figure 6), including the methodology and data collection Template.

The methodology is based on primary research (questionnaire, interviews) together with secondary research (literature review).

This proposed annual report template and methodology should be tested during the next year so to better include further reflections and inputs from the Steering Committee Members and key stakeholders, such as the group of MDBs, the MCFs, the NDCP, UNFCCC, OECD and others. An external consultation or peer-review process could also be considered, so by COP28 the Taskforce could showcase progress in relation to access to finance, in the broader context of the phase 3 of the first Global Stocktake process.

*Figure 6. Annual Report Structure*

<p><b>EXECUTIVE SUMMARY</b></p> <p><b>1. BACKGROUND AND CONTEXT</b></p> <p><b>2. RESULTS</b></p> <p>    <b>a. Summary</b></p> <p>        i. Highlights / key findings</p> <p>        ii. Activity-based progress report summary (table)</p> <p>        iii. Pioneer country trials</p> <p>    <b>b. Detailed Overall Progress</b></p> <p><b>3. RECOMMENDATIONS AND LESSONS LEARNT</b></p> <p><b>4. DATA COLLECTION AND TEMPLATES</b></p> <p>    <b>a. List of stakeholders</b></p> <p>    <b>b. Literature review and summary of progress achieved in relevant initiatives</b></p> <p>    <b>c. Questionnaire: Results template</b></p> <p><b>5. ANNEXES</b></p>
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## BACKGROUND AND CONTEXT

This section should be used to introduce the Taskforce and the P&Rs and any new development in relation to the Steering Committee members, the Governance Structure and the pioneer countries and the Governance.

## RESULTS

### Summary

This section should first include a **i) summary table highlighting the key findings** and results achieved over the last year by the Taskforce, using the information gathered by the Secretariat via the questionnaire, interviews and the literature review.

It is also recommended to first include an **ii) activity-based Progress Report Summary** to reflect all the relevant activities carried out by the Taskforce (Table 8). Work is proposed around three key work areas:

- Coordination and support
- Communication and Outreach
- Knowledge (creation, management) and MEL.

*Table 8. Activity-based progress report template*

Activity area	Actions
Coordination and support	
Communication and Outreach	
Knowledge and MEL	

In the absence of a common reporting and monitoring framework, it is recommended to **iii) summarise progress achieved in each of the pioneer country trials** in this section of the Annual Report. This must be further discussed within the Taskforce and with the Pioneer Countries. Once available, the annual reports from the pioneer countries could also be included in the annual report, as stand-alone documents or as Annexes.

It is recommended that the commitments in relation to the pioneer countries outlined in the Taskforce Concept note are also monitored and reported against to, and a table using KPIs Scorecard (Table 9) is proposed in this regard. Further evidence could be added as needed (by country).

*Table 9. Summary of Taskforce commitments in relation to the pioneer country trials*

Principle	Taskforce Commitment	Checklist
<b>1. Country Ownership</b>	At the start of the trials in pioneer countries, the Taskforce will support recipients in the development of an upfront statement setting out which climate action priorities each trial will focus on and how these will be embedded in national planning	Yes/no/in progress
	As a part of the Taskforce's trials, in cooperation with pioneer countries, providers will aim to strengthen the capacity of domestic institutions to deliver climate finance programmes (recommendation 1.3.)	Yes/no/in progress
	As a part of the Taskforce's trials in pioneer countries, providers will aim to identify and align available sources of readiness support that can strengthen the programmatic approach in each pioneer country (recommendation 1.4)	Yes/no/in progress
<b>2. Harmonisation of Processes and</b>	As a part of the Taskforce's trials in pioneer countries, providers will aim to make a multi-year programming offer as part of early strategic planning (recommendation 2.8.)	Yes/no/in progress



