



**GREEN
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Management response to the Independent Evaluation of the GCF Simplified Approval Process

Summary

This document presents the Secretariat management response to the independent evaluation of the GCF simplified approval process undertaken by the Independent Evaluation Unit.

I. Introduction

1. The Secretariat welcomes the independent evaluation of the GCF simplified approval process (SAP).
2. The Secretariat expresses its gratitude to the Independent Evaluation Unit (IEU) for its evaluation and thanks the members of the IEU for their diligence and professionalism in producing this timely report. The IEU encouraged feedback from and dialogue with the Secretariat throughout the evaluation process, presenting webinars on methods, findings and recommendations. The Secretariat provided comments at key points in the process, and many Secretariat staff participated in interviews that contributed to the findings and recommendations of the report. In accordance with the Evaluation Policy for the GCF, the Secretariat will incorporate the evaluation findings and recommendations into its decision-making, management, operations, strategies, budgets and practices.
3. The findings and recommendations of the evaluation broadly resonate with the Secretariat's experience and lessons learned from programming and projects under implementation.

II. General response to the findings and recommendations

4. The Secretariat appreciates the IEU contribution to GCF efforts to strengthen its programming approaches. As part of the updated Strategic Plan for the GCF 2024–2027, the GCF Board intends to undertake a comprehensive review and revision of the SAP policy¹ in 2027. The detailed insights, findings, conclusions and recommendations of the evaluation will feed directly into this process. The findings of the evaluation are also directly relevant for the operational practices of the Secretariat, particularly the Office of the Chief Investment Officer, which is now structured by region and subregion to enhance proximity to countries and projects. This creates potential for closer collaboration between the Secretariat, countries and accredited entities, particularly local direct access entities (DAEs).
5. The Secretariat suggests that the recommendations could be strengthened by further consideration of the significant structural and operational changes that it has recently implemented, including the new regional structure, new teams and new programming processes. These reforms address many of the challenges identified in the report and will continue to strengthen access and delivery in the future.
6. The Secretariat notes that IEU made strong and specific recommendations in the evaluation report. In recommending discontinuation of the SAP modality, the report refers to evidence pointing at “operational ineffectiveness”. In the Secretariat's view, the report would benefit from further elaboration on the linkages between the data presented and the ensuing conclusions and recommendations. This perspective reflects the Secretariat's experience and recent actions, described below, which have shaped a somewhat different understanding of the situation and progress made to date. Additionally, it is important to note that the recommendations do not appear to fully reflect the significant structural and operational changes that the Secretariat has implemented over the past 12 months. Collectively, these reforms directly address many of the challenges identified in the report and are expected to further strengthen access and delivery in the future.

¹ Document GCF/B.42/Inf.06/Rev.01. The timing of the review may be subject to agreement by the Co-Chairs.

The elements included in the report that led to the conclusions regarding the SAP modality are not specific to the SAP but rather reflect challenges that the Secretariat has encountered in its general programming. In some cases, the report benchmarks against objectives that have since evolved (e.g. innovation as a prerequisite for SAP projects has been removed). In the response below, the Secretariat explains that the SAP has exceeded its performance targets. While the distinctive nature of the SAP may have become diluted, this was mainly due to mainstreaming of its efficiency and simplification in overall GCF programming practice.

7. Additionally, it may be helpful to note that there appear to be differing views regarding the rationale underlying the conclusions and recommendations presented. The Secretariat notes that the late timing of the presentation of the evaluation's recommendations limited its ability to engage in thorough consultation and assessment and to agree on some of the key recommendations of the evaluation, particularly Recommendation 1-4, which suggest a new modality and aspects of the new modality's design. The compressed timeline for preparing the management response limited the Secretariat's ability to conduct comprehensive internal consultation, undertake sufficient analysis (including the IEU analysis) and establish a final position.

8. For the reasons mentioned above, the Secretariat is not in a position to take a definitive position on the discontinuation of the SAP, as recommended by the IEU to the Board. The Secretariat notes that certain claims and assumptions leading to that conclusion may warrant further consideration. The Secretariat presents below a detailed compilation of key performance indicator (KPI) results, changes in internal processes and continuing work, focused under the efficiency initiative towards addressing the challenges outlined in the evaluation report supporting that recommendation.

