

**GREEN  
CLIMATE  
FUND**

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# Readiness and Preparatory Support Programme – annual report on implementation 2023

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## **Summary**

This 2023 annual report provides an overview of the current status of the Readiness and Preparatory Support Programme (RPSP) portfolio under implementation, including cumulative results reported in accordance with the Readiness Results Management Framework for the period ending 31 December 2023. The report also highlights key operational improvements of the Programme implemented by the Secretariat, including challenges, lessons learned and priorities going forward.

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## Executive Summary

1. The Board adopted the new strategic direction for the Readiness and Preparatory Support Programme (RPSP) as set out in document GCF/B.37/17 titled “Readiness and Preparatory Support Programme: revised strategy 2024-2027” and reaffirmed that the RPSP is a strategic priority for GCF to enhance country ownership, support direct access to GCF resources, and strengthen strategic programming in support of the objectives laid out in the Strategic Plan for the GCF 2024-2027. In the same decision, the Board requested the Secretariat to develop the operational modalities, including outcome indicators, as appropriate, to be consistent with the Readiness Strategy 2024–2027 and to report on the implementation of the RPSP at the final Board meeting of each year.

2. This report provides an overview of the current status of the RPSP portfolio under implementation, including cumulative results reported in accordance with the Readiness Results Management Framework (RRMF) for the period ending 31 December 2023. Additionally, the report focuses on key highlights and milestones achieved against the 2022-2023 work programme projections, critical operational improvements of the RPSP implemented by the Secretariat, challenges, lessons learned and priorities going forward.

### Growing Readiness and Preparatory Support Programme portfolio

3. The Secretariat has cumulatively approved 798 Readiness requests in 142 countries, for a total value of USD 631 million. Of these, 750 are grant-based Readiness support (USD 628 million), and 48 are technical assistance support valued at USD 2.48 million. Out of the 750 approved requests, 112 grants target adaptation planning and 638 grants deliver other standard Readiness support.

4. In 2023 exclusively, with improved quality of requests and more efficient internal review processes, the Secretariat approved additional requests to support developing countries: 105 requests valued at USD 117 million, benefiting 78 countries, of which 14 requests were for adaptation planning totaling USD 37.9 million.

5. In relation to the current portfolio grant term status, 253 grants are under implementation (i.e. the approved implementation period has not expired), while 220 grants have expired and are advancing through the closure process. Of the 220 expired grants, 189 have submitted completion /audit reports, while 31 grants have pending reporting obligations. In all, 47 grants are pending legal agreements to be finalized, 212 grants are closed and 18 are cancelled. The Secretariat has cumulatively disbursed USD 357 million (out of USD 628 million) for 623 grants which corresponds to 57 per cent of the RPSP portfolio value.

6. In terms of regional distribution, 33 per cent of the approved Readiness funding flows to the African region (USD 209 million), closely followed by Asia-Pacific (USD 199 million), Latin America and the Caribbean region (USD 184 million), and Eastern Europe and Central Asia (USD 35 million). In addition, 64 per cent of the total approved funding (USD 399 million) is benefiting 93 small island developing states (SIDS) and least developed countries (LDCs).

7. The RPSP portfolio currently allocates 40 percent of its funding (USD 250 million, 112 grants) to support processes related to national adaptation plans (NAPs) in 101 countries. In the Africa region, 39 countries are benefiting with the highest funding allocation of USD 93 million, followed by Asia-Pacific with 31 countries receiving USD 78 million, Latin America and the Caribbean with 23 countries receiving USD 58 million, and Eastern Europe and Central Asia with 8 countries receiving USD 22 million.

### Readiness portfolio designed for results

8. The current portfolio is expected to deliver significant results to improve countries' capacity to plan resources for ambitious climate actions, while informing the GCF strategic country-driven programming of transformational mitigation and adaptation initiatives. Cumulative results under the five strategic objectives are highlighted below, extracted from annual progress and completion reports submitted for the period ending 31 December 2023.

**(a) Capacity building for climate finance coordination:**

- 115 countries have reported results in establishing processes, tools, systems, policies, procedures and strategies and action plans that enhanced the ability of national designated authorities (NDAs) and Focal Points to support the planning, programming and facilitation of climate change projects.
- 612 NDA personnel in 102 countries trained on country coordination mechanism, project design, project management, Privileges and Immunities agreement, NDA decision-making process for facilitating climate projects through various capacity-building efforts.
- 62 direct access entities (DAEs) were nominated for accreditation, while 7 DAEs were accredited and 2 DAEs are actively engaged in implementation of climate change projects.

**(b) Strategic frameworks for low-emission investment:**

- 113 GCF recipient countries have reported results in developing robust strategic frameworks to guide GCF investment in complementarity with other climate financiers.
- 20 country programmes (CPs) were updated, 18 CPs endorsed, and 46 CPs developed with validation workshop reports submitted to the Secretariat.
- In terms of nationally determined contributions (NDCs), 26 countries have sought to update or revise their NDCs, of which only 5 countries have reported updating their NDCs and the remaining are works in progress.
- 97 strategies for attracting private sector investment for low emissions and resilience were supported by readiness in 56 countries.
- 13 countries have assessed or developed technology needs assessments and work is in progress in 8 more countries.

**(c) Strengthened adaptation planning:**

- In terms of adaptation planning, 21 countries have reported establishment of integrated adaptation planning and monitoring systems. NAPs have been developed and updated in 58 countries and 49 countries are focusing on the development and update of sub-national and sectoral adaptation plans.

**(d) Paradigm shifting pipeline development:**

- Cumulatively, since inception of the RPSP, 336 concept notes (CNs) were developed in 88 countries and 14 countries have reported that 16 funding proposals (FPs) were developed through RPSP support. Additionally, the development of 278 CNs are still in progress for grants under implementation as at 31 December 2023.

**(e) Knowledge-sharing and learning:**

- 59 GCF recipient countries have benefited from increased levels of awareness, knowledge-sharing, and learning and 21 countries have reported the development of a knowledge platform through RPSP support.

### **Increasing programme effectiveness and efficiency**

9. With the aim of improving the operations of the RPSP, the Secretariat continues to identify and implement further operational actions in response to feedback received from NDAs and delivery partners (DPs), findings/recommendations from relevant Independent Evaluation Unit (IEU) evaluations, internal RPSP process audit action plan implemented in 2023 and the review of the key performance indicators set out in the Secretariat's work programme for 2022-2023. These operational actions are captured in a readiness action plan that the Secretariat implemented from 2022-2023, comprised of three main operational priorities: increase efficiency, strengthen effectiveness and enhance long term, strategic alignment.

10. The Secretariat commissioned an outcome evaluation at the end of 2023, to determine the achievements of the RPSP portfolio made against the readiness results management framework (RRMF) outcome and impact indicators. The draft report of the evaluation is under Secretariat review and the findings and recommendations will be instructive to improve the performance of the RPSP going forward. The Secretariat is also following up on the findings and recommendations of the RPSP evaluation commissioned by the IEU.

11. During 2023, a significant milestone was the approval by the Board of the revised RPSP strategy (readiness strategy). The strategy was revised to support emerging demands and maintain its fit-for-purpose approach in response to countries' climate priorities and needs. The revised readiness strategy focuses on country ownership, country-led programming coupled with results-based orientation of RPSP support to successfully plan and implement climate investments to attain the objectives and commitments in their NDCs/NAPs/long-term strategies. The revised readiness strategy and the operational modalities are designed to be transformative, which will address many of the challenges confronted by the RPSP.

## I. Introduction

12. In line with Board decisions B.22/11 paragraph m, B.26/05, paragraph g and B.37/21, paragraph 32, this annual report presents the status of the RPSP portfolio for the period ending 31 December 2023.

13. The report provides an overview of the status of the key results reported from 300 grants (212 closed grants and 88 with completion reports (CRs) submitted and under review the Secretariat) and the work-in-progress status from the ongoing 282 grants under implementation aligned with the objectives and outcomes approved as per decision B.22/11. To the extent possible, the cumulative results of the portfolio as well as the results reported under the readiness objective, are presented based on the number of countries benefited (instead of number of grants reported) from various readiness project interventions at country and regional levels.

14. The qualitative and quantitative information presented in the RPSP annual report is extracted from the CRs, annual progress reports (APRs), and financial reports submitted by DPs and NDAs for the period ending 31 December 2023 as well as from active monitoring and adaptive management undertaken by the Secretariat on implementation challenges and issues.

15. This report is structured in six sections. This first section covers the introduction, followed by the current status of the portfolio. Section III covers the 2023 highlights against the work programme 2022-2023 as well as the operational improvements achieved during the reporting year. In section IV, the performance review of the portfolio by objective and key indicators are presented by the number of countries benefited. Finally, sections V and VI cover the key challenges and lessons learned from portfolio implementation and the priorities for the readiness portfolio going forward.

## II. Current status of the Readiness and Preparatory Support Programme portfolio

### 2.1 Readiness and Preparatory Support Programme portfolio status

16. The RPSP portfolio comprises (a) grant-based Readiness support, which includes standard readiness grants, support for adaptation planning (NAP grants), and support to DAEs and (b) technical assistance support to NDAs. The Secretariat has cumulatively approved 798 readiness requests in 142 countries, valued at USD 631 million. Of these, 750<sup>1</sup> are grant-based readiness support (USD 628 million), and 48 are technical assistance support valued at USD 2.48 million.