Principle	Taskforce Commitment	Checklist
<b>Alignment of Finance</b>	In consultation with recipients, map and review accreditation processes and funding requirements. This process will be convened by the Taskforce, with support from external organisations as necessary (Recommendation 2.9.)	Yes/no/in progress
	As a part of the Taskforce’s trials in pioneer countries, providers will seek to actively identify opportunities for a phased approach to facilitate greater national and sub-national access. (Recommendation 2.10)	Yes/no/in progress
<b>3.Responsiveness to Country Needs and Climate Vulnerability</b>	The Taskforce will work with recipients to conduct a robust assessment of needs at the start of each of the trials in pioneer countries (recommendation 3.14)	Yes/no/in progress
<b>4. Flexibility and Innovation</b>	As a part of the trials in pioneer countries, the Taskforce will identify opportunities to utilise the approaches listed to deliver a more flexible and innovative approach (recommendation 16.1)	Yes/no/in progress
	As a part of the Taskforce’s trials in pioneer countries, providers will actively work to balance the scale and risk of potential activities with accreditation and project approval processes (recommendation 17.1)	Yes/no/in progress

Key: Recipient Providers Both

**Detailed overall progress**

In this section the main achievements and findings from the last year (by principle) should be summarised dividing the section in three:

- Steering Committee Members and observers (if any)
- Wider group of stakeholders/Non-Steering Committee Members
- Secretariat. It is recommended to report annually on the Secretariat Tasks, using the table below (Table 10) using a simple KPI Scorecard. A description/list of the key activities could be included as evidence of progress. Role and activities will need to be updated if an independent Secretariat/Coordination unit is established.

*Table 10. Progress achieved by the Taskforce Secretariat*

Secretariat role	Checklist
Coordinate work across the trials, to support pioneer countries and partner donors that will lead delivery.	Yes/no/in progress
Support providers working with recipient countries to draft or improve a national plan to align climate financing behind, potentially supported by other organisations such as NDCP and NAP Global Network. Build up evidence of what makes a successful national climate plan.	Yes/no/in progress
Convene discussions on mapping, streamlining and standardisation of accreditation and other climate finance access processes, including as part of pioneer country trials.	Yes/no/in progress
Help establish a reporting framework, where possible through existing frameworks, in each pioneer country. Use this to gather information and evidence on progress made during implementation.	Yes/no/in progress
Consider how lessons learned could further improve the P&Rs and lead to multilateral and bilateral institutional change.	Yes/no/in progress
Work with other recipient countries to share lessons widely, including through regional peer to peer learning, and continue to gather evidence on areas to prioritise for improvement.	Yes/no/in progress
Independent evaluation	Yes/no/in progress
Publicly issue annual reports on progress and findings in applying the P&Rs, with the first stocktake ahead of COP27. This includes: <ul style="list-style-type: none"> <li>■ Annual inputs from providers and recipients regarding progress made on the application and institutionalisation of each of the Recommendations</li> <li>■ Using evidence gathered on progress to further improve the P&amp;Rs and put proposals to the Steering Committee and the wider Climate Development Ministerial (CDM) community for views.</li> </ul>	Yes/no/in progress

Secretariat role	Checklist
Set out a clear roadmap for the next phase of implementation of the work of the Taskforce with a focus on refining and driving further implementation of the Recommendations to strengthen access to finance at scale.	Yes/no/in progress

## RECOMMENDATIONS AND LESSONS LEARNT

In this section the key recommendations and lessons learnt should be summarised.

It is advisable that the recommendations are operationalised, with action points and responsibilities. And monitored so to measure progress against them in the next year's annual report.

## DATA COLLECTION AND TEMPLATES

The proposed Results Template is based on the primary and secondary research conducted for the elaboration of this report and takes into consideration the key findings from the desk review and the inputs from the Steering Committee members and stakeholders (questionnaire, interviews).

### Stakeholders

It is advisable to conduct a revised strategic identification of key informants. The list developed for this first report could serve as the basis (Annex 1. List of stakeholders) with the following proposed categories:

- Taskforce Steering Committee members
- Pioneer countries
- Wider group of stakeholders, such as: international and regional organisations and technical working groups; other providers and recipients of climate finance, such as MDBs, MCFs and other main providers of climate finance and recipients; related initiatives, experts and other stakeholders.