III. Response to specific recommendations

	Recommendation	Response
1	<p>Recommendation 1: The GCF Board should discontinue the SAP modality in its current form, as operational ineffectiveness remains and the delivery of climate finance has been limited.</p>	<p>Not applicable.</p> <p>This recommendation is for the Board’s consideration. However, the Secretariat questions the claim of limited delivery of climate finance. Particularly after the policy update adopted at the thirty-second meeting of the Board (B.32), the SAP increasingly delivered climate finance. The number of SAP funding proposals approved by the Board has consistently increased since 2022: 2 approvals in 2022, 8 in 2023, 14 in 2024 and 17 in 2025. Furthermore, as reported to the Board in its KPI, the 17 approvals in 2025 exceeded the Board-endorsed KPI range of 8–13 by 31 per cent to 112.5 per cent. This result also makes 2025 the year with the highest number of SAP approvals in the history of GCF.</p> <p>The Secretariat also questions the claim of operational ineffectiveness. While some operational hurdles remain, overcoming structural challenges and creating opportunities to improve the efficiency and effectiveness of GCF processes remain a top priority for the Secretariat. Specifically on the SAP, incremental changes have already been made, such as streamlined templates, updated SAP guidance, improvements in programming documents, endorsement processes within the Secretariat (including independent Technical Advisory Panel reviews) and post-approval aspects.</p> <p>Further efforts to increase operational effectiveness have also been advanced under the GCF efficiency initiative, which have resulted in more streamlined processes across the project cycle and targets to increase the speed of delivery. These changes also include, among others, the implementation of the regional structure, elimination of silos, updated templates and guidance, and facilitation of integration across interdivisional teams.</p> <p>In terms of access to finance, which is especially relevant for DAEs, the evaluation concluded that the target of at least half of SAP approvals led by DAEs was only partially achieved. While Secretariat data show that DAE projects are still slightly below this target, the share has risen from 38 per cent (before B.32) to 58 per cent (B.33 to B.43), a positive trend. In 2025, DAEs supported through the readiness window were increasingly able to bring forward proposals, clearly demonstrating programming capacity through the SAP modality and contributing to this upward trend. This is reflected by a 67 per cent</p>

Recommendation		Response
		<p>uptake by DAEs in the current pipeline, indicating that a further increase is expected as new DAE approvals enter the portfolio.</p> <p>In the future, the Efficient GCF initiative will further update processes to reinforce simplification, improve the speed of delivery and ensure timely results across all modalities, while lessons learned from the SAP modality are being embedded into broader GCF operations as the new structure continues to be implemented.</p> <p>The Secretariat remains ready to support the Board’s deliberations and provide any further information or consultation as required.</p>
2	<p>Recommendation 2: The GCF Board and Secretariat should expedite the design and launch of an alternative, integrated access modality tailored to vulnerable countries, people, and communities.</p> <p>This new modality should replace SAP, build on lessons learned, and be designed around flexible, risk-appropriate processes and delegated authority to the Secretariat. A fit-for-purpose “simple access” window managed by the Secretariat would provide broader eligibility and streamlined governance. The concept of vulnerability, whether for countries or communities, should remain the central criterion, as originally intended, to proceed under more flexible rules. The Board should take into account the needs of countries that are particularly vulnerable to climate change effects, including LDCs, SIDS, African States. This change acknowledges that a fundamentally new approach is required.</p> <p>The new modality could also adjust environmental and social risk thresholds. Restricting the SAP to minimal-risk Category C projects has narrowed its scope and accessibility. Many small-scale adaptation projects, such as climate-resilient agriculture with minor infrastructure or community-level coastal protection that often carry moderate risks, are excluded from the modality. The new modality could therefore allow</p>	<p>Disagree.</p> <p>The Secretariat notes that, as the evaluation itself highlights, the SAP has largely been accessed by vulnerable groups, including DAEs from LDCs, SIDS, and African States. While recognizing the need to further strengthen support for these stakeholders, the Secretariat is focused on increasing efficiencies and reducing complexity across GCF processes. The introduction of additional modalities risks fragmenting access and creating new barriers rather than reducing them.</p> <p>The Secretariat has not identified data pointing to a new modality as the appropriate solution. Support for the target groups may be more effectively achieved through incremental improvements to existing modalities. In parallel, as part of its programming effort, the Secretariat prioritizes proposals benefiting vulnerable countries, peoples and communities as part of the pipeline prioritization in consultation with NDAs, AEs and regional teams. The Updated Strategic Plan 2024–2027 further reflects this emphasis on supporting particularly vulnerable countries to climate change. Should the Board wish to consider a new modality, or changes in existing modalities, the Secretariat stands ready to consult on its design, including the IEU recommendation for delegation of approval authority to the Executive Director to expedite projects responding to the urgent needs of the most vulnerable countries, peoples and communities.</p>

