

## 2021 Program Evaluation of the Special Climate Change Fund

### Audit Trail

#### Stakeholder Comments on Draft Evaluation Report – November 2021

GEF Secretariat Comments		
Referenced text	Comments	Response and action taken
<p><i>General Comment</i></p> <p>We request that the IEO take the following general points into consideration, and reflect these appropriately in the evaluation:</p> <ol style="list-style-type: none"> <li>1. The responsibility to honor the commitment made in an international agreement lies with the countries. This is a fundamental issue to be stressed in this report. However, it is not stressed anywhere in the evaluation. Instead, various statements imply that the failure of donors (except for one) to follow through on their commitment to the Paris Agreement lies entirely with the GEF and the SCCF. This is inaccurate and should be corrected.</li> <li>2. This report does not take into account that the global discourse on climate finance is about the failure of donor countries to deliver on the floor of \$100 billion per year on climate finance. The SCCF is part of this \$100 billion question. Whatever are the reasons for this from the donor perspective, the fact still remains that they are collectively failing to deliver on this promise.</li> <li>3. Globally, there is no credibility in claims that the failure of donors to provide \$100 billion has anything to do with the size, transaction costs, visibility, relative importance to donors etc. of the climate finance channels established for UNFCCC. There is also no evidence that whatever was withheld from the SCCF went to other funds towards meeting the \$100 billion commitment. Yet the draft is giving 100 percent credence to these reasons and shifting the responsibility of failure in climate finance delivery through the SCCF to the GEF Secretariat.</li> <li>4. Many donors wanted to consolidate their climate support through the GCF for the Paris Agreement, without the SCCF and LDCF. As a result of negotiations and push by developing countries, LDCF and SCCF were included in the Paris Agreement. Although this political commitment was made, only one country (Switzerland) followed up on it since then. Other donors decided not to follow through, for a variety of reasons.</li> </ol>		<ol style="list-style-type: none"> <li>1. The comment is beyond the scope of this evaluation and was not part of its findings.</li> <li>2. This point is referenced in paragraph 34.</li> <li>3. The shift of funding from SCCF to other, larger, new funds emerged from interviews.</li> <li>4. This observation is noted, and the role of donors has been recognized.</li> <li>5. The point is valid but no clear findings from the evaluation point at it, this is beyond the role of the evaluation and should be taken up by the GEF at other levels.</li> </ol>

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<p>5. The predicament of the SCCF is not going to be resolved by merely focusing on one window or the theme. Donors need to step up to the political commitment they made. As such, we suggest the IEO to make a clear recommendation as follows:  <i>Donors need to honor commitments made to designate the SCCF to serve the Paris Agreement by providing adequate and more predictable resources to fulfill its role.</i></p> <p>6. The IEO may also wish to indicate that if the above is not fulfilled by donors, they will have to disclose that to the COP and some decisions will then need to be made on its future.</p>		<p>6. The findings of this evaluation are not within the scope of this valid point.</p>
<p><i>Use of word “semi-dormant” and “dormant”</i></p>	<p>We think the terms “semi-dormant” and “dormant” used throughout the document are confusing, as they are not defined or definable. The terms seem to imply that the fund has stopped operating while not officially terminated, which is not accurate. There is an active portfolio, with regular monitoring and reporting, annual work plan and administrative budget, Trustee engagement, and continued programming, albeit resource constraints. We suggest using factually accurate and definable terms, and indicate that the fund is “severely resource constrained.”</p> <p>Ironically, the current situation is the opposite of dormant: the Secretariat is obligated to carry out all functions of trust fund management in full, even if resources are constrained - to this end, please note that the SCCF is in the process of preparing a new Strategy.</p>	<p>The text has been modified to consistently use the term “semidormant” and the definition of “due to the lack of new funding and few new approvals, although monitoring ongoing projects, planning and reporting continues” has been added.</p>
<p>ES Para 2 <i>“With its broad scope, covering climate change adaptation as well as mitigation...”</i></p>	<p>Please refer to the actual SCCF windows. The ones that have been resourced are SCCF-A (adaptation) and SCCF-B (technology transfer). There is no actual active window for mitigation. Window C included mitigation as well as other themes.</p>	<p>The statement has been edited. Please note that transfer of technology under window SCCF-B is for both mitigation and adaptation. Reference to the SCCF windows has also been inserted with a clarification that only two are active.</p>
<p>ES Para 2 <i>“SCCF was the only comprehensive climate change fund under the UNFCCC until the</i></p>	<p>The SCCF was not viewed as a mitigation fund. The GEFTF has hosted a Climate Change Mitigation FA window.</p>	<p>The sentence has been edited here and in paragraph 3 of the main report, and the limits of SCCF windows on mitigation have</p>