The interim Secretariat (or the independent Center proposed by the UK) could suggest an initial list of stakeholders and then it could be discussed within the Steering Committee. Ideally non-Steering Committee members could also serve as peer reviewers of the annual report.

### Literature review and summary of progress achieved by other initiatives

As described in this report, in the upcoming years many important and relevant processes will take place, in the context of the UNFCCC and beyond, including the 2030 Agenda and the SDGs (see Literature review). It is therefore important that the Taskforce work remains fully engaged with these processes to increase traction and fully operationalised the broader implementation of the P&Rs.

It is also advisable that the report includes a summary of the key outcomes and progress achieved by the relevant initiatives and processes (and any new one) included in this report (see Table 6 and Table 7).

As in the case of the work carried out this year, the focus of this literature review should not be barriers and challenges, but new insights, gathering of new evidence and not barriers and challenges.

The Steering Committee might consider carrying further research work on barriers, challenges and potential solutions in relation to access to climate finance, including private finance.

### Questionnaire and results template

To collect data on progress, the first part of the questionnaire (Annex 2) used for this report

could be directly used (see Table 11 below). This year focus was developing indicators and potential indicators or KPIs, and therefore the second part of the questionnaire should be modified and adapted to reflect the new context and situation if the Taskforce decided to conduct further research with the relevant stakeholders.

It is recommended to discuss with the Steering Committee Members the need of a broader consultation so to develop a new and reduced set of questions so to assess the adequacy of the KPI Scorecard, identify potential areas for improvement and support the development and validation of the Theory of Change. The Evidence Review for the Taskforce (ODI, 2021) indicates that realistic, country-specific criteria and key performance indicators are needed to measure progress and performance. At the same time, the number of indicators should be kept to the minimum necessary to secure the programme goals, with a combination of process and output indicators.

*Table 11. Questionnaire on progress*

<b>1. Has your country/ institution made progress (or supported progress) towards enhancing access to climate finance over the past year? Please indicate all that apply. If yes, please provide more details of your overarching progress</b>
Overarching progress (across the five principles)
Specific actions towards Principle 1 – Country Ownership
Specific actions towards Principle 2 – Harmonisation of Processes and Alignment of Finance
Specific actions towards Principle 3 – Responsiveness to Country Needs and Climate Vulnerability
Specific actions towards Principle 4 – Flexibility and Innovation
Specific actions towards Principle 5 – Transparency and Accountability
<b>2. Out of the 21 recommendations, which 5 are most impactful/relevant for your organisation?</b>
<b>3. How could the Taskforce better facilitate learning and support providers and recipients in taking these actions?</b>
<b>4. Over the next year, which further actions should providers and/or recipients focus on to better align with the P&amp;Rs?</b>

To collect concrete progress against each of the principles and relevant recommendations a more detailed table has been also developed (Table 12) for consideration of the Taskforce. The questionnaire (either Table 11 or Table 12) could be circulated on-line (e.g. Air table or even Survey Monkey) so to collect all the responses and relevant documents in an excel file, that could be easily exported into the designed format to extract the information. Alternatively, a word document to be filled-in could be circulated among the stakeholders. The table/template covers all the principles and recommendations and proposes a simple KPI Scorecard to measure progress against each of them. The KPI Scorecard is based on straightforward questions by principle and recommendation. These questions should serve as indicators on progress and could be easily updated and refined.

Therefore, the proposed reporting template is based on *yes/no/in progress* responses so to minimise any unnecessary reporting burden while at the same time providing a quick and visual overview of progress, e.g. by using colours (**green/yes**; **no/red**; **in progress/orange**) and data visualisation tools included in Air table or using other software like PowerBI.

The results can be then summarised in the annual report using a narrative methodology, highlighting the evidence provided in the Summary section, with text boxes/or case studies as appropriate.