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	<p>medium-risk Category B projects with streamlined safeguards, while continuing to exclude higher risk interventions.</p> <p>The Secretariat could consider introducing policy and governance reforms to streamline approval processes for the new modality. These should include delegating approval authority for small projects to the Executive Director and instituting more rolling review workflows.</p>	
3	<p>Recommendation 3: The Secretariat should center the alternative, integrated access modality on local approaches across the project cycle.</p> <p>The Secretariat could implement local approaches. The new modality should ensure strong country context linkages through co-development processes. The Secretariat should consider encouraging funding proposals that adopt area-based and landscape approaches, addressing climate challenges at the community or ecosystem levels. By focusing on local context linkage and co-development with stakeholders on the ground, GCF can ensure projects are appropriate to the socio-cultural and environmental reality, thereby improving absorption capacity and effectiveness.</p>	<p>Agree.</p> <p>The Secretariat acknowledges the importance of strengthening local approaches to ensure that projects are responsive to the country context, community priorities and ecosystem-level challenges. Support to local approaches and actors is a core element of GCF operations, reflected in several measures already adopted.</p> <p>The Secretariat is formalizing its approach to Locally led Climate Action (LLCA) through a dedicated framework and guidelines under development. This responds to targets under the updated Strategic Plan for the GCF 2024–2027, with dedicated KPIs established to track progress. The LLCA approach supports local ownership by devolving decision-making, empowering local actors and building the capacity of community stakeholders. The Secretariat also recognizes the uptake of LLCA globally and continues to engage partners, countries and the LLCA community to enhance buy-in and adoption in GCF programming. The Secretariat will continue to explore additional incentives, avenues and options for enhanced support for local needs in line with Board strategic planning and policy decision-making.</p> <p>In parallel, additional support to local actors is provided through the DAE financing modality under the Readiness and Preparatory Support Programme, in line with the Readiness Strategy 2024–2027. DAEs can access up to USD 1 million over a four-year period, in coordination with national designated authorities or local focal points and in alignment with country priorities. This envelope is designed to strengthen programming, implementation and reporting capacities, including support for “last mile” accreditation processes, preparation of high-quality concept notes and funding proposals, and strengthening of reporting in line with the GCF Integrated Results Management Framework.</p>