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<i>establishment of the Green Climate Fund.</i>		been clarified elsewhere in the report.
ES Para 4 <i>“The SCCF works with the same 18 Agencies as the GEF.”</i>	This should be “GEF Trust Fund”.  In reality, not all 18 agencies are engaged in the SCCF.	Sentences has been edited and the details are reflected in a footnote in paragraph 10 of the main report.
ES Para 12 <i>“Challenge Program”</i>	We appreciate the reference to the “Challenge Program” in this paragraph. However, we suggest all references to this program whenever it is mentioned throughout the full document should use its complete name, which is the “Challenge Program for Adaptation Innovation”. This is important, as there are and may be more “Challenge Programs” supporting by various climate finance actors.	Changed throughout to “Challenge Program for Adaptation Innovation” or to Challenge Programme if in the same paragraph.
ES Para 13 <i>Conclusion summary in bold text: “A wide range of factors affect outcome sustainability.”</i>	While this is true and has been substantiated, the para also shows that sustainability is relatively high for the SCCF portfolio. We suggest re-wording the introductory sentence in bold to: “Sustainability outcomes are relatively high and a wide range of factors affect these.”	No action taken. The main report provides GEF TF ratings for comparison.
ES Para 14 <i>“The SCCF could be refocused to fund technology transfer and innovative approaches applied to adaptation, since the SCCF is the only global fund with a clear technology transfer window. It is considered that the SCCF could act as an incubator for riskier technologies, hence playing a de-risking role with a catalytic potential for further investments. SCCF’s role could also include</i>	This recommendation is especially well noted. Although blending finance is referenced here, it received only light reference in the rest of the document including the recommendations. We encourage the IEO to consider expanding more on this point.  While the recommended focus on technology transfer may be warranted, we believe that there is even greater interest from recipients and donors	This is not technically a recommendation of this evaluation but reflects wishes by the stakeholders. Additionally, while blended finance was mentioned in interviews, it was cited only rarely therefore cannot justify becoming a more extensive conclusion.  The reference to a role of the SCCF in SIDS was more extensively advocated, hence more explicit reference has been added in the text of this

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<i>facilitating private sector engagement, provided that is guided by a clearer strategy for private sector and greater use of public-private forms of finance, including blended finance.</i>	to support adaptation priorities in SIDS. This element, while noted in the main text, is not reflected in the recommendations. We suggest that this element can also be brought up in the recommendations.	conclusion in the executive summary and the main report.
ES Para 14 <i>"...particularly in SIDS,..."</i>	There should be some preamble to this suggestion. We suggest mentioning earlier in the text that despite their very high vulnerability to climate change, only 8 SIDS of the UN list of 38 are LDCs. It is only through the SCCF that the GEF can support adaptation in the remaining ones.	This has been added to paragraph 137 of the main text, but not in the Executive Summary to keep it brief.
ES para 17, recommendation <i>The GEF Secretariat should acknowledge the semi-dormant state of the SCCF...</i>	<p>The GEF Secretariat has consistently raised the issue of resource constraint in the Progress Reports, and has already proposed and discussed options with donors to optimize the SCCF as part of the new programming strategy development. As such, it seems rather outdated and irrelevant to recommend the GEF Secretariat to acknowledge the constraints faced by the SCCF at this juncture. We know it, we have acknowledged it, and we have already proposed options to optimize it. As such, we suggest updating the recommendation as follows:</p> <p><i>The GEF Secretariat is recommended to continue with its current efforts to optimize the SCCF as part of the programming strategy development, together with donors, recipients, and stakeholders.</i></p> <p>We also suggest including adaptation support to SIDS and technology transfer as focused areas of interventions to explore further for the future.</p>	<p>The recommendation follows directly from interviews suggesting lack of interest from donors. This was known since the 2017 evaluation. What has been suggested by the GEF Secretariat is not in line with the findings of this evaluation suggesting a sharper change since donors are uninterested in funding the SCCF.</p> <p>Adaptation support to SIDS has been included in the conclusion on the SCCF unique role it could play in paragraph 152.</p>
ES Para 17 <i>"...and rebranding the fund toward an innovation and a technology transfer window..."</i>	This is the first mention of several such confusing statements. Without explicitly suggesting that Window A be eliminated, the IEO evaluation seems to be recommending this. However, this course of action would directly contradict the large body of evidence supporting the SCCF's very positive contributions in the adaptation space, including for projects not	Throughout the report this finding and recommendation has been reformulated to clarify that window SCCF-A should be maintained.