17. The following sections provide the status updates of the RPSP portfolio as at 31 December 2023.

### 2.2 Status of grant-based readiness support<sup>2</sup>

18. The Secretariat has approved 750 readiness grants in 142 countries, totalling USD 628 million of which USD 357 million have been disbursed for 623 grants which corresponds to 57 per cent of the RPSP portfolio value. This disbursement rate may be attributed to some DPs

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<sup>1</sup> The total number of 750 grants includes 735 grant-based readiness support and 15 DAE support grants.

<sup>2</sup> This section only covers the 750 grant-based readiness projects mentioned above.

efficiently implementing readiness support below approved budgets, thus generating significant cost savings. As a result, some DPs have not achieved the minimum threshold of 70 per cent expenditure rate as a condition for requesting subsequent tranches. Moreover, the disbursement rate is likely to increase in early 2024 following the annual disbursement request cycle from 31 March which will reflect the additional first and subsequent disbursements processed.

19. Out of the 750 approved grants, 253 are under implementation (i.e. the grant implementation period has not yet expired), while 220 have expired and are advancing through the closure process. In total, 47 grants are pending legal agreements to be finalized, 212 are closed and 18 are cancelled. Of the 220 expired grants, 189 grants have submitted CRs/audit reports and are advancing through the grant closure process. The Secretariat continues to actively follow-up with NDAs/DPs on the 31 grants with pending closure reporting obligations.

20. The grant-based readiness support is distributed between adaptation planning and other readiness support with 112 grants (USD 250 million) supporting countries for the formulation of adaptation plans and related planning processes (40 per cent of RPSP portfolio) and 638 grants (USD 378 million) delivering other Readiness support (60 per cent of RPSP portfolio).

21. By implementation modality, 40 per cent of the RPSP portfolio (i.e. 302 grants valued at USD 329 million) is being implemented by international accredited entities (AEs), followed by 33 per cent delivered through non-accredited DPs (251 grants valued at USD 178 million), 12 per cent each by national AEs (91 grants valued at USD 48 million) and regional AEs (89 grants valued at USD 666 million), and a small proportion of the readiness grants is being implemented by NDAs directly (17 grants valued at USD 7 million). Notably, the top five DPs implementing readiness support include the: Caribbean Community Climate Change Centre (CCCCC), Food and Agriculture Organization (FAO), Global Green Growth Institute (GGGI), United Nations Environment Programme (UNEP) and United Nations Development Programme (UNDP), each of which has in place a Readiness Framework Agreement offering efficiency gains during implementation.

22. In terms of regional distribution,<sup>3</sup> the Africa portfolio comprises 234 grants valued at USD 209 million (33 per cent of funding value), benefiting all 54 countries. This is followed by Asia-Pacific with 227 grants (USD 199 million, 32 per cent of funding value) benefiting 46 countries, Latin America and the Caribbean with 240 grants (USD 184 million, 29 per cent of funding value), benefiting all 33 countries, and Eastern Europe and Central Asia with 39 grants (USD 35 million, 6 per cent of funding value), benefiting all 9 countries. For the reporting year, the Latin America and the Caribbean region had the highest number of grants approved totaling 26 grants valued at USD 24.49 million.

23. Of the total 750 grants (total value USD 628 million), the SIDS and LDCs readiness portfolio consist of 396 grants amounting to USD 327 million, benefiting 75 countries. This represents 52 per cent of the total approved grants in relation to the overall portfolio. This infers that the Secretariat overachieved its target to allocate at least 50 per cent of the readiness support to vulnerable countries.

24. The RPSP portfolio supporting vulnerable countries (SIDS and LDCs) is largely concentrated in the Africa region (42 per cent of funding value), followed by Asia-Pacific region (31 per cent of funding value), and Latin America and the Caribbean region (27 per cent of funding value). The vulnerable countries portfolio is comprised of 37 per cent (USD 121 million, 57 grants) support for the formulation of adaptation plans, and the remaining 63 per cent (USD 207 million, 339 grants) of the grants deliver other standard readiness support.

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<sup>3</sup> The regional distribution of grants includes 37 multi-country grants and 3 multi-regional grants.



25. Based on the funding volume, the average approved readiness amount per country is USD 4.4 million. While readiness support benefits 142 countries, approximately 70 per cent of the total approved funding (USD 434 million) has been availed by 74 countries, with a total approved amount ranging from USD 4.4 million to USD 9 million per country. The remaining 30 per cent (USD 192 million) of readiness funding has been availed by 68 countries, with a total approved funding ranging from USD 0.6 million to USD 4.3 million).<sup>4</sup>

26. Understanding readiness funding allocation is key to assess in which countries readiness support is needed the most and where Secretariat efforts should be prioritized. Annex 1 presents approved funding of readiness by country. In addition, new countries (such as Samoa and the Bolivarian Republic of Venezuela) have accessed readiness support in the last two years, highlighting the need for and continuous interest in readiness.

27. The RPSP multi-country portfolio comprises 37 grants with a funding value of USD 11 million seeking to address transboundary issues while fostering regional cooperation in climate action. It is mostly distributed in the Latin America and the Caribbean region with 21 grants approved (USD 5.3 million), followed by Africa with 11 grants (USD 4 million), and Asia and the Pacific with 5 grants (USD 2 million). Amongst the countries, Saint Lucia and Belize are the two most common beneficiary countries as they are engaged in nine multi-country grants. In addition, the multi-region portfolio consists of three grants totalling USD 4.3 million. Unlike the funded activities portfolio, all recipient countries for multi-region and multi-country grants have also sought individual country readiness funding.

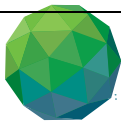
28. The DAE portfolio comprises 15 projects of which 12 are under implementation (valued USD 2.3 million) and implemented by 12 DAEs in 10 countries. Out of 12 DAEs supported, 8 are in the Asia-Pacific region, and 4 in the Latin America and the Caribbean region. These grants primarily focus on enhancing the capacity of DAEs to effectively implement the Integrated Results Management Framework (IRMF) for GCF investments. This involves providing support for developing funding proposals, building project pipelines, strengthening monitoring and evaluation systems, and aligning project activities with IRMF requirements. As an example of a successful initiative, the grant DAE-RS-001 titled 'Readiness Support for the Implementation of the IRMF for the Caribbean Development Bank (CDB),' equipped the CDB with the knowledge and tools necessary to ensure that the Project Preparation Facility (PPF) funding proposals PPF-033, PPF-035, and PPF-047 were aligned with the GCF IRMF. This was achieved through expert guidance from specialists and targeted capacity-building activities for CDB personnel and other stakeholders. The three funding proposals are expected to be submitted in 2024.

29. The grant-based readiness portfolio comprised 53 per cent of active portfolio and remaining 47 per cent are expired grants.

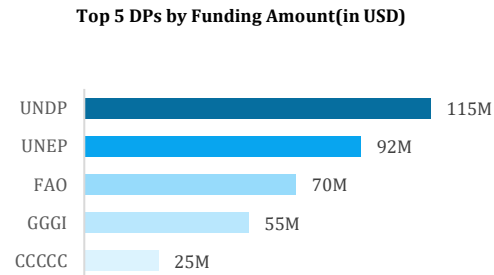
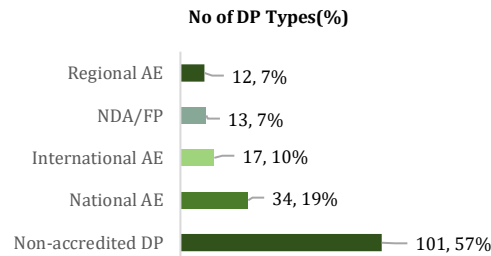
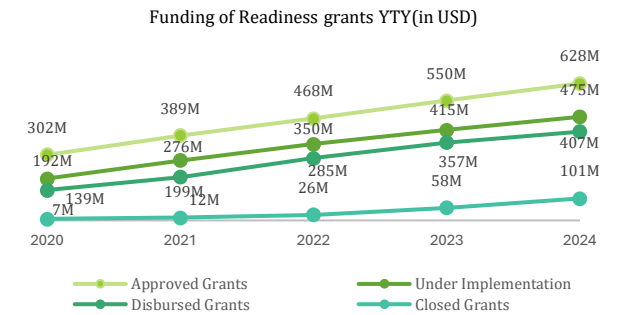
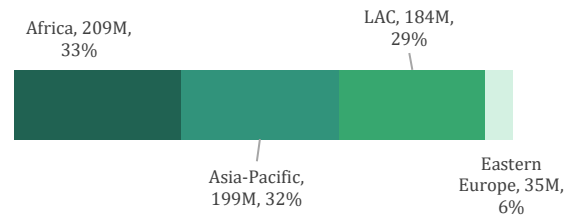
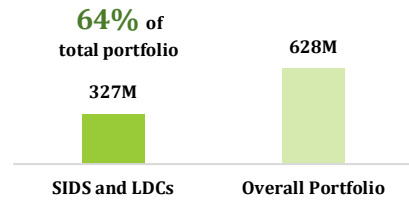
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<sup>4</sup> Analysis per country does not include DAE grants.