Table 12. Questionnaire/template for data gathering

Key: Recipient Providers Both

Principle	Recommendation	Criteria/Questions	Checklist	Evidence
<b>1. Country Ownership</b>	1.1. Clearly articulate climate action priorities, based on existing climate planning	1.1.1. National Climate Plans included in national development, financial and sectorial plans. 1.1.2. Mainstreaming activities are in place and/or planned 1.1.3. Engagement with regional, local governments 1.1.4. Financing needs are identified 1.1.5. Finance plans are aligned with the Paris Agreement and other environmental targets 1.1.6. Countries strengthen their national coordination methods and results frameworks.	Yes/no/in progress	To support your response please include links to relevant documents / references as necessary.
	1.2. Respect country and sub-national leadership	1.2.1. National Climate Plans and National Development Goals are used as indicators in the programmes and projects 1.2.2. Stakeholder engagement is a cross-cutting activity in programmes and projects 1.2.3. Development partners use country-led results frameworks 1.2.4. Aid is untied.	Yes/no/in progress	
	1.3. Broaden the range of recipients	1.3.1. Is climate finance being distributed in consultation with an increased range of recipients at a national and sub-national level and being used to strengthen their capacities?	Yes/no/in progress	
	1.4. Strengthen national and sub-national capacities	1.4.1. Is climate finance actively being channelled through country systems and institutions in support climate action priorities? 1.4.2. Work and support relevant capacity building initiatives, e.g., NDCP or NAP Global Network.	Yes/no/in progress	
	1.5. Work with existing initiatives to support plans which to underpin a programmatic approach to achieve long term goals	1.5.1. Climate is included in existing national strategies and budgets.	Yes/no/in progress (Link to 1.2.1)	
	1.6. Engagement with subnational governments, civil society organisations and micro-, small- and medium-enterprises.	1.6.1. Working with Local expertise and local initiatives are one of the objectives in the projects – and their engagement is measured 1.6.2. Stakeholder consultations are one of the activities of the projects 1.6.3 Gender, youth and human rights are carefully integrated 1.6.4. Commitment to the Principles for Locally Led Adaptation 1.6.5. TA support for localisation of priorities.	Yes/no/in progress	

Principle	Recommendation	Criteria/Questions	Checklist	Evidence
<b>2. Harmonisation of Processes and Alignment of Finance</b>	2.7. Align support behind a partner country's climate action priorities (recommendations 1 -4)	2.7.1. Synergies in country programming. Is support in climate aligned with broader climate and development policies, plans, strategies, and national budget and investment cycles?	Yes/no/in progress (link to Principle 1)	To support your response please include links to relevant documents / references as necessary.
	2.8. Multi-year programmatic approaches rather than single-project investments	2.8.1. Support preparation of national investment plans for climate action 2.8.2. Increased use of multi-year programmatic approaches?	Yes/no/in progress	
	2.9. Map and review accreditation processes and funding requirements.	2.9.1. Process underway to standardise and streamline accreditation processes, funding requirements, proposal and reporting templates, and monitoring and results systems 2.9.3. Unfunded proposals are shared with alternative finance providers.	Yes/no/in progress	
	2.10. Long-term capacity building with some level of access granted to both respond to local needs and strengthen systems.	2.10.4. Enough capacity building support available, and planned, together with Long-term capacity building activities and programmes.	Yes/no/in progress	
<b>3.Responsiveness to Country Needs and Climate Vulnerability</b>	11. Work to prioritise adaptation finance for countries that are most vulnerable to the impacts of climate change, especially those with low incomes and/or high exposure to climate hazards, including LDCs, SIDS and African nations.	2.11.1. Adaptation finance is prioritised for countries that are most vulnerable to the impacts of climate change? 2.11.2. Specific support to LIFE-AR or any other relevant climate finance delivery at local level.	Yes/no/in progress	To support your response please include links to relevant documents /references as necessary.
	12. Focus grants and the most concessional adaptation resources on those with the greatest need and highest vulnerability.	2.12.1. Sufficient grant funding is made available. 2.12.2. Are grants and the most concessional adaptation finance prioritised for countries that are most vulnerable to the impacts of climate change?	Yes/no/in progress	
	13. Work to integrate climate considerations across all new development interventions to address the core drivers of climate vulnerability and adjust existing programmes where appropriate.	2.13.1. Do all new development interventions integrate climate considerations?	Yes/no/in progress	
	14. Ensure that, over time and through an iterative learning process where relevant official climate plans are underpinned by a robust assessment of needs which identifies risks, priorities and policy/funding needs to tackle them.	2.14.1. Are official climate plans underpinned by a robust assessment of needs? 2.14.2. Direct support is also provided to sub-national and local government administration.	Yes/no/in progress (link to principle 5)	
	15. Explore opportunities to re-evaluate climate finance allocation models to	2.15.1. Have climate finance allocation models been re-evaluated to better capture climate vulnerability.	Yes/no/in progress	