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	<p>supporting technology transfer and innovation. Simply making reference to the existence of multiple adaptation funds does not equate to explaining why a particular one should be eliminated, even if you have shown that it is one author’s view (Amerasinghe). We suggest that a better reasoning be presented, or this line of reasoning dropped.</p> <p>Further, one of the uniqueness of the GEF is its ability to support integrated, systemic solutions, as demonstrated by an increasing number of multi-trust fund initiatives between the LDCF and the GEF Trust Fund. We suggest that this evaluation explicitly recognize the unique potential to integrate adaptation with global environmental concerns in non-LDCs with the SCCF.</p> <p>Not a single donor, or recipient country, has asked that window C and D be removed. This issue has not been discussed at recent COPs, or reflected in COP guidance. Nor is there any evidence that removing unfunded windows will make the SCCF more attractive to other donors. We request amendments accordingly.</p>	<p>The findings from some donors and some other stakeholders support what is stated about windows SCCF-C and SCCF-D.</p> <p>The evaluation team stands by the recommendation, yet some rewording has allowed it to better reflect other changes made in the document.</p>
<p>Para 3 <i>“With its broad scope, covering climate change adaptation as well as mitigation, the SCCF was the only comprehensive climate change fund under the UNFCCC”</i></p>	<p>As discussed in the Executive Summary comments above, the GEF has supported climate change mitigation primarily through the GEF Trust Fund.</p>	<p>The statement has been edited as noted above for the comment under paragraph 2 of the executive summary. Please note that transfer of technology under window SCCF-B is for both mitigation and adaptation.</p>
<p>Para 9 <i>“The Challenge Program modifies the preselection process for SCCF funding, soliciting project concepts through calls for proposals.”</i></p>	<p>We suggest a slight reformulation of the beginning part of this sentence for greater accuracy, as follows: “The Challenge Program for Adaptation Innovation includes a pre-selection modality for SCCF funding, soliciting project concepts through calls for proposals.”. As is rightly pointed out later in this para, the preselection modality is aligned with the regular GEF Trust Fund cycle. With this in mind, we suggest that referring to “includes</p>	<p>Change made in response to the suggestions, by referring to “concepts” and reference to the SCCF preselection being modified has been deleted.</p>

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	a pre-selection modality” here is more appropriate here than “modification”.	
Para 10 <i>“The SCCF works with the same 18 Agencies as the GEF.”</i>	Please refer to ES comment above on this same sentence.	Edited as suggested in line with paragraph 5 of the Executive Summary
Para 10 <i>“These GEF Agencies have direct access to SCCF funding and work closely with project proponents such as government agencies, civil society organizations (CSOs), and other stakeholders to design, develop, and implement activities financed by the fund.”</i>	We suggest including “technology and research institutions and private sector actors” to reflect partnerships including through projects 10434, 10436 and 10437.	Edited as suggested.
Para 37 <i>“...led to a suggestion...”</i>	The suggestion seems to only be from one author. We suggest amendment accordingly.	This suggestion comes from a think tank that had predicted future scenarios. It is also in the context section of the report, not a conclusion. Further clarification has been added elsewhere in the report that the SCCF should not cede its work on adaptation (window SCCF-A).
Para 38 <i>Analysis suggesting there are enough funds for adaptation that the SCCF may be superfluous</i>	Did the recipient countries IEO interviewed also feel that there are too many adaptation funds? On the contrary, we have heard – and this draft evaluation also mentions later – that they appreciate that SCCF resources are nimble and relatively easier to access than GCF funds. The “enough funds” are actually not ‘similar quantities’. Countries with lower capacity have found GCF difficult and time-consuming to access. The PPCR only funds a subset of countries, and can only be implemented by five agencies. And the Adaptation Fund does not have the equivalent of the	This paragraph has been further edited to clarify that there is no judgement being made that there are too many players.