**Figure 1. Readiness portfolio at a glance**



Approved Readiness Funding in USD			
Top 5 Countries (in USD)		Bottom 5 countries (in USD)	
Belize	9M	Congo	1.3M
Cook Islands	9M	Libya	1.1M
Ecuador	8M	Samoa	1.0M
Lao	8M	DRK	0.75M
Uruguay	8M	South Sudan	0.60M

**Abbreviations:** AE = accredited entity, CCCCC = Caribbean Community Climate Change Centre, DP = delivery partner, FAO = Food and Agriculture Organization, FP = funding proposal, GGGI = Global Green Growth Institute, LDC = least developed country, M = million, NAP = national adaptation plan, NDA = national designated authority, SIDS = small island developing State, UNEP = United Nations Environment Programme, UNDP = United Nations Development Programme, YTY= Year-to-year

## 2.3 Status of technical assistance

30. Since 2018, the Secretariat has been offering technical assistance (TA) to vulnerable developing countries, including LDCs, SIDS, and African states, as well as NDAs and DAEs for adaptation planning and project development. As at 31 December 2023, TA deployed support included:

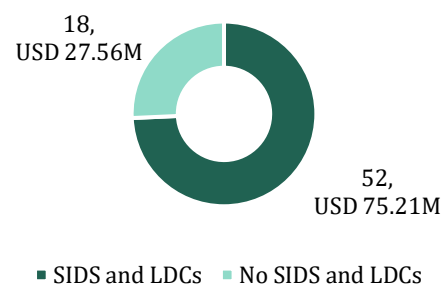
- **Adaptation planning proposal development:** Advisory support services were provided to better design proposals in line with GCF guidelines. This has benefited 31 countries, leading to 18 readiness approved adaptation proposals.
- **Project development:** Supported countries in developing project ideas as well as CNs, the Project Preparation Facility (PPF), funding proposals, and simplified approval process (SAP) development. A total of 39 DAEs have strengthened their proposals and undertaken preparatory studies to enhance CNs or develop CNs into funding proposals (59 in total). TA was also provided to six NDAs to develop their early-stage project ideas and to prioritize country investment pipelines. Out of these, 6 SAPs and 12 funding proposals have been approved by the Board.
- **Country programme development and enhancement:** 43 countries have accessed TA services for the preparation of country programmes, out of which 12 were endorsed by the Secretariat.
- **DAE accreditation support and capacity-building:** Provided support for institutional gap assessments/action plans for 42 entities seeking accreditation in different regions. Out of 42 entities, 15 entities have been accredited to date.

## 2.4 Pipeline status

31. Following the approval of the readiness strategy 2024-2027, countries continued to submit readiness proposals as part of a transitional measure afforded by the Secretariat, whilst the new operational modalities were being designed. As at 31 December 2023, there are 70 active requests (USD 103 million) for readiness support, listed in table 1. This includes 33 requests (USD 70 million) for adaptation planning support and 37 requests (32 million) for other readiness areas. During the transition period, the Secretariat engaged countries on pivoting submitted readiness requests towards more progressive and ambitious NDCs, where such needs exist among developing countries.

**Table 1. Pipeline of requests by region as at 31 December 2023**

Region	Number of requests	Volume of request (USD, million)
Africa	40	50.81
Asia-Pacific	14	23.07
Latin America and the Caribbean	13	25.34



Eastern Europe and Central Asia	3	0.355
Total	70	102.77

### III. Work programme 2022-2023 implementation highlights

32. This chapter provides an update on implementation during 2023 against the work programme for 2022-2023, as adopted by GCF/B.33/07.

#### 3.1 Request approvals for the Readiness and Preparatory Support Programme in 2023

33. During the 2023 readiness cycle,<sup>5</sup> the Secretariat approved and committed funds for 105 readiness requests totaling USD 117 million, against a projected 86 readiness requests with a projected USD 86.80 million in funding requested. In terms of annual disbursements, the Secretariat disbursed USD 72 million in 2023. Of the 212 closed grants in the overall portfolio, 29 per cent (62 grants) were brought to closure by end of 2023.

34. **Single-year readiness support:** The Secretariat approved USD 69 million to support 84 single-year readiness requests, against a projected 60 requests budgeted for USD 30 million.

35. **Adaptation planning support:** The Secretariat approved USD 38 million for 14 adaptation planning requests, against a projected 16 requests budgeted for USD 37 million.

36. **Multiple-year readiness support:** The Secretariat approved USD 11 million for 7 multiple-year readiness requests, against a projected 10 requests with total budget of USD 20 million.

37. Table 2 below provides an overview of the financial commitments under the RPSP made in 2023 against Board-approved budget.

**Table 2. Projected versus actual readiness grant-based commitments for 2023 cycle**

	2023 (projected)		2023 (actual)	
	Number of requests to be approved	Total Funding Budgeted (USD million)	Number of requests approved	Total Funding Committed (USD million)
Adaptation Planning	16	36.8	14	37.9
Single Year Readiness	60	30	84	68.6
Multi-year Readiness	10	20	7	10.8
Total	86	86.8	105	117.3

38. Of the 105 approved requests, 30 were approved for 28 countries in Africa, 32 approved in 22 countries in Latin America and the Caribbean, 24 approved in 23 countries in Asia-Pacific, and 5

<sup>5</sup> The 2023 readiness cycle started on 1 April 2023, and ended on 31 March 2024.

approved in 5 countries in Eastern Europe and Central Asia. In addition, seven approvals directly target DAEs, six are multi-country grants (five in Africa and one in Latin America and the Caribbean) and one multi-region grant covering Africa and Latin America and the Caribbean.

39. The table below provides a breakdown by region and type of proposals of the approved grants during the 2023 readiness cycle.

**Table 3. Readiness grants approved by region and funding**

<b>Regions</b>	<b>Number of countries</b>	<b>Number of grants</b>	<b>Amount approved (USD million)</b>
Africa	28	30	30.4
Asia-Pacific	23	24	31.3
Eastern Europe and Central Asia	5	5	5.8
Latin America and the Caribbean	22	32	24.6
<b>Sub-total Regions</b>	<b>78</b>	<b>91</b>	<b>92.1</b>
DAE grants		7	0.94
Multi-country Africa		5	19.8
Multi-country Latin America and the Caribbean		1	2
Multi-region		1	2.5
<b>Grand Total</b>		<b>105</b>	<b>117.3</b>

## 3.2 Readiness and Preparatory Support Programme operational improvements

### Portfolio performance management system

40. The launch of the portfolio performance management system (PPMS)-Readiness enabled the Secretariat to efficiently monitor the portfolio for performance and compliance with GCF's policies and procedures. The PPMS modules allowed DPs to submit APRs, CRs, financial reports and request for disbursements using simplified digitized forms, and track and monitor progress accordingly. For the reporting period ending 31 December 2023, the Secretariat reviewed 127 APRs, 79 CRs, and processed disbursements valued at USD 72 million. Additionally, the Secretariat initiated a user acceptance testing of the proposal change request module and a formal external launch of this PPMS module is expected by the end of 2024.

### Launch of Readiness Knowledge Bank

41. The Secretariat launched the Readiness Knowledge Bank (RKB) as a one-stop online platform to share data, information, knowledge, and lesson learned from the RPSP. The RKB intends to:

- Enable countries to easily access general information about the RPSP and refer to other countries' success stories to improve their countries' readiness programming.



- Support DPs, AEs, and accreditation applicants in knowledge efforts with respect to the benefits and potential support of the RPSP that may serve their needs. They can also use the RKB as a venue to promote their success stories.
- Optimize information sharing and dissemination for stakeholders including donors to enable them to access information about the RPSP in an effective manner.

The RKB features extensive information and data in the four menus as follows:

- Results: Readiness dashboards on the portfolio performance and project data and data stories which feature visualizations of readiness results
- Success Stories: details on the journey to empowerment and climate action of countries and DPs funded through RPSP support
- Tools and guidance: guiding documents and templates curated to assist audience to understand and navigate the GCF processes across the seven stages of the RPSP cycle
- Policies, research and evaluation: GCF Board decisions and policies, and IEU studies related to the RPSP.

### **Operational effectiveness and simplification measures**

42. The Secretariat has undertaken an internal exercise and identified and prioritized several measures to simplify the readiness portfolio management processes and systems. Some of the key measures include orientation of readiness from a DP-centric to country-centric approach, development of a comprehensive readiness results monitoring dashboard, revision/update of internal administrative instructions, including for enhanced delegation of authority for decision-making, revision/update of the RRMF in line with the revised readiness strategy, comprehensive enhancement of PPMS functionalities to improve efficiency and user-friendliness of the platform etc.

### **Revised readiness strategy and operationalization**

43. The revised readiness strategy, approved in October 2023, marked a significant milestone in introducing substantial operational improvements to the programme. The 2024–2027 strategy seeks to progressively strengthen the RPSP through several key shifts: transitioning from incremental grants to strategic, medium-term planning and readiness support, aimed at significantly reducing processing times; streamlining delivery modalities to provide countries and DAEs with high-quality support, while shortening grant agreement negotiations and timelines; and refining objectives and outcomes to improve result orientation, efficiency, and effectiveness. Fully aligned with the GCF Strategic Plan 2024–2027, the strategy supports a country-centric approach, enhancing direct access, and strengthening the programming capacities of countries and DAEs.

44. During the reporting period ending 31 December 2023, the operationalization of the 2024–2027 RPSP began, with a strong emphasis on a participatory approach. This process was launched with consultations on the margins of the 28th Conference of the Parties (COP 28) to the United Nations Framework Convention on Climate Change, followed by regular monthly engagements with all key stakeholders. In support of this approach, the main readiness webpage was updated to include a schedule of monthly engagements for 2024.