Principle	Recommendation	Criteria/Questions	Checklist	Evidence
	improve their ability to capture the range of factors comprising climate vulnerability and better differentiate the impact of climate on different groups.	2.15.2. Reduced times between project submission and first disbursement, and report on both.		
<b>4. Flexibility and Innovation</b>	16.1. To the extent possible, take a more flexible and innovative approach to funding over long-term programmes.	2.16.1. Are you supporting a trial in a specific country? 2.16.2. Have there been attempts to explore a more flexible and innovative approach to long-term programmes? 2.16.3. Budget support is included in programmatic financing options.	Yes/no/in progress	To support your response please include links to relevant documents /references as necessary
	17. Review risk management strategies and take into account the scale and risk levels of potential activities during accreditation and project approval processes to ensure strategies and processes are proportionate to the scale of funding and the complexity of outcomes.	2.17.1. Are you reviewing risks management strategies to balance the scale and risk of potential activities?	Yes/no/in progress	
	18. Use public climate finance to establish or strengthen an enabling environment to stimulate private flows of climate finance	2.18.1. Are you supporting the establishment or strengthening of an enabling environment to stimulate private flows of climate finance? 2.18.2. Climate policy-based financing is promoted 2.19.3. Is climate change integrated in all the processes?	Yes/no/in progress	
<b>5. Transparency and Accountability</b>	19. Improve predictability of funding to the extent possible by sharing projected levels of public financial resources, as available, consistent with the guidance for the submission of information under Article 9.5 of the Paris Agreement.	2.19.1. Climate finance is predictable. 2.19.2. Do Article 9.5 submissions engage with when and where climate finance commitments are intended to be disbursed?	Yes/no/in progress	To support your response please include links to relevant documents / references as necessary
	20. Improve the transparency and accountability of climate finance disbursements to improve trust in the climate finance architecture. Moving towards more timely, regular, and transparent provision of ex-ante and ex-post data will also improve visibility and promote coordination and mutual learning.	2.20.1. Have ex-post and ex-ante climate finance reporting obligations been discharged in a timely and comprehensive manner? Such as the UNFCCC Biennial Reports, and the OECD reporting systems. 2.20.2. Regularly record activities to the International Aid Transparency Initiative. 2.20.3. Work on a more consistent approach in data collection and reporting methods.	Yes/no/in progress	
	21. Identify shared monitoring and evaluation plans for programmes and projects tackling climate and development in partnership with research organisations in recipient	2.21.1. Have shared monitoring and evaluation plans for programmes and projects tackling climate and development been developed? 2.21.2. Multi-country projects report on specific country allocations	Yes/no/in progress	



Principle	Recommendation	Criteria/Questions	Checklist	Evidence
	countries to enhance the limited evidence base on the impact of climate related programmes. This could involve developing common approaches, coordinating efforts, and sharing learning on the results and impact. Indicators should be co-designed to support national planning processes and evidence-based policymaking, as well as relevant international processes.	2.22.3. Support to in-country transparency measures on climate finance 2.22.4. Development partners use country systems.		
	22. Ensure independent scrutiny of climate finance and climate-related development public finance takes place throughout the budget process with civil society, parliamentarians, and audit functions as a part of broader engagement to facilitate meaningful participation by civil society as outlined in Recommendation 6.	2.22.1. Is there independent scrutiny of climate finance and climate-related development public finance throughout the budget process? 2.22.2. Civil society organisations operate within an environment that maximises their engagement in and contribution to climate finance. 2.22.3. Quality of public-private dialogue.	Yes/no/in progress	