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	STAP or ITAP to ensure the same degree of technical rigor that SCCF projects are held to. SCCF is nimble, implementable by 18 agencies, and projects are reviewed by STAP – these factors give it uniqueness and high value addition. We are unable to find such analysis of these combined strengths in the draft evaluation.	
Para 62 <i>Discussion on the 3 GEF-7 SIDS projects.</i>	Please also mention that one of these projects (ID 10195) blended SCCF resources with GEF TF resources supporting SLM, to deliver climate-resilient SML and food security in 8 Caribbean SIDS. This is a very important GEF-7 SCCF project by virtue of (i) its regional nature; (ii) its ability to mainstream climate resilience in regional initiatives; and (iii) blending with the GEF TF. It would be remiss not to discuss it in this para. We suggest amendment accordingly.	A mention of this project has been added.
Para 68 <i>Sentence in bold at start of para: “For most selected guidance, a number of projects align with GEF Secretariat–proposed actions.”</i>	Suggest to better capture the essence, by re-wording to: “For most selected guidance, a number of projects align with GEF Secretariat–proposed actions, for example on enhanced private sector engagement and special consideration for SIDS.”	No action taken. Enhanced private sector engagement and special consideration for SIDS are examples, but the main (positive) point is that most of the GEF Secretariat’s proposed actions were followed through on.
Para 69 <i>“NAPAs had the least relevance”</i>	The meaning is not clear. NAPAs include priority adaptation actions for the country. If a project is aligned with a NAPA, it is by default aligned with and relevant to country priorities. While the SCCF has not financed many projects in LDCs, it has financed a few, and in such cases NAPA relevance has been important.	The language has been amended accordingly.
Para 70 <i>“One project found to have relevance to NAPAs and NDCs, but not to national priorities or NAPs,...”</i>	This sentence needs to be better worded. It currently gives the wrong impression that (i) these documents are somehow separate from national priorities and (ii) that alignment with <b>all</b> these documents is necessary, which it is not. First: it is understood that NAPAs, NDCs and NAPs are all aligned with national priorities. Second: some of these (NAPAs) look at urgent adaptation needs whereas others (e.g., NAPs) look at medium and longer-term adaptation. A project does not have to be aligned with all.	The language has been amended accordingly, and the mention that the project does not address national priorities or NAPs has been deleted.



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	Also, please note that not all countries have fully prepared NAPs yet.	
<p><i>Para 70 “One project found to have relevance to NAPAs and NDCs, but not to national priorities or NAPs, was the project Investment Readiness for the Landscape Resilience Fund (GEF ID 10436; WWF-US). Although this global project does not directly align with an individual country’s priorities, projects funded by the Landscape Resilience Fund must show proof of alignment with NDCs and NAPAs.”</i></p>	<p>This is factually incorrect and misleading. We request revision accordingly.</p> <p>Please note the explicit indication in the first paragraph of section 7 (Consistency with National Priorities) of the CER Approval document that the SME selection criteria will include country level adaptation tools and instruments, including NAPs, as well as NAPAs. Please note that NAPs include articulation of country adaptation priorities.</p>	<p>Same issue as the previous comment, the language has been amended accordingly, and the mention that the project does not address national priorities or NAPAs has been deleted.</p>
	<p>This section of the CER Approval document also indicates: “For those SMEs with proposals directed to developing countries, the national adaptation plan (NAP) will be the best approach for identifying adaptation priorities. Through their NAPs, countries identify medium and long-term adaptation needs, as well as strategies and programmes to address those needs. NAPs are developed under a country-driven, gender-sensitive, participatory and fully transparent approach. Therefore, NAPs will be the best tool to cross-reference SMEs practices in developing countries, against their priorities and needs. The Fund Manager team will be able to consult NAPs submitted to the UNFCCC in: <a href="https://www4.unfccc.int/sites/NAPC/Pages/national-adaptation-plans.aspx">https://www4.unfccc.int/sites/NAPC/Pages/national-adaptation-plans.aspx</a></p>	
	<p>In case the due diligence process finds that more information is needed in order to decide whether the SME proposal is well aligned with national priorities, other country-level documents that can be consulted include the National Communications through the Biennial Update Reports (BURs) that have been presented to the UNFCCC. The Fund Management team can consult BURs submitted to the UNFCCC in here: <a href="https://unfccc.int/BURs">https://unfccc.int/BURs</a>.</p>	
	<p>Finally, if all of the above fail to demonstrate the alignment between the SME practices and national priorities, the SMEs might be asked to demonstrate evidence of government engagement and support in order to be selected. As these types of documents are very difficult to obtain, this</p>	



