



**GREEN
CLIMATE
FUND**

Meeting of the Board
21–24 October 2024
Songdo, Incheon, Republic of Korea
Provisional agenda item 7(a)

GCF/B.40/16

4 October 2024

Terms of Reference

Consultancy Services to support the Review of the GCF’s Independent Technical Advisory Panel

Summary

The independent Technical Advisory Panel (iTAP), in accordance with decision B.07/03, paragraph (f), was established to provide an independent technical assessment of and advice on funding proposals for the Board. The terms of reference approved in decision B.09/10 and revised by decision B.25/09, addresses the panel’s composition and structure, its operations, and its mandate to engage on the review of funding proposals.

In its 39th meeting the Board noted the progress of the Investment Committee regarding the “Review of the structure and effectiveness of the independent Technical Advisory Panel” and recognized the evolving context of GCF work since the previous report commissioned in 2023. The Board requested the Secretariat under the guidance of the Investment Committee to commission a broad review of the objectives, role, structure, governance and operational modalities of the independent Technical Advisory Panel in supporting GCF business and Board decision-making.

Terms of Reference

Consultancy Services to support the Review of the GCF's Independent Technical Advisory Panel

I. Introduction

1. The independent Technical Advisory Panel (iTAP), in accordance with decision B.07/03, paragraph (f), was established to provide an independent technical assessment of and advice on funding proposals for the Board. The terms of reference approved in decision B.09/10 and revised by decision B.25/09, addresses the panel's composition and structure, its operations, and its mandate to engage on the review of funding proposals.
2. In its 39th meeting the Board noted the progress of the Investment Committee regarding the "Review of the structure and effectiveness of the independent Technical Advisory Panel" and recognized the evolving context of GCF work since the previous report commissioned in 2023. The Board requested the Secretariat under the guidance of the Investment Committee to commission a broad review of the objectives, role, structure, governance and operational modalities of the independent Technical Advisory Panel in supporting GCF business and Board decision-making.

II. Objective of the assignment

3. On behalf of the Investment Committee, the GCF Secretariat is seeking to commission a consultancy firm (the "Firm") to undertake a broad review of the independent Technical Advisory Panel's objectives, role, structure, governance and operational modalities in supporting GCF business and Board decision-making, drawing on over lessons learnt from past and most recent experience, data on the Secretariat and the iTAP's structure and operations, and its alignment to related processes to the objectives of the GCF's Strategic Plan 2024-2027 (GCF-2). The review will include an assessment of:
 - (a) Benchmarking from various models used in entities with similar operations within the climate finance landscape (e.g. multilateral climate funds, development finance institutions, etc.) as to whether there is provision of independent technical advice, and if so the type, structure, process and governance of this body.
 - (b) The evolution of the GCF and the iTAP since the latter's establishment in 2014 to its current role in the context of GCF-2;
 - (c) The value added of the iTAP's role in conducting technical assessments of funding proposals and the extent to which those assessments may improve the quality of the proposal (e.g. ensuring projects duly reflect GCF investment criteria and sufficiently articulate the climate rationale in line with applicable Board decisions, identifying relevant project-related risks, etc.) based on experience from IRM, GCF1 and GCF2, and the role and impact of the iTAP assessment on the Board's consideration of funding proposals.
 - (d) The different roles the iTAP can have at this juncture of GCF's organizational maturity drawing from the benchmarking exercise and institutional experience to date;
 - (e) Key stakeholders' consultation for review and analysis of views around the value of the iTAP; the different roles it can perform and operational modalities to do so.

- (f) The relationship between the iTAP, the Secretariat and the Board and associated implications; including an analysis of the iTAP capability and capacity in comparison with the secretariat capability and capacity in assessing funding proposals.
4. The review should differentiate at least two main type of roles that the iTAP can have, namely, independent technical review of funding proposals to enhance the quality of the funding proposals submitted for Board consideration, and independent technical review of funding proposals to support Board members role in approving such funding proposals.
5. In addition, and based on the objectives that key stakeholders are trying to achieve through the iTAP, explore other modalities that can be used to attain those objectives with an explanation of pros and cons of different modalities including retaining the iTAP on a *status quo* modality or with adjusted modalities. The review will include a comparative analysis of the costs, benefits, and feasibility of each modality.
6. The review should also assess the governance implications of the current operational modalities of the iTAP including the decision-making role associated with whether the funding proposals can or not be submitted to GCF's Board.
7. The assignment is primarily remote, although limited travel may be required to ensure an appropriate stakeholder engagement. It also will require an inclusive stakeholder's engagement process through regular teleconferences with the GCF staff, Investment Committee, and the iTAP members, taking into consideration the different time zones among each participant. The consultation process will involve at least every member of the Investment Committee.
8. The final report will be submitted to the Secretariat and the Investment Committee no later than September 2025. Following the submission of the final report to the Investment Committee, the committee will analyse the findings of the evaluation and present recommendations to the Board no later than B.44 in Q1 of 2026.