45. The next reporting period will provide detailed coverage of the operationalization of the 2024–2027 strategy.

## IV. Performance review of the readiness programme results

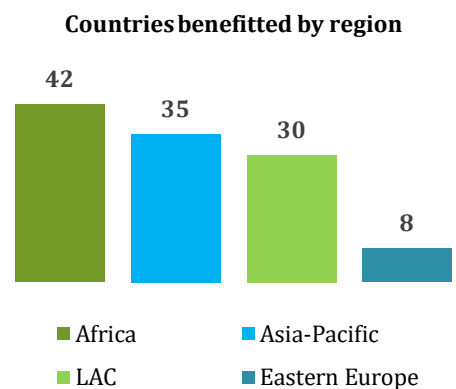
46. The RRMF has 71 indicators against the five RPSP objectives. For this report, the Secretariat has selected 16 key indicators across these objectives that are commonly used to represent the key results and outcomes of the readiness support. The results analysis is limited to available data from 212 closed grants, 88 grants that have submitted a CR to the Secretariat and the work-in-progress results reported in 282 grants that have submitted an APR for the reporting period ending 31 December 2023.

### Strategic Objective 1: Capacity-building for climate finance coordination

USD 93M approved

- NDA staff and focal points trained: **612**
- Candidate entities nominated for direct access: **62**
- Accredited DAEs supported to strengthen capacities: **26**

47. This section presents the progress and achievements of key results against Objective 1: Country Capacity-Building for Climate Finance Coordination' of the RPSP. Overall, readiness support has been instrumental in strengthening the capacity of NDAs, focal points, and relevant stakeholders in improving inter-institutional coordination to ensure countries have the capacity for climate finance coordination.



48. As at 31 December 2023, based on the results submitted from completion reports, 115 countries have reported results in establishing processes, tools, systems (human, technical and institutional), policies, procedures and strategies and action plans that enhanced the ability of NDAs and focal points to support the planning, programming and facilitation of climate change projects. Of these 115 countries, 42 are from Africa, 35 from Asia-Pacific, 30 from Latin America and the Caribbean and 8 from Eastern Europe and Central Asia. Details on specific results are presented below.

49. In terms of achievements, a total of 102 countries across the four regions have engaged in building capacities of local officials and facilitated stakeholder training on country coordination mechanism, project design, project management, privileges and immunity agreement, NDA decision-making process for facilitating climate projects benefiting 612 NDA personnel in these countries. The results indicate that training on project management, project design and inter-institutional coordination mechanisms are among the top priorities for the four regions as 392 trainees out of 612 NDA representatives were trained on these three topics. Under this outcome, substantial support was provided in establishing and enhancing coordination mechanisms under the strengthened capacity of NDAs/focal points to ensure projects/programmes to be developed are consistent with country-driven approaches and priorities.

50. In terms of regional distribution, 36 countries in Africa have organized capacity-building programmes, followed by Asia-Pacific (33 countries), Latin America and the Caribbean (25 countries), and Eastern Europe and Central Asia (8 countries). Of the benefiting countries, 50 per



cent are SIDS and LDCs, highlighting that capacity-building is sought equally by all 102 countries. While Africa reported the highest number of countries conducting trainings, the Asia-Pacific region has the highest number of NDAs and focal points trained (368 staff). The Africa and Latin America and the Caribbean regions each have trained 141 personnel and the countries in the Eastern Europe and Central Asia region trained 33 personnel from NDAs.

The readiness project ‘Scaling up Green Finance practices in the Republic of Armenia’, implemented by ArmSwissBank, aimed to achieve a paradigm shift in the design and utilization of green finance instruments by incorporating climate-resilient approaches and guidelines into the policies and operational modalities of national banks and non-banking financial institutions. A multistakeholder collaboration process supported by the readiness project has led to the Armenia “Green Finance Roadmap”, a key political document outlining the comprehensive vision for a green finance strategy that contributes to the implementation of Armenia’s climate commitments. The Armenia “Green Finance Roadmap” mainstreams green finance in the architecture and practice of financial markets.

51. Another key result area under this readiness objective is providing capacity-building support to DAEs, with the aim of promoting country ownership by ensuring that DAEs effectively maintain GCF’s accreditation standards and have the capacity to design, develop and implement GCF-funded activities. For instance, 62 candidate entities were nominated for direct access in 33 countries, of which 15 countries are SIDS and LDCs. In terms of regional distribution, the Asia-Pacific region has nominated the most entities, with 25 DAEs out of the 62 DAEs, followed by Africa with 16 DAEs, Eastern Europe and Central Asia with 11, and Latin America and the Caribbean with 10 DAEs. Of these 59 candidates, 7 have been accredited by GCF and 2 are currently implementing at least one project or programme, showing the impact of readiness to support DAEs in accessing climate funding.

52. Additionally, 26 accredited DAEs across 17 countries strengthened their institutional capacities to improve their accreditation status and effectively implement GCF-funded activities. The progress in nominating entities and supporting accredited DAEs is growing in SIDS and LDCs. 16 out of 26 countries currently implementing readiness grants to nominate entities for direct access are from SIDS and LDCs. Similarly, 23 SIDS and LDC countries are strengthening the institutional capacities of their accredited DAEs through readiness support.

In the Cook Islands, the readiness support implemented by the Ministry of Finance and Economic Management (MFEM), a nominated entity, strengthened the capacities of MFEM to meet the GCF accreditation requirements, supported the actual accreditation process and provided capacity building support on GCF policies and procedures. The grant also supported the development of a SAP project titled ‘Cook Islands – ATOM: Building a healthy and resilient Cook Islands Community – one block at a time’ which was approved by GCF in 2024 as SAP034 with MFEM as DAE, mobilizing USD 13.4 million into the health sector and disaster risk management in 12 inhabited islands.

53. Overall, these results indicate that RPSP efforts are instrumental in building the capacity of relevant country stakeholders such as NDAs and focal points, executing entities, direct access entities, civil society organizations and private sector entities for planning, programming and the implementation of GCF-funded activities. Continued emphasis on building the capacity of the countries is a key focus under the revised readiness strategy and gains made so far by the RPSP.



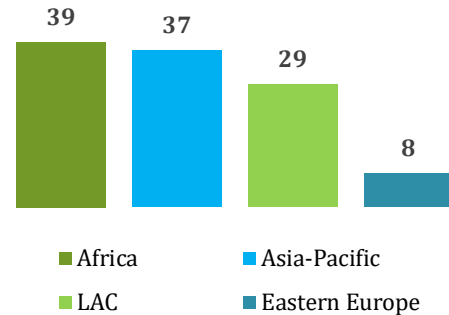


## Strategic Objective 2: Strategic Frameworks

USD 111M approved

- Country programmes developed, endorsed, or updated: **84**
- Countries with NDCs updated or revised: **5**
- Private sector investment strategies developed: **99**
- Countries with Technology Needs Assessment (TNA) performed or developed: **13**

Countries benefitted by region



54. This objective aims to support partner countries in developing country programmes and accompanying strategies to guide GCF projects and programmes in complementarity with other climate financiers. Readiness support under this objective has been critical in developing country programmes, devising national and sectoral strategies for low emission development, supporting NDC processes, designing measurement, reporting and verification systems, identifying technology needs, analyzing climate vulnerabilities, emission reduction potential, and developing new business models and strategies for promoting private sector financing.

55. As at 31 December 2023, 113 GCF recipient countries have reported results in developing robust strategic frameworks to guide GCF investment in complementarity with other climate financiers. Of these 113 countries, 39 are located in Africa, 37 in Asia-Pacific, 29 in Latin America and the Caribbean and 8 in Eastern Europe and Central Asia. Details on specific results are presented below.

56. In terms of achievements, 84 countries from all regions reported having updated 20 CPs, endorsed 18 CPs, and developed 46 initial CPs with validation workshop reports submitted to the Secretariat. The Asia-Pacific region (29 countries) had the highest overall results with 7 CPs updated, 9 CPs endorsed, and 13 initial CPs developed, followed by the Africa region (28 countries) with 4 CPs updated, 4 CPs endorsed, and 20 initially developed. In the Latin America and the Caribbean region (20 countries), 7 CPs were updated, 5 endorsed, and 8 developed, while in Eastern Europe and Central Asia (7 countries) only 2 CPs were updated and 5 initially developed. In addition, out of the 84 countries that achieved the development, update, or endorsement of country programmes to guide GCF investment and programming of readiness resources, 41 are SIDS and LDCs, balancing RPSP focus on vulnerable countries.

The grant “Strengthening of the Collegiate Body on Climate Finance and Enhancement of the Country Programming Process in Colombia” aimed at enhancing Colombia’s climate finance capabilities, with a focus on accessing international climate finance and mobilizing domestic resources. As a result of this readiness, Colombia’s Country Programme for 2021-2023 was updated, a climate finance coordination mechanism was established and tools for stakeholders to improve their knowledge and capacities in formulating funding proposals and concept notes for climate funds were designed by the NDA. Delivered by Fondo para la Acción Ambiental y Niñez (FONDO ACCIÓN), this support was crucial for consolidating effective communication channels and procedures among the Collegiate Body entities of Colombia and GCF, facilitating the approval of



projects and programmes included in the Country Programme, such as FP182 “Climate-smart initiatives for climate change adaptation and sustainability in prioritized agricultural production systems in Colombia” and FP203 “Heritage Colombia: Maximizing the Contributions of Sustainably Managed Landscapes in Colombia for Achievement of Climate Goals”.