Key: Recipient Providers Both

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# Annex 1. List of stakeholders

Organisation /Country	Type of organisation
<b>Belize</b>	Government (recipient)
<b>Bhutan</b>	Government (recipient)
<b>Fiji</b>	Government (recipient)
<b>GCF</b>	Fund
<b>Germany</b>	Government (provider)
<b>Malawi</b>	Government (recipient)
<b>Rwanda</b>	Government (recipient)
<b>Senegal</b>	Government (recipient)
<b>Sweden</b>	Government (provider)
<b>UK</b>	Government (provider)
<b>U.S.</b>	Government (provider)
<b>WB</b>	MDB/DFI
<b>Bangladesh</b>	Government (recipient)
<b>Jamaica</b>	Government (recipient)
<b>Uganda</b>	Government (recipient)
<b>Broader group of stakeholders (no particular order)</b>	
<b>NDCP</b>	Multilateral/IO
<b>LIFE-AR</b>	Multilateral/IO
<b>NAP Global</b>	Multilateral/IO
<b>IMF</b>	Multilateral/IO
<b>GEF</b>	Fund
<b>OECD</b>	Multilateral/IO
<b>CCFAH</b>	Multilateral/IO
<b>UNFCCC</b>	Multilateral/IO
<b>ODI</b>	Think Tank/Research
<b>UNEP</b>	Multilateral/IO
<b>WRI</b>	Think Tank/Research
<b>E Co Ltd</b>	Think Tank/Research
<b>IIED</b>	Think Tank/Research
<b>CPI</b>	Think Tank/Research
<b>ICCAD</b>	Think Tank/Research
<b>Transforma</b>	Think Tank/Research
<b>SouthSouthNorth</b>	Think Tank/Research
<b>EBRD</b>	MDB/DFI
<b>EIB</b>	MDB/DFI
<b>CIF</b>	Fund
<b>IaDB</b>	MDB/DFI
<b>AfDB</b>	MDB/DFI
<b>ADB</b>	MDB/DFI
<b>CDB</b>	MDB/DFI
<b>AIIB</b>	MDB/DFI
<b>GGGI</b>	Multilateral/IO
<b>Climate Analytics</b>	Think Tank/Research
<b>Climate Action Network</b>	NGO
<b>EU COM</b>	Government (provider)
<b>GermanWatch</b>	Think Tank/Research
<b>CFAN / RMI</b>	Think Tank/Research
<b>Oxfam</b>	NGO
<b>Climate Focus</b>	Think Tank/Research

## Annex 2. Questionnaire

### General

1) **Has your country/ institution made progress (or supported progress) towards enhancing access to climate finance over the past year? Please indicate all that apply. Refer to the Principles document ([link](#)) for more details.**

a) **Overarching progress (across the five principles)** (*Three key concepts underpin the proposed new approach on enhanced access: Programmatic and coordinated approach; Coordination with existing initiatives; Inclusivity*).

#### Yes/No

If yes, please provide more details of your overarching progress:

b) **Specific actions towards Principle 1 – Country Ownership** (*Programmes and projects should be owned and driven by recipient governments and the communities they intend to benefit, with national priorities framing providers' support*).

#### Yes/No

If yes, please provide more details of your progress against Principle 1:

c) **Specific actions towards Principle 2 – Harmonisation of Processes and Alignment of Finance** (*Processes associated with every stage of accessing climate finance should be streamlined and coordinated to offer a more strategic, coherent, and efficient approach for recipients. Climate finance should be aligned behind integrated national plans and architecture*).

#### Yes/No

If yes, please provide more details of your progress against Principle 2:

d) **Specific actions towards Principle 3 – Responsiveness to Country Needs and Climate Vulnerability** (*Climate finance should clearly respond to the self-defined needs and priorities of recipients, including those countries and communities with the greatest immediate needs and the lowest capacities to access funds, consistent with the goals of the Paris Agreement, including pursuing efforts to limit the temperature rise to 1.5°C*).