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	will only be required in cases where the SME proposal has not been clearly identified as a national priority through the tools included in the due diligence process and described above.	
Paras 75-76	It is important to more explicitly highlight the potential of recent SCCF projects to catalyze the use of SCCF grant resources for innovation in establishing a much larger scale bankable project for potential investment through loans, equality or guarantees. This can be done either through the GEF NGI in the case of projects that will generate impacts of relevance to the GEF Trust Fund); and/or the GCF Private Sector Facility. Examples include SCCF projects 10434, 10436, and 10437.	No action taken. This section has a narrower focus on evidence in project and performance documents of concrete plans to collaborate with GCF, or of instances where follow on funding from GCF has been secured. Project potential to catalyze funding is subjective and outside the scope of this section.
Para 90 <i>Para about recent SIDS projects</i>	Please include mention of the example of ID 10195, through which SCCF will support climate resilience in 8 Caribbean SIDS. Otherwise, it looks as though only examples of “innovative” projects were picked over those that provide important mainstreaming benefits, to bolster a particular recommendation.	Has been included as suggested.
Para 115 <i>“In response to this call for proposals, the Challenge Program received 388 concepts by 343 different organizations (GEF 2019).”</i>	It is important to clarify that these large number of initial pre-concepts were targeting both LDCF and SCCF funding, not just SCCF.	This clarification has been made in this paragraph although it is clearly stated in the preceding paragraph that the Challenge Program “is financed by both the SCCF and LDCF.”

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Para 115	<p>This paragraph gives an imbalanced view and is missing key analysis. We suggest revising this paragraph, taking into consideration the following:</p> <ol style="list-style-type: none"> <li>(1) It is critically important for the SCCF and Funds like it to identify and support good opportunities for innovation and private sector investment, and therefore the large number of pre-concepts that were submitted and shortlisted for this program based on their strong potential should be viewed as extremely positive, which is not currently the underlying message conveyed in this draft paragraph.</li> <li>(2) The large number of submissions was greater than anticipated, and it suggests there is unmet need and opportunity for innovation and private sector engagement in adaptation.</li> <li>(3) The modality of inviting of pre-concepts from technology and private sector innovators directly has proven to be an effective way to identify and surface innovative ideas and opportunity for high impact support from the SCCF. This paragraph seems to suggest this is a negative thing. We disagree, and suggest this evaluation should see it as a positive and an opportunity that is under benefitted simply due to the current and feasible limited resource availability in the SCCF.</li> </ol>	<p>The paragraph, as well as paragraph 10 and paragraph 147, has been edited to include the attraction of new partners. The point that this high response can also be seen as an opportunity for the SCCF to fill a niche has also been added to this paragraph.</p>
Para 115 <i>“A preselection process aimed to prioritize proposals...”</i>	<p>This sentence is inaccurate, and we request revision. The Challenge Program for Adaptation Innovation does not prioritize proposals, perse. It invites and reviews ideas from technology and private sector innovation in the form of initial brief (3-page concept notes). This is important, given the amount of time it takes to review a short pre-concept note is greatly different than a proposal, which is why this pre-concept modality was designed. We suggest revising this to refer to “consider and pre-select ideas form short pre-concept notes”.</p>	<p>Regarding the prioritization of proposals, citation to the 2018 progress report on the Challenge Program has been added. Clarification that the concept notes are 3 pages longs has also been added.</p>
Para 115 <b><i>“The preselection process for Challenge Program has been</i></b>	<p>The underlying message of this sentence is misleading. The substantial amount of time and effort was needed due to large volume of applications. Also, only nine projects could be selected because the</p>	<p>The bolded sentence and supporting paragraph have been</p>