57. In terms of NDCs, 26 countries have sought to update or revise their NDCs (NDC1 and NDC2), of which only 5 countries have reported achieving an update (Albania and Azerbaijan in Eastern Europe and Central Asia, Mozambique in Africa, Mongolia in Asia-Pacific, and Honduras in Latin America and the Caribbean region). In relation to the NDC strengthening, where policies are being developed or strengthened, out of 22 countries, 2 countries in Asia-Pacific have reported policies developed and strengthened and the work is in progress in the remaining 20 countries. The NDC 3.0 process of the United Nations Framework Convention on the Climate Change (UNFCCC) has already begun and countries are expected to submit NDC 3.0 by February 2025. The Secretariat is currently engaging with countries to understand their specific needs for updating their NDC 3.0 and approximately 30 countries (80 per cent African countries) have sought GCF support. The Secretariat is currently exploring options to support the resource needs through adaptive management (amendments) of the ongoing readiness grants in their respective countries and/or pivoting submitted pipeline requests accordingly.

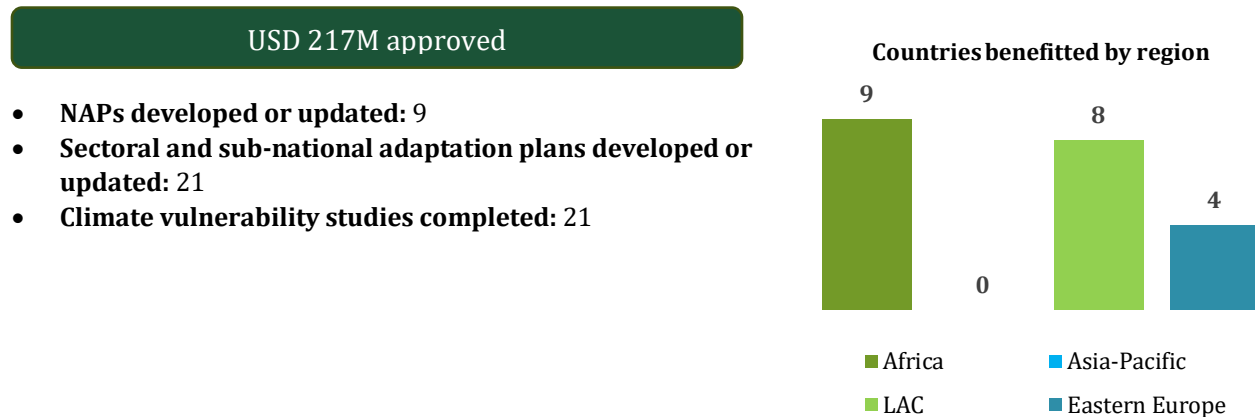
58. When assessing strategies for transforming and attracting private sector investment for low emissions and resilience, the Africa Region leads with 42 strategies developed in 21 countries out of the 56 countries that have achieved results. This is followed by the Asia-Pacific region with 28 strategies in 15 countries, the Latin America and the Caribbean region with 23 strategies in 15 countries, and Eastern Europe and Central Asia with 5 strategies in 4 countries. Specifically, readiness support has contributed to the development of 32 strategies on private sector financing in 28 SIDS and LDCs. Furthermore, 76 countries (including several with results already achieved) are still implementing grants under this outcome. There is a continuous appetite, even among countries that have already achieved certain level of results, to further enhance private sector financing through readiness support.

In Mongolia, the RPSP supported the preparation and implementation of the first Energy Savings Insurance (ESI) mechanism in the Energy Efficiency and Renewable Energies (EE/RE) Market in Mongolia. This model is an established concept and innovative approach to scale up private sector investments in EE/RE and it is the first ever in Mongolia. The Financial Regulatory Commission had granted approval for the ESI framework as a liability insurance product. As a result of this grant, the ESI model was portrayed as an open framework, inviting other banks and insurance companies to adopt it, thereby expanding the potential for energy efficiency investments within the country.

59. As at 31 December 2023, 13 countries have performed or developed a Technology Needs Assessment (TNA), which has helped countries prioritize climate technology solutions in various sectors. For example, in Timor Leste, a series of studies, policy recommendations and TNAs have been produced with readiness support to scale up adoption of solar photovoltaic systems, as this is key to meet the growing demand for solar energy in the country. In terms of regional distribution, the Africa region continues to lead with seven countries performing or developing a TNA. This is followed by the Asia-Pacific region with four TNAs in four countries, and the Latin America and the Caribbean and Eastern Europe and Central Asia regions, each with one TNA completed. The TNA

work is in progress in eight Latin America and the Caribbean countries and in one Eastern Europe and Central Asia country.

### Strategic Objective 3: National adaptation plans and adaptation planning processes



60. Objective 3 of the RPSP supports country-driven NAPs which aims to strengthen the national and local adaptation planning processes. These planning processes are key building blocks of countries' ongoing efforts to bolster adaptive capacities, attract investment in adaptation from a diversity of sources, and to help accelerate public and private sector-led actions to make societies more climate-resilient. NAPs identify a country's medium- and long-term climate adaptation needs, as well as strategies and programmes that need to be developed and implemented to address those needs.

61. At portfolio level, funding support to NAP constitutes 40 per cent of overall RPSP (112 grants, USD 250 million), benefiting 101 countries, which signifies the importance of this objective. Regionally, NAP support consists of: Africa (USD 93 million, 39 countries); Asia-Pacific (USD 78 million, 31 countries), Latin America and the Caribbean (USD 58 million, 23 countries); and Eastern Europe and Central Asia (USD 22 million, 8 countries). Overall, NAP support to SIDS and LDCs constitutes USD 121 million in 52 countries, thus signifying the importance of GCF support to catalyze action that addresses climate impacts and vulnerabilities through adaptation planning, investments and monitoring systems at national, sub-national and sectoral levels.

62. As at 31 December 2023, 21 countries have established integrated adaptation planning and monitoring systems to enable climate resilience across sectors, thereby strengthening impact and further catalyzing the scale of public and private adaptation finance. Of these 21 countries, 9 are located in Africa, 8 in Latin America and the Caribbean and 4 in Eastern Europe and Central Asia.

63. Similarly, 58 countries have reported the development and updating of NAPs. This includes 24 countries from the Africa region, 14 countries from the Asia-Pacific region, 13 countries from the Latin America and the Caribbean region, and 7 from Eastern Europe and Central Asia region. The overall achievement rate across the regions is currently 16 per cent with 9 NAPs developed or updated across the globe (4 in Africa, 3 in Eastern Europe and Central Asia, and 2 in Latin America and the Caribbean). This is because most NAP support grants are still in progress and NAPs are developed or updated at the completion of the grant's implementation. Overall, support to SIDS/LDCs for NAP formulation constitutes 53 per cent with 31 countries benefiting from NAP support. Of these, 4 countries have developed or updated their NAPs (Benin, Liberia, Niger, and Rwanda).



### **Key initiatives of GCF-supported national adaptation plans in small island developing States**

In Haiti, the GCF-supported grant is linked to the approved funded activity “Enhanced climate resilience in Haiti’s Trois-Rivières region through Integrated Flood Management”. This represents a significant step in implementing the country’s NAP, which prioritized watershed management actions. The NAP grant team played a crucial role in organizing stakeholder consultations to ensure alignment between the NAP and the approved GCF funded activity.

In Papua New Guinea, a readiness supported the NAP with a focus on: (i) strengthening institutional capacities; (ii) building resilience at the national, subnational, and sectoral levels, including through the provision of early warning systems; and (iii) facilitating resource mobilization by fostering public-private investments in climate change adaptation in priority areas.

In Antigua and Barbuda, the readiness grant supported the climate risk vulnerability and adaptation assessments, which contributed to increasing knowledge among the country’s stakeholders.

In Benin, the readiness grant implemented by the United Nations Development Programme (UNDP), titled “Advancing the National Adaptation Plan Process in Benin”, supported the national DAE (the National Environment Climate Fund) in identifying innovative local funding mechanisms, and in advocating for its legal application for adaptation funding. This readiness grant has contributed to the development of a NAP that informed the prioritized areas, target regions and departments for the “Local Climate Adaptive Living Facility” project (SAP032), approved by GCF in 2023.

64. At sub-national and sectoral level, 49 countries are focusing on the development and update of sub-national and sectoral adaptation plans. This includes 18 countries from the Africa region, 13 countries from the Asia-Pacific region, 14 countries from the Latin America and the Caribbean region, and 4 countries from Eastern Europe and Central Asian region. Out of 49 countries, 7 countries have finalized the formulation or update of the sub-national and sectoral adaptation plans (Argentina, Guatemala, and Uruguay in Latin America and the Caribbean region; Armenia, Moldova, and Serbia in Eastern Europe and Central Asia; and Côte d’Ivoire in Africa), which constitutes 3 per cent of the achievement rate because most of the grants are yet to be completed.

65. In addition, 87 countries are committed to advance the development of climate risk vulnerability studies to strengthen their adaptation planning. This includes 32 countries from the Africa region, 30 countries from Asia-Pacific, 17 countries from Latin America and the Caribbean, and 8 countries from Eastern Europe and Central Asia. Of these, 18 countries have finalized the development of climate risk vulnerability studies, including 8 from Africa, 6 from Latin America and the Caribbean and 4 from Eastern Europe and Central Asia. Overall, support to SIDS/LDCs in developing climate risk vulnerability studies constitutes 52 per cent, with 45 countries benefiting from the support. Among these, seven countries have developed nine climate risk vulnerability studies.