#### Yes/No

If yes, please provide more details of your progress against Principle 3:

e) **Specific actions towards Principle 4 – Flexibility and Innovation** (*Adopt more innovative and agile approaches alongside proportionate risk management processes to deliver climate finance which better responds to variations in local capacity and need*).

#### Yes/No

If yes, please provide more details of your progress against Principle 4:

f) **Specific actions towards Principle 5 – Transparency and Accountability** (*Climate finance should be more predictable, transparent and yield measurable progress towards recipient countries' climate capabilities and climate goals*).

#### Yes/No

If yes, please provide more details of your progress against Principle 5:

2) **Out of the 21 recommendations, which 5 are most impactful/relevant for your organisation?**

Please refer to the [Taskforce Principles and Recommendations](#) for detailed description of each recommendation.

3) **How could the Taskforce better facilitate learning and support providers and recipients in taking these actions? Learning and sharing outcomes is an important objective of the TASKFORCE- what steps could be taken to support this? Would it also be useful to include some suggestions- dedicated MEL team? Knowledge platform? Regular meetings that focus on learning? Others?**



**4) Over the next year, which further actions should providers and/or recipients focus on to better align with the Principles and Recommendations?**

In this section we want to understand how each principle is being integrated into specific contexts to help us develop appropriate KPIs that will support the development of the reporting template.

**5) Under principle 1 it is anticipated that national climate priorities (including NDCs, NAPs and LTS) are integrated in national and sub-national processes such as budgets, development and economic growth strategies. What in your experience is the best way to assess the degree of integration?**

**6) Which national plans, policies and strategies need to be listed as climate relevant or need to incorporate climate considerations and risks?**

**6b. What specific actions are needed to strengthen national and sub-national climate finance coordination, implementation, and monitoring capacities?**

**7) We want to assess the broader engagement between national actors and sub-national, local, civil society and private sector stakeholders. Please provide details of mechanisms that can be used to assess the strength of this engagement.**

**8) Are you involved in or aware of any relevant harmonisation initiatives? If yes, please provide more details.**

**9) What climate vulnerability indicators are most appropriate for assessing climate finance allocation and prioritisation?** There is no further specification on how countries within vulnerability groups (i.e. LDCs, SIDS and African countries) should be ranked to identify the “most vulnerable” Some widely used and accepted indices with a dedicated vulnerability component include ND-GAIN, INFORM and World Risk Index.

**10) What is the best approach to assess that a sufficient volume of concessional finance is allocated to the most vulnerable to increase their capacity to access climate finance? Which non-climate sectors need more support?**

**11) How to assess alignment with the Paris Agreement? What indicators are needed to assess whether development initiatives are Paris aligned?** *For instance, according to the [OECD report](#), four main characteristics of development co-operation that is effectively aligned with the Paris Agreement: does not undermine the Paris Agreement but rather contributes to the required transformation; catalyses countries’ transitions to low-emissions, climate-resilient pathways; supports the short- and long-term processes under the Paris Agreement; proactively responds to evidence and opportunities to address needs in developing countries.*

**12) How can a robust assessment of needs enhance ‘official climate plans’ and their engagement with climate vulnerability?**

**13) Indicators related to flexibility and innovation are unlikely to be standardised across providers and recipients – how best could success in this domain be captured across stakeholders?**

- 14) Where are the synergies between increased access to public climate finance and scaling up the mobilisation of private climate finance?**
- 15) What mechanisms are needed to ensure that climate finance is provided and managed in ways that are transparent and responsive to all levels of society?**
- 16) In your view, what does best practice look like when it comes to co-designed monitoring and evaluation plans which enable the sharing of learning of results and impact?**

**Bonus questions: any other reflections on the Taskforce that you feel are pertinent to enhance access to climate finance that haven't been covered above? Are you involved in/aware of any study/project/activity relevant to climate finance access that would be beneficial for the TASKFORCE? If yes, please provide details.**