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<p><i>cumbersome. The GEF Secretariat has invested a substantial amount of time and effort in the preselection process to finance only nine medium-size projects (MSPs)."</i></p>	<p>funding was limited. There were a number of projects which were good but couldn't be selected due to lack of funds.</p> <p>The process was not "cumbersome"; it was merely transparent and methodical. We suggest revision accordingly.</p> <p>This sentence is factually incorrect and misleading to the reader. The fact is the submission and pre-selection process of pre-concepts was time efficient, in a number of respects. Please consider the following facts and revise this sentence to be more accurate. First, the submission of a pre-concept was purposefully flexible and brief, to minimize "cumbersomeness" on submitters/proponents. Second, the review of a pre-concept of 3 pages is much more time efficient than a PIF for example. Third, the substantial time needed to review the brief concepts was simply due to the unanticipatedly large number of submissions. Forth, from a more balanced perspective the unanticipatedly large number of submissions is a positive indication of the need, unmet opportunity, and gap in the current climate finance architecture for this scale of catalytic funding (approx. \$500k to \$1.5m) to text, model, and advance innovative and potentially transformative actions for climate adaptation innovation and private sector engagement.</p>	<p>edited to reflect that many new partners were attracted. As stated in the response above, clarification that the concept notes are 3 pages long has also been added.</p> <p>As noted above, the paragraph, as well as paragraph 10 and paragraph 147, has been edited to include the attraction of new partners. The point that this high response can also be seen as an opportunity for the SCCF to fill a niche has also been added to paragraph 119.</p>
<p>117 <i>The large number of proposals indicate an overwhelming demand that the LDCF/SCCF cannot meet."</i></p>	<p>There are important inaccuracies and misleading simplifications in this sentence.</p> <p>First, "proposals" is factually inaccurate, this should instead be written as "concept notes" or "pre-concepts".</p> <p>Further, the statement that the scale of demand cannot be met is based on a current situation of a fund without resources and therefore lacks consideration what is possible, particularly if the SCCF would be well resourced in the future. It would be accurate to indicate there were certainly many submissions that had strong potential and were worthy of</p>	<p>"Proposals" has been replaced with "concepts" throughout when discussing the Challenge Program.</p> <p>The sentence has been edited, and the point that the large number of proposals can be seen as an opportunity has been added to current paragraph 119.</p>

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	<p>further development and potential SCCF finance pending compelling development into a full project concept, and therefore logically it would be beneficial to have a larger amount of SCCF resources to be able to support a greater portion. However, given the nature of the modality it is also important to note that the intention of this program has never been to support 100% or even a majority of the great diversity of brief pre-concept submissions.</p> <p>Finally, the underlying message that the number of proposals was “overwhelming” encourages an unnecessarily negatively and overly simplistic assumption. The large number of submissions can be viewed as a reflection of interest and need for this scale of catalytic support to enable innovation and private sector action for climate adaptation. It can also be viewed as a reflection of the strategic gap and need for the SCCF to play in supporting this unmet need and opportunity to catalyze climate adaptation impact.</p> <p>We suggest deletion of this sentence, or rewriting it to correct the inaccuracies and with more careful consideration of the underlying message in this sentence.</p> <p>We suggest the following alternative text for consideration:                      “The large number of pre-concepts indicate an overwhelming interest and opportunity from technology and private sector innovators that are not being met by other more traditional approaches to project concept identification, both within the family of GEF-managed Trust Funds, as well as among other multilateral climate funds.”</p>	
<p>117 <i>The lengthy approval process makes it difficult to keep the countries interested in the project.</i></p>	<p>This sentence and the broader paragraph are imbalanced and ignore key facts, including delays from invocation of <i>force majeure</i> due to the COVID-19 pandemic as approved by Council, as well as the normal duration of GEF project approval process, which is a reflection of GEF policies and procedures. For a more balance understanding, it is important to note</p>	<p>This sentence has been deleted, and the paragraph has been edited as explained in the previous responses.</p>