In Guatemala, the first-ever nationwide climate vulnerability study was conducted using readiness support, which resulted in multiple national government institutions constructing unique vulnerability indexes and a nationwide vulnerability atlas. This also mobilized

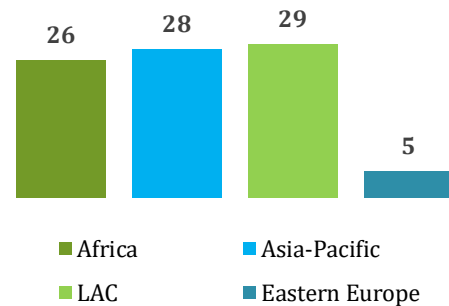
Guatemalan stakeholders to identify major adaptation priorities and develop 22 departmental climate change adaptation plans.

### Strategic Objective 4: Pipeline development

**USD 41M approved**

- **Concept notes developed: 336**
- **FPs developed with readiness support: 16**
- **Countries with PPF requests approved: 14**
- **Mitigation potential assessments: 1**

**Countries benefitted by region**



66. This objective supports the development of country-driven investment pipelines through concept note development, with the aim of formulating transformative and impactful funding proposals for possible GCF financing. As at 31 December 2023, out of 134 countries targeted under this objective, 88 countries have reported results in developing quality CNs and funding proposals, including LDCs, SIDS, and African states. Of these 88 countries, 29 are located in Latin America and the Caribbean, 28 in Asia-Pacific, 26 in Africa, and 5 in Eastern Europe and Central Asia. Details on specific results are presented below.

67. Cumulatively, since inception of the RPSP, a total of 336 CNs were developed, with the Latin America and the Caribbean region reporting the highest number compared to other regions (112 CNs or 33 per cent). This is followed by the Asia-Pacific and Africa regions with 95 CNs (28 per cent) and 88 CNs (26 per cent) developed respectively, and the Eastern Europe and Central Asia region with 23 CNs (7 per cent). Six countries are benefitting from 18 CNs (6 per cent) generated under multi-country/regional readiness support. Achievement of this output reported by 45 countries (54 per cent) are SIDS and LDCs, which will benefit from 81 CNs developed (24 per cent of the global target).

“Enhancing Access to Green Finance” in Cambodia, implemented by Mekong Strategic Partners supported the development of the CN “Cambodian Green Financing Institution (CGFI)”, which advocated to establish a dedicated, national climate finance vehicle to contribute to Cambodia’s low-emission and climate resilient pathways. This CN directly led to the development of the Cambodian Climate Facility, which was subsequently approved at B.38 (FP228), making it the first national domestic climate finance institution funded by GCF in Asia. This grant supported strategies for transforming and attracting private sector investment for low emissions and resilience.

68. Readiness support has also been requested by some countries to undertake technical assessments of the mitigation potential for identified mitigation options. So far, only one country in the Latin America and the Caribbean region (Ecuador) has reported achievement of this output, while nine countries (67 per cent are SIDS and LDCs) continue to advance with similar efforts through grants under implementation.



69. For grants still under implementation as at 31 December 2023, there are 119 countries seeking to develop 278 additional CNs that are at various stages of development, with most of such grants being delivered in the Africa and Asia-Pacific regions (39 and 36 countries respectively), followed by the Latin America and the Caribbean and Eastern Europe and Central Asia regions with 31 and 4 countries seeking further pipeline development support. There are at least nine countries benefiting from multi-country/regional grants that will contribute to this strategic objective. Out of these 119 countries, 63 per cent have already developed at least one CN reported in the narrative above. There are 67 countries (56 per cent) which are SIDS and LDCs with grants under implementation seeking pipeline development support. Notably, the results achieved through CNs generated, and reported work in progress under this objective are well beyond the Secretariat's current programming capacity. Drawing on this line of sight of CNs developed and planned under existing RPSP grants at country-level, the Secretariat will rationalize any further pipeline development support requested by countries under the revised readiness strategy. For the legacy portfolio under implementation, options including: (i) country-level prioritization of planned CNs to be developed; (ii) reducing planned targets by merging of CNs focused on co-benefits for adaptation and mitigation; and (iii) pivoting planned pipeline development support to other emerging needs e.g. revision/update of NDC 3.0 are being explored in close coordination with NDAs/DPs to ensure optimal use of readiness support.

70. The Secretariat continues to work closely with GCF AEs, especially with DAEs, to advance some of these CNs into climate investments via funding proposal development and/or further improvements in quality at entry using the Project Preparation Facility (PPF) modality. Notably, not all CNs planned and/or generated so far with RPSP support are intended for final funding by the GCF. In total, 14 countries have since reported that 16 funding proposals were developed using readiness support, with one grant still under implementation. In terms of regional distribution, similar trends are observed when comparing the development of CNs; the Latin America and the Caribbean region reports the highest achievement rate of funding proposals (five countries have developed six funding proposals), followed by the Asia-Pacific and Africa regions with five and four funding proposals developed respectively. More than half of the funding proposals developed are from SIDS and LDCs (representing eight countries). For the 16 funding proposals generated from readiness support, 6 funding proposals were eventually submitted and approved by the Board.

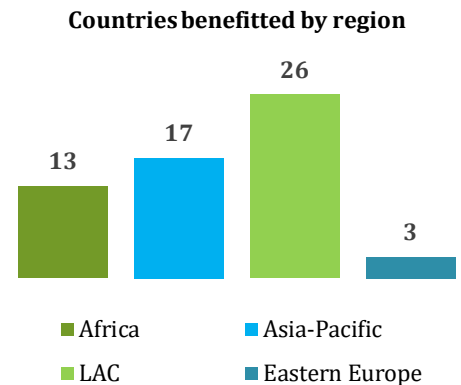
71. In terms of PPF support, 14 countries have reported the development of PPF applications using readiness support, while an additional 19 countries (14 new countries and 5 with PPF applications already in place) are seeking similar support through grants under implementation. The majority of this support has been delivered in the Asia-Pacific and Africa regions (covering six and four countries respectively), followed by the Latin America and the Caribbean (three countries) and Eastern Europe and Central Asia regions (one country).



## Strategic Objective 5: Knowledge-sharing and learning

USD 15M approved

- **Countries with knowledge products developed: 46**
- **Countries with knowledge platforms developed: 21**



72. The RPSP has been progressing in the generation, collection and dissemination of learning and knowledge both at country and Secretariat levels. This readiness objective focus has been on the production of knowledge products and platforms at country level, as well as the identification of best practices in readiness to foster an environment of collaboration conducive to the dissemination of frameworks, methodologies, models, and experiences. As at 31 December 2023, 59 GCF recipient countries have benefited from increased level of awareness, knowledge-sharing, and learning. Of these 59 countries, 26 are located in Latin America and the Caribbean, 17 in Asia-Pacific, 13 in Africa, and 3 in Eastern Europe and Central Asia. Details on specific results are presented below.

73. As at 31 December 2023, progress under this objective is reflected in the number of knowledge products and platforms at the country level. The development of at least one knowledge product is reported by 46 countries, with Africa as well as the Latin America and the Caribbean regions reporting the highest number of countries (11 each). This is followed by the Asia-Pacific region with 10 countries and Eastern Europe and Central Asia with 1 country. As knowledge products are tools to share lessons learned and best practices within one country to another (south-south cooperation), 13 countries have also benefited from knowledge products generated under multi-country grants. Out of these 46 countries, 23 are SIDS and LDCs (50 per cent).

74. In terms of knowledge platforms, 21 countries have reported the development of a platform. Following the same trend as above, at the individual country level, Africa and the Latin America and the Caribbean regions reported six countries with knowledge platforms (three in each region). Meanwhile, two countries are benefiting from knowledge platforms in Asia-Pacific and only one in Eastern Europe and Central Asia. With the support of multi-country grants, 12 additional countries have also benefited from knowledge platforms developed. The majority of these 21 countries are SIDS and LDCs (15 countries representing 71 per cent).

75. These results, while positive, remain a good indicator pointing to the importance of encouraging NDAs and DPs to further increase budget allocation for learning and knowledge management. The most recent Secretariat level analysis and data indicate that, on an average, only 3 per cent of the approved budget for readiness is allocated to learning and knowledge management which remains below the recommended 5 per cent. In addition, most knowledge management activities are led by international accredited entities which necessitates the Secretariat to further promote and encourage NDAs and DAs to include knowledge components, adequately resourced, in the design of the programme.



A multi-country readiness grant currently under implementation by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) aims at strengthening the complementarity and coherence between the Adaptation Fund and the Green Climate Fund. Through the global Community of Practice for Direct Access Entities (CPDAEs), direct access organizations are benefiting from the knowledge exchange, learning and experience as well as collaboration and peer-to-peer support for accessing climate finance resources, and development and implementation of adaptation and mitigation projects. This grant is (i) strengthening CPDAE's governance framework, communication and outreach mechanisms; (ii) building the capacity of CPDAE members on various technical issues; and (iii) improving the understanding of CPDAE members of the re-accreditation/accreditation upgrade processes. This grant also supports the preparation of a pipeline of projects for CPDAE members and/or the improvement of existing concept notes and the design of adequate knowledge and lesson-sharing materials for CPDAE members.

76. In 2023, the Secretariat facilitated documenting 22 case studies as readiness best practices across the 5 strategic objectives. In addition, the Secretariat organized and facilitated internal quarterly meetings and learning workshops to ensure that learning in different portfolios and across the divisions is shared on a consistent basis.