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		<p>Furthermore, the Secretariat’s adoption of a regional structure, reinforced under the updated Strategic Plan for the GCF 2024–2027 regional presence approach, also aims at addressing local linkages with stakeholders on the ground, thereby improving local responsiveness and the effectiveness of GCF programming, ensuring that local participation is further enhanced.</p>
4	<p>Recommendation 4: The Secretariat should ensure the new modality does not require a project to pilot new project ideas and innovations. Instead, it should encourage the replication and scaling up of proven project interventions in vulnerable contexts. To achieve this, the Secretariat should:</p> <p>4.1 Define appropriate innovation requirements for different types of projects and modalities. The Secretariat should establish a tailored approach to innovation and provide clear guidance distinguishing between innovation expectations for different project categories and modalities. In particular, smaller projects should be able to demonstrate innovation through adaptation of proven approaches to new contexts.</p> <p>4.2 Develop a system to track and replicate successful project models. The Secretariat should ensure that the new modality identifies successful project models and replicates them. The Fund may wish to establish a mechanism to catalogue proven approaches from the GCF and other funds, and encourage their adoption. Implementing these recommendations would enable the Fund to address a fundamental conceptual tension identified in the SAP: A simplified access modality cannot effectively serve as a “simplified access” tool and an “innovation/piloting” mechanism. The SAP struggled to fill both functions. The new modality should focus on replicating and scaling up proven interventions, while leaving piloting of new project ideas to dedicated innovation facilities better suited to higher-risk interventions. Experimental or high-innovation pilots are supported through other channels, such as RFPs or the regular PAP, as appropriate.</p>	<p>Partially Agree.</p> <p>The Secretariat notes that all GCF proposals submitted for review are assessed against the GCF investment criteria, which include innovation, replicability and scalability under the paradigm shift potential criteria. In line with existing Board-approved policies and frameworks, the Secretariat applies these criteria consistently across all reviews, without differentiation between funding proposals.</p> <p>The Secretariat has adopted recommendations from the previous IEU evaluation, including those encouraging enhanced replicability and scaling up of concepts. In the IEU SAP evaluation of 2020, the IEU recommended the Secretariat to better define concepts, including scaling up (recommendation 2.b). In line with this recommendation, the Secretariat suggested the development of scaling-up frameworks under the update of the SAP process, which was adopted by the Board (decision B.32/05). The Secretariat developed and implemented the scaling up framework for climate information and early warning systems in collaboration with the Climate Risk and Early Warning Systems initiative, designed to replicate and scale up successful interventions through expedited funding provided through the SAP window. The scaling up framework is operational, with two projects submitted to the Board and more under preparation.</p> <p>The IEU evaluation of 2020 also found that the previous SAP eligibility criteria of “ready for scaling up” used for the SAP proposals had minimal impact (chapter IV, “Key findings”). In line with this finding, the Secretariat recommended simplifying the eligibility criteria, with decision B.32/05 removing the criteria that excluded proposals that were not “ready for scaling up” and did not have a strong “potential for transformation”. These aspects remain important for consideration, and all investment criteria elements are assessed as part of the formal review process instead.</p>

Recommendation		Response
		<p>Finally, to improve consistency in the application of all investment criteria elements (including innovation, replicability and scaling up), the Secretariat has adopted new review processes under the efficiency initiative. Under this umbrella, guidance has been developed to further clarify how criteria are applied across all reviews, and this guidance will continue to be updated as needed.</p> <p>As part of the continuous improvement of GCF, the Secretariat will continue to assess how these elements are reviewed in each proposal and, as required, will update the relevant guidance.</p>
5	<p>Recommendation 5: The Secretariat should promote greater institutional integration to ensure that simplified access functions as part of an integrated pathway rather than a parallel silo.</p> <p>The SAP experience shows that lessons are only valuable if translated into genuinely differentiated approaches rather than refined versions of current practices. To achieve this, the Secretariat could establish a cross-institutional task force to review and redesign coordination mechanisms across all GCF modalities and programmes, ensuring readiness support, project preparation facilities, and approval processes are integrated. Particular emphasis could be placed on linking RPSP and PPF support directly to the new modality.</p>	<p>Agree.</p> <p>The Secretariat agrees that simplified access should function as part of an integrated pathway rather than a parallel silo. This is a central focus of the ongoing efficiency initiative, which is updating processes to streamline support across different windows at various stages of the project cycle. These efforts, in line with commitments under the updated Strategic Plan for the GCF 2024–2027, aim to reduce fragmentation, improve coherence and strengthen institutional integration to create a more seamless programming pathway for all stakeholders.</p> <p>The new GCF appraisal process developed under the Efficient GCF initiative offers an integrated approach, whereby at the concept note stage regional teams identify needs for support or agree to move forward directly to the funding proposal stage. If a proposal is ready at this stage, it can be endorsed by the regional director instead of the Climate Investment Committee. At the funding proposal stage, the review process incorporates early cross-Secretariat engagement, further integrating technical areas into one project team throughout the project cycle. Other initiatives under way are also assessing the configuration of review teams, timelines and prioritization aspects to increase efficiency and reduce interdivisional frictions.</p> <p>The Secretariat has already updated its systems by moving away from the previous function-based structure and adopting a regional approach to eliminate silos. The new structure and processes are designed to integrate functions in a coordinated manner within regional teams, reducing duplication and improving responsiveness to country needs.</p>