III. Scope of Work

9. The assignment shall be undertaken through a combination of document reviews and stakeholder consultations. The Firm shall use an inclusive stakeholder engagement process to promote transparency of methods, diversity of views, and credibility of the analysis and findings. The Firm will engage with stakeholders at various stages of the review process to explain the objectives and methods of the review, seek timely feedback on key questions and share emerging findings as appropriate. Stakeholder engagement will be undertaken as part of each of the key tasks within the scope of work.
10. Key stakeholders include but are not limited to members of the Investment Committee, members of the GCF's Board, current and former members of the iTAP, Secretariat staff, Accredited Entities, members from development finance institutions or other similar organizations who are familiar with independent technical advice. The Firm will recognize the challenges presented by telecommunications technology in various parts of the world and will have a plan to overcome these challenges to ensure an inclusive stakeholder engagement process.
11. To build trust and confidence, the Firm will be expected to communicate clearly to stakeholders the purpose of the review, the methods used and the intended use of the findings. The Firm must analyse data and present findings transparently while reflecting the different views of various stakeholders. The team must also maintain confidentiality, taking into account the type of information as well as individuals and institutions. The Firm should also provide an explicit rationale when they do not incorporate stakeholder feedback.

12. Under the guidance of the Office of the Chief Investment Officer, on behalf of the Investment Committee, the Firm will undertake the following tasks:

3.1 Desk review

- (a) Review of documents related to the structure and operations of the iTAP and the Secretariat;
- (b) This review should include an analysis of the project cycle to identify earlier stages for the iTAP involvement;
- (c) Review of the iTAP's terms of reference and relevant Board mandates;
- (d) Review of GCF's portfolio to date and the different appraisal roles of the Secretariat throughout the project and programme cycle;
- (e) Review of the Updated Strategic Plan for GCF-2 and the GCF's 50by30 vision.
 - (i) The review should be flexible to accommodate any foundational changes that may arise from GCF-3;
- (f) Review a representative sample of the iTAP assessments, and respective Secretariat assessments;
- (g) Stakeholder engagement to clarify any questions resulting from the desk review and ensure a thorough understanding of the information included in the desk review; and
- (h) Comparative analysis of international best practices from similar independent technical functions within other funds, multilateral entities, and development finance institutions.

3.2 Evolution of the iTAP its current role in the context of GCF-2

- (a) A description of the evolution of the size, composition, capacity, and role of the iTAP from its establishment in 2014 to today, juxtaposed with the growth of the GCF overall;
- (b) Assessment of changes in the iTAP's role, structure, and procedures over time, alongside an assessment of changes in the Secretariat's capabilities and capacities, and their impacts on GCF approval processes;
- (c) Analysis of targeted results in GCF's Strategic Plan for 2024-2027 and key sectoral areas in the funding proposal pipeline over the upcoming pipeline for 2025-2027, compared with
 - (i) The core expertise areas of the current iTAP members; and
 - (ii) The expertise areas covered by the Secretariat and its assessment of funding proposals.
- (d) Stakeholder engagement to gain further insights into the evolution of the iTAP in the context of the growth of the GCF, including its role, structure and procedures.

3.3 Need for independent technical advice in the appraisal and approval of funding proposals

- (a) Analysis of the iTAP's deliverables in the funding proposals review process (both recommended and non-recommended funding proposals) and the degree to which they enhance the quality of the funding proposals submitted for Board consideration and facilitate the Board's corresponding funding decisions; including:

- (i) The scope of reviews in relation to the iTAP's terms of reference;
 - (ii) The iTAP's adherence to GCF policies and Board decisions in the reviews and conditions to Funding Proposals; and
 - (iii) The consistency of the iTAP's recommendations across various sectors, structures, and national/regional contexts.
- (b) Assessment of frequency and magnitude of alignment or non-alignment between Secretariat and the iTAP recommendations;
- (i) The reasons for variation in scoring between the iTAP and the Secretariat, and the respective practical implications on the quality of FPs.
 - (ii) Consider and assess the capacities and capabilities of the Secretariat
- (c) To the extent possible, an analysis of the benefits and costs of the current iTAP structure and processes, including:
- (i) The impact of the iTAP's recommendations and proposed conditions on project quality and implementation;
 - (ii) The impact of the iTAP's recommendations and proposed conditions on GCF's ability to crowd-in/leverage investment from third parties (co-financing) into the proposals it is financing; and
 - (iii) The financial and non-financial costs of the iTAP's role in the proposal approval process, borne by the GCF and Accredited Entities.
- (d) Stakeholder engagement to inform the analysis and collect views on the need for independent technical advice in the appraisal and approval of GCF funding proposals.

3.4 Various models for the provision of independent technical advice, including the size, structure, process and governance.