Insights from the Secretariat case study on learning and Knowledge in readiness:

- Of 731 approved grants analysed in the case study, as of May 2024, 176 (24 per cent) target the readiness strategic objective 5 “Knowledge sharing and learning”.
- There is no grant exclusively targeting “Knowledge-sharing and learning”.
- 60 per cent of multi-country grants have knowledge-sharing and learning components, inferring that these are core elements in regional grants.
- Latin America and the Caribbean has the highest amount of grants covering knowledge-sharing and learning (representing 46.7 per cent of the 176 grants), with Jamaica being the country benefiting the most from this strategic objective. This regional trend is also reflected in the amount of funds disbursed for knowledge-sharing and learning.
- While Africa and Asia-Pacific are the biggest regions, they only account for 26 per cent and 25 per cent of related knowledge grants, respectively. Eastern Europe and Central Asia only accounts for 2 per cent.

77. To enhance the collection and dissemination of Readiness knowledge, the Secretariat continued its work on improving the Readiness Knowledge Bank platform, which is a key tool used for capturing knowledge products and making them efficiently available to all stakeholders. In 2023, the Secretariat coordinated a learning and knowledge management action plan to capture lessons learned and emerging practices from the implementation of readiness grants. Efforts were made to facilitate internal and external learning opportunities for reflection and practical exchange of experiences between RPSP stakeholders.

78. These activities have been conducted through in-person and online meetings, such as the Joint GCF/GIZ learning coordination meeting held in 2023 to prepare for the readiness learning event held in February 2024. This series of learning events aimed at providing opportunities to RPSP stakeholders to discuss the challenges encountered during implementation, reflect on how to

improve processes, increase effectiveness, and support a systematic approach to disseminating learning and knowledge to country partners.

## 4.1 Retrofitting of the readiness portfolio

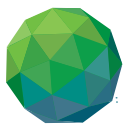
79. As at 5 May 2023, the Secretariat required that all new readiness proposals be submitted in alignment with the RRMF using the relevant readiness proposal template. However, to support ongoing monitoring and reporting of the legacy portfolio under implementation, with a view to aggregating and analyzing the results of the RPSP in a consistent and coherent manner, the Secretariat initiated a retrofitting exercise for those grants' logical frameworks to align with the RRMF. This entailed a remapping of the grants' logical frameworks against the relevant RRMF standard output statements and their corresponding indicators. The RRMF retrofitted logical frameworks for each grant has been prefilled in the online-based reporting template in the PPMS where reporting of their progress is conducted periodically as required in the respective grant agreements.

80. DPs were not required to submit budget and expenditure plans aligned with the retrofitted RRMF logical frameworks for grants under implementation. The preparation of retrofitted budgets would have required DPs to modify their internal accounting systems and related expenditures for each transaction, which is not feasible. Moreover, expenditure data cannot be altered in existing accounting systems once the fiscal year has been closed, and where audits have been undertaken.

81. In light of this, and for the purpose of analyzing the allocation of readiness commitments against the five (5) objectives adopted by the Board through decision B.22/11 paragraph f, the Secretariat initiated an internal exercise to extract financial data from approved budget plans against the RRMF. As at 31 December 2023, the financial extraction was completed for 614 grants (out of 750 i.e. 82 per cent of the total portfolio) which is summarized below. It is worth highlighting that individual readiness requests are typically crosscutting with support covering one or more of the objectives, with the exception of adaptation planning. Therefore, it is more accurate to track the total value of the budgeted activities per objective rather than the number of grants. This financial extraction exercise will continue into 2024 and a quality-assured dataset will be presented at the next reporting period.

**Table 4: Share of portfolio represented by requests cumulatively approved as of 31 December 2023**

Objective	Amount approved (in USD million)	Actual share (%)	Target share (%)
Objective 1 – capacity building	93,590,723.27	20	10
Objective 2 – strategic frameworks	111,015,242.73	23	20
Objective 3- National adaptation plans and adaptation planning processes	217,546,270.81	45	50
Objective 4- pipeline development	41,129,109.68	9	15



Objective 5- knowledge sharing and learning	15,173,652.56	3	5
Total	478,454,999.06	100	100

## V. Key implementation challenges, lessons learned and adaptive management

82. The maturity of the legacy portfolio is increasing, with 212 grants successfully closed and another 220 due for closure. Collectively, this represents 58 per cent of the approved portfolio which has concluded readiness support, while 34 per cent (253 grants) remain effective and under implementation<sup>6</sup>.

83. Following the coronavirus disease 2019, there were residual impacts which further delayed implementation, triggering the need for adaptive management. In 2023, the Secretariat approved 89 no-cost extensions for 85 grants (17 NAPs and 68 standard readiness support) to complete scheduled activities. As at 31 December 2023, the Secretariat cumulatively approved 620 no-cost extensions for 387 grants (inclusive of the GCF's six-month blanket no-cost extension offered in 2020 for affected grants). The average extended duration for a standard readiness grant is 8 additional months, while for NAP grants this represents 16 additional months.

84. Besides the pandemic, other critical challenges reported by delivery partners (DPs) include:

85. **Limited availability of individual technical experts on climate change adaptation and climate finance in the country:** Some DPs have revised initial procurement plans seeking services from national/international consultancy firms rather than individuals which may allow access to additional expertise.

86. **Lengthy procurements procedures:** In some cases, bureaucratic government procurement procedures and processes are considerably lengthy, and as a result, the recruitments for project management personnel and technical services were substantially delayed.

87. **Political changes** following general elections have caused delays in project implementation due to shifts in the priorities of the new administration. **In-country conflict/social unrest** was also reported in some countries following the electoral process, resulting in emergency situations being declared due to security concerns and thus delaying grant implementation.

88. **Sanctions:** The continued economic blockade in some countries under sanctioned measures constitutes an important limitations to project implementation, such as reduced procurement options, issues in processing transactions for local consultants or service providers, limited access to various international funds for project upscaling and sustainability, etc.

89. **Extreme natural events:** Storms, floods and droughts have caused damage and economic losses in some project countries during implementation. In some cases, project activities (workshops/trainings) had to be rescheduled for grants. For example, in Honduras during the rainy season, both local and national governments had to redirect their attention to attend to those emergencies. Similar delays were reported during the drought period in Uruguay and intense

<sup>6</sup> The remaining 8 per cent represents grants that are in legal processing and grants cancelled.

rainfall in Ecuador. Energy supply was also affected (in Ecuador and Cuba), thus limiting the virtual connectivity required with local teams and stakeholders.

90. As a result of these factors and the increasing portfolio size, the Secretariat continues to exercise flexibility through adaptive management to ensure that the grants are adequately course corrected in order to deliver on their intended impact. Besides the extension requests, the Secretariat has received requests for budget reallocation of funds and modifications to the logical framework to include additional and/or cancel planned activities/deliverables based on countries' priorities.

91. Key lessons learned from these challenges include:

- Broader application of guidance and enhanced due diligence by DPs during reporting cycles significantly improves the quality and efficiency of approval processes and avoid delays.
- Realistic service standards and effective responsiveness of DPs to technical feedback is crucial to avoiding project delays and ensuring smoother implementation and accountability.
- Clear and consistent guidance is essential for improving monitoring and reporting performance across projects, leading to better project outcomes.
- Establishing benchmarks (e.g. indicative cost per output, grant duration, inception period etc.) to guide realistic implementation planning is vital to mitigate delays and the need to course correct for avoidable challenges.
- Close coordination between DPs and governments and robust contingency plans are key to reducing project disruptions, particularly during political transitions or when other risks arise.
- Clear and well-defined terms of reference with specific procurement and quality assurance needs are a prerequisite to mitigate procurement-related challenges.
- Multi-stakeholder collaboration across sectors and ministries is essential for the successful implementation of projects, ensuring coherence and complementarity among planned and ongoing initiatives at country level.
- Securing strong institutional and political backing is crucial for the development of NAPs, NDCs, LTS and for ensuring that these plans are prioritized on the political agenda.

## VI. Priorities going forward

92. **Enhanced monitoring of ongoing grants namely the legacy portfolio:** The implementation of the RRMF is already improving the monitoring of the outputs from completed and ongoing grants. As results are aggregated and analyzed, the Secretariat will publish success stories on the Readiness Knowledge Bank to highlight achievements and share best practices with the broader community.

93. **Implementation of the 2024-2027 readiness strategy:** The operationalization of the new strategy will continue to build on a strong participatory foundation, engaging countries and DAEs in two-way communication through monthly interactive sessions, opinion polls, and written feedback. A key focus will be placed on direct access and enhanced programming capacities in alignment with the 2024–2027 Strategic Plan, while developing improved access and delivery modalities. The Secretariat will produce practical guides and tools, such as templates and reference materials, with the GCF website serving as a centralized resource for all essential information. Regular webinars



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will provide updates to stakeholders and partners on the latest developments, offering real-time engagement opportunities to address questions or concerns. In the last quarter of 2024, the Secretariat targets to pre-qualify and contract a pool of top-tier expertise and service providers to provide easy and quick access for countries and DAEs to DPs with the required technical skills, regional presence, and expertise and experience aligned with the strategic approach and systems-thinking framework of the new strategy. To further support the effective management of the RPSP, information and communications technology enhancements are being implemented to automate and digitize processes and tools, streamline operations, and improve data management.

## Annex I: Approved funding of readiness by country

Ranking	Country Name	Amount Approved	No of grants
1	Belize	9,008,918	22
2	Cook Islands (the)	8,529,829	7
3	Ecuador	8,324,247	14
4	Lao People's Democratic Republic (the)	8,092,429	16
5	Uruguay	7,735,231	15
6	Panama	7,531,024	11
7	Saint Lucia	7,405,606	16
8	Indonesia	7,355,002	4
9	Chile	7,261,504	13
10	Dominica	7,240,872	13
11	Colombia	7,054,093	16
12	Eswatini	6,833,157	10
13	Thailand	6,771,017	10
14	Micronesia (Federated States of)	6,767,735	7
15	Tuvalu	6,748,084	4
16	Vanuatu	6,718,814	10
17	Jamaica	6,565,142	15
18	Sri Lanka	6,489,399	5
19	Antigua and Barbuda	6,475,305	8
20	Cuba	6,457,324	11
21	Bhutan	6,362,286	7
22	Côte d'Ivoire	6,313,732	10
23	Togo	6,278,288	10
24	Argentina	6,198,092	11
25	Honduras	6,197,778	13
26	Bangladesh	6,084,991	7
27	Maldives	6,078,674	4
28	Tonga	6,071,623	11
29	Mongolia	6,000,633	9
30	Guatemala	5,971,322	13
31	Sao Tome and Principe	5,963,284	5
32	Costa Rica	5,955,062	8



33	Dominican Republic (the)	5,774,919	10
34	Kenya	5,733,483	6
35	Rwanda	5,720,423	8
36	Myanmar	5,708,442	7
37	Ghana	5,704,660	7
38	Haiti	5,687,384	11
39	Pakistan	5,650,820	7
40	Bahamas (the)	5,599,696	10
41	Cambodia	5,571,684	12
42	Trinidad and Tobago	5,563,929	11
43	Nepal	5,523,863	5
44	Morocco	5,520,126	11
45	El Salvador	5,515,044	10
46	Albania	5,440,619	6
47	Senegal	5,433,313	9
48	Saint Kitts and Nevis	5,332,269	12
49	Nicaragua	5,315,498	11
50	Burkina Faso	5,303,415	9
51	Namibia	5,293,624	7
52	Peru	5,268,413	11
53	Oman	5,232,600	5
54	Armenia	5,206,305	7
55	Iraq	5,195,033	5
56	Tajikistan	5,052,267	5
57	Nigeria	4,863,510	6
58	Saint Vincent and the Grenadines	4,853,880	9
59	Niger (the)	4,802,833	8
60	Tunisia	4,792,042	7
61	Benin	4,751,662	9
62	Guinea	4,700,810	8
63	Viet Nam	4,688,659	5
64	Grenada	4,652,547	11
65	Uganda	4,638,344	3
66	Somalia	4,628,638	3
67	State of Palestine	4,601,268	7





68	Jordan	4,599,601	7
69	Zambia	4,538,878	9
70	Lebanon	4,498,891	4
71	Burundi	4,497,061	6
72	Ethiopia	4,489,895	5
73	Liberia	4,438,793	6
74	Malawi	4,413,055	5
<b>AVERAGE 4,405,819</b>			
75	Suriname	4,385,427	8
76	Tanzania (United Republic of)	4,334,250	4
77	Lesotho	4,302,413	5
78	Kazakhstan	4,297,556	3
79	Papua New Guinea	4,291,757	5
80	Kyrgyzstan	4,280,142	4
81	Palau	4,277,293	5
82	Egypt	4,188,953	3
83	Zimbabwe	4,130,162	5
84	Brazil	4,127,668	10
85	Gambia (the)	4,088,956	6
86	Georgia	4,056,814	5
87	Mauritania	3,970,214	4
88	Guinea-Bissau	3,862,642	6
89	Azerbaijan	3,841,560	4
90	Cameroon	3,728,683	4
91	Bosnia and Herzegovina	3,703,756	3
92	Democratic Republic of the Congo (the)	3,688,739	10
93	Paraguay	3,669,914	9
94	Chad	3,587,979	10
95	Venezuela (Bolivarian Republic of)	3,556,404	2
96	Yemen	3,486,360	5
97	Fiji	3,483,328	3
98	Eritrea	3,454,345	3
99	Mozambique	3,299,980	6
100	Serbia	3,282,807	4
101	Sudan	3,275,952	4



102	Republic of Moldova (the)	3,274,785	3
103	Montenegro	3,264,922	4
104	Algeria	3,152,062	2
105	Madagascar	3,061,538	6
106	Turkmenistan	3,046,858	3
107	Mali	3,038,746	11
108	Mauritius	2,943,380	7
109	Equatorial Guinea	2,882,680	8
110	Timor-Leste	2,799,300	6
111	Philippines (the)	2,662,942	6
112	Guyana	2,641,042	6
113	Sierra Leone	2,623,304	7
114	India	2,600,000	4
115	Bolivia (Plurinational State of)	2,589,818	7
116	Angola	2,572,547	4
117	North Macedonia	2,516,181	4
118	Botswana	2,280,546	6
119	Gabon	2,247,816	5
120	Uzbekistan	2,225,319	2
121	Mexico	2,175,104	6
122	Comoros (the)	2,121,256	4
123	Solomon Islands	2,100,732	2
124	Nauru	2,093,796	3
125	Seychelles	2,068,960	5
126	Cabo Verde	1,996,311	4
127	Syrian Arab Republic	1,861,083	3
128	Malaysia	1,848,327	4
129	Central African Republic (the)	1,771,129	6
130	South Africa	1,721,820	4
131	Djibouti	1,606,325	5
132	Afghanistan	1,599,987	3
133	Kiribati	1,582,874	2
134	Barbados	1,516,737	4
135	Marshall Islands	1,486,115	3
136	Iran (Islamic Republic of)	1,406,053	2



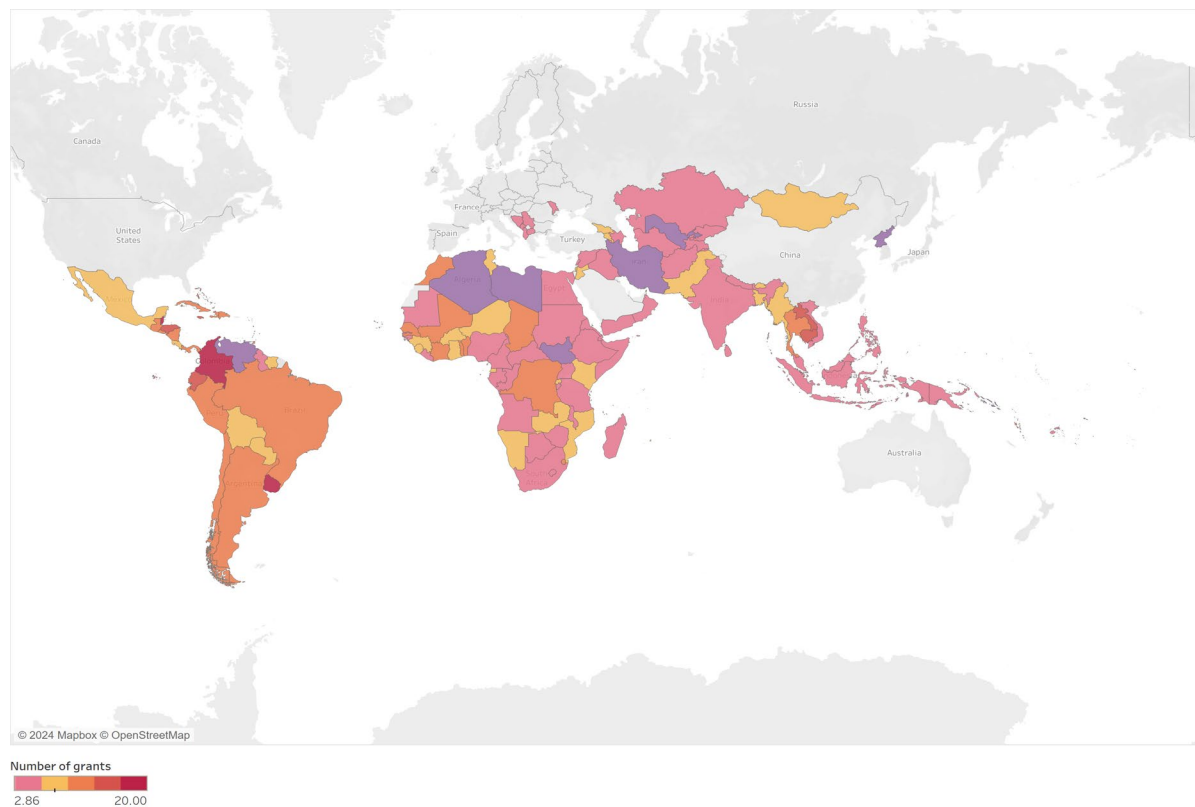
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137	Niue	1,269,452	2
138	Congo (the)	1,266,397	4
139	Libya	1,065,000	2
140	Samoa	1,000,000	1
141	Democratic People's Republic of Korea (the) <sup>7</sup>	752,090	1
142	South Sudan	600,176	2

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<sup>7</sup> One readiness grant was approved for this country, but the grant was closed with no GCF funds disbursed as activities did not take place.

## Annex II: Geographic coverage of the GCF Readiness and Preparatory Support Programme portfolio<sup>8</sup>



	<b>Total</b>	<b>LAC</b>	<b>Africa</b>	<b>Eastern Europe</b>	<b>Asia-Pacific</b>
<b>Readiness and Preparatory Support Programme</b>	USD 625.63 (142 countries)	USD 183.61M (32 countries)	USD 208.59M (53 countries)	USD 34.59M (9 countries)	USD 198.85M (46 countries)

*Abbreviations:* B = billion, LAC = Latin America and the Caribbean, M = million, Readiness Programme = Readiness and Preparatory Support Programme

<sup>8</sup> The values of approved funding may not add-up to the exact total due to rounding-off of large figures.