- (a) The Firm will provide options for the Investment Committee's consideration regarding modalities for providing independent technical advice to GCF projects and programmes, including:
- (i) Size, composition and expertise areas (e.g., fixed panel, roster of experts);
 - (ii) The scope of the technical review or advice;
 - (iii) The level of engagement with Accredited Entities, the Secretariat, and the Board;
 - (iv) The stage of involvement (e.g., origination, concept note stage, funding proposal stage, etc.), and methods to provide advice to the Board;
 - (v) A reporting structure to promote accountability and transparency, ensuring the technical advice adequately serves the Board while safeguarding its independence and objectivity;
- (b) The assignment shall include a comparative analysis of the costs, benefits, and feasibility of each of the proposed options, including an option for the continuation of the status quo.
- (c) Stakeholder engagement to obtain views on the feasibility and operational implications of the proposed options.

IV. Deliverables and outputs

13. Upon execution of the contract, the Firm shall develop a work plan, in consultation with staff from the Secretariat. The work plan should set out the approach to undertake the assignment and the working modality. The work plan should include a stakeholder engagement plan, an outline of the questions that will be used during the interviews and surveys for each type of stakeholders, and a timeline with milestones for deliverables and reporting on progress. The work plan shall be approved by the Secretariat and the Investment Committee prior to proceeding with the assignment.

14. The Firm shall give a virtual or in-person presentation on the progress of the review to the GCF Investment Committee on or before the forty-second and forty-third meetings of the Board in June and October 2025, respectively.

15. The main deliverable is the Final Report, which shall report on all activities undertaken during the assignment. It shall, specifically, address all of the above items under the scope of work. The Final report shall also include in its annexes the original interview questionnaire and a list of key stakeholders engaged in the review. The Firm will submit a Draft Final Report for GCF review and produce the Final Report incorporating the comments received during that review. The Firm may be asked to give a virtual or in-person presentation on the Final Report to the Investment Committee.

16. The Firm shall produce the following reports:

SN	REPORTS	TIMING
1	Work plan	Within two weeks from start of the assignment
2	Presentation to the Secretariat and Investment Committee (Progress Update)	On or before B.42 in June 2025
3	Presentation to the secretariat and Investment Committee (Draft Report)	Before end of July 2025
4	Presentation to the Secretariat and Investment Committee (Progress Update highlighting incorporation of comment and any other revisions to the draft report)	On or before end of August 2025
5	Draft Final Report	On or before mid-September 2025
6	Final Report to be shared with the Secretariat and Investment Committee	On or before B.43 publication date (end of September)

V. Required qualifications and competencies

Expertise of Firm / Organisation submitting Proposal
Demonstrated experience in working with international and/or financial organisations and familiarity with their operations; knowledge of GCF projects, programmes and policies, development finance institutions' processes and blended finance investments is a plus
Proven experience in conducting organisational reviews of groups of technical experts

Exhibited excellence in planning, communication and client orientation
Organisation's commitment to sustainability – demonstrated commitment to embed sustainability into its own operations (defined by social, environmental, and economic considerations).
Technical approach and methodology
Proposed approach and methodology responds to the TOR, contains appropriate detail and demonstrates understanding of the GCF, its mandate and business model
Clear workplan and sequence of activities that is logical, realistic and promises efficient implementation of the project
Clear plan for consultations that has inclusive stakeholder engagement, and ensures the participation of at least, all members of the Investment Committee.
Proposed the structure and composition of the team, including the list of main disciplines of the assignment, the key expert responsible, and proposed technical and support staff is sufficient for the project
Description of how sustainability measures will be integrated into the execution of the contract.
Personnel
Lead Expert/ Team Leader
Strategic level experience Experience conducting similar reviews; Experience working with GCF, or other multilateral institutions, and including development finance institutions or MDBs is an advantage
Educational background and professional experience At least 15 years professional experience; Advanced degree in economics, development studies, environmental science, climate change studies, business administration or any other related field; and Excellent command of written and spoken English, knowledge of other UN languages is an advantage.
Project team
Professional expertise in area of specialization Advanced degree in economics, development studies, statistics, environmental science, climate change studies, business administration or any other related field; and Excellent command of written and spoken English, knowledge of other UN languages is an advantage; and Experience working with GCF or other multilateral organisations is an advantage

VI. Access to information

17. The Firm will have access to all the necessary documents and information related to the iTAP and GCF operations in accordance with the policies of the GCF. All documents and information provided to the Firm shall be managed with the highest standards of confidentiality.

VII. Reporting

18. The Firm will provide regular updates to both the Secretariat's designated focal point and to the Investment Committee.

VIII. Duration of assignment

19. The final report will be delivered to the Secretariat and Investment Committee by September 2025, or another date mutually agreed with the GCF Secretariat and Investment Committee.

IX. Recommended action by the Board

20. It is recommended that the Board adopt the decision in annex I.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.40/16 titled “Terms of reference, Consultancy Services to support the Review of the GCF’s Independent Technical Advisory Panel”:

- (a) Adopts the Terms of Reference for a broader review of the function, governance and role of the independent Technical Advisory Panel in supporting GCF business and Board decision-making as contained in document GCF/B.40/16; and
 - (b) Requests the Investment Committee to present its recommendations based on the findings of the review of the Independent Technical Advisory Panel for consideration of the Board no later than the forty fourth meeting of the Board.
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