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	<p>that 4 of the 7 SCCF supported projects were delayed at the request of the GEF Agency in consultation with the countries with requests extension of the CER Approval submission and/or approval due to <i>Force Majeure</i> due to the COVID-19 pandemic (10432, 10433, 10434, 10437).</p> <p>Another 1 of the 7 projects achieved CER Approval less than 10 months after submission (10438), which is well below historical average for a GEF project.</p> <p>We also encourage mention in this paragraph that some of the concern may reflect the reality of differing typical timelines for private sector investment decision making, and financial decision making through multilateral public funding mechanisms, coupled with force majeure realities of the COVID-19 pandemic to ensure the necessary effective local consultations, etc. It is with this differing timeline expectation of investment decision making with the private sector in mind that the pre-screening modality was designed. This modality enables private sector partners to invest minimal effort on a short pre-concept note, and gain indication within weeks of whether they are invited to advance for LDCF/SCCF support through the regular project cycle, which at least gives them some assurance of intention to invest that can help partners plan and prepare pending final GEF approvals.</p> <p>We suggest revising this paragraph to include these subtleties would enable a more balanced understanding.</p>	
Para 117 <i>“One project proponent noted that it took 24 months to get the proposal approved,...”</i>	Please see explanation above. This particular exceptional case was due to the Agency requesting extension invoking <i>force majeure</i> , in consultation with the country focal point, due to the COVID-19 pandemic which made it impossible to do the requisite stakeholder consultations, etc.	This sentence has been deleted.
Para 117 <i>“...compared with the</i>	We are not aware of any multilateral adaptation funds that take 2-3 months to approve a proposal. Which are these? Please specify. If the source cannot be specific, it should be considered hearsay. Also, please	This sentence has been deleted.

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<i>approval process for technical assistance from other larger funding sources, which can be completed within 2–3 months.”</i>	note that the Challenge Program for Adaptation Innovation concepts and proposals are for actual <u>projects</u> , not for “technical assistance”, so the proponent is not comparing like quantities. We suggest deletion of this sentence due to its logical flaws.	
Para 123: <i>Entire para, which implies the GEF did not sufficiently brand the SCCF attractively and make it more visible.</i>	We would like the IEO to understand the context. If there is a resource-constrained fund with very little donor support, how can the GEF publicize it and raise its visibility without raising false expectations of countries? It cannot. We suggest deletion of this sentence as it places an unfair accusation at the GEF.	This is the perception of some key stakeholders. It is not a new finding as it was also part of the findings and recommendations of past evaluations. Nevertheless, a mention of this challenge has been added to paragraph 115 to provide context.
Para 124 <i>“and within the context of adaptation in the GEF”</i>	This is confusing. Does the IEO wish to state that there should only be one SCCF window (window B), and the SCCF only should support technology transfer and innovation for adaptation? What about its main adaptation window (SCCF-A)? The analysis has not provided clear evidence that an adaptation window is no longer needed; to the contrary, this draft report is full of evidence in its favor. We believe two windows are needed: SCCF-A (adaptation, with a focus on the most vulnerable non-LDCs) and SCCF-B (technology transfer and innovation for <u>all</u> developing countries).	The paragraph has been revised. The retention of window SCCF-A has been added here and in other parts of the report.
Para 124 <i>“This is in line with the idea that, within an increasingly crowded competition in financing of adaptation, there is more specialization and that the SCCF could focus only on its technology window”</i>	IEO’s interviews with countries indicated this is not the preferred option. Further, several SCCF projects have done an excellent job of adaptation mainstreaming, building climate-resilience of infrastructure in SIDS, supporting risk insurance, etc. These are very much needed, and are areas where the SCCF can provide niche support. They do not all fall into the technology transfer window.	The quote has been removed and the retention of window SCCF-A has been clarified throughout the report.

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Para 125 <i>“A repurposed window SCCF-B (transfer of technology), within the overall context of adaptation, could therefore represent not only the most viable and appropriate window but a door for the SCCF to step into the future.”</i>	The IEO has not made a clear case for eliminating window A other than pointing to one author’s paper (Amerasinghe) and referring to a crowded adaptation space, amid which, as discussed in earlier comments, the SCCF is able to demonstrate uniqueness and value addition. To make the quoted assertion, we would expect more solid evidence and reasoning. We suggest revision/deletion accordingly.	The retention of window SCCF-A has been clarified here and throughout the report.
Para 126 <i>“The main recognized role and potential future for the SCCF are therefore in funding technology transfer within adaptation.”</i>	Same comment as for para 125. The IEO’s own draft report does not lead one to this conclusion. What about climate-resilient mangrove restoration in SIDS, to protect against coastal storms? This is not technology nor innovative, but is crucial in keeping people alive amid the more intense storms expected with climate change. We have spoken to several SIDS and they <b>do not</b> feel as though adaptation finance is a crowded space. They need to compete against all developing countries for funding from GCF and the AF. (To present the facts better, IEO should specify that the PPCR is only for a subset of countries, and can only be implemented by the MDBs; it should not be placed in the same bracket as the other adaptation funds.)	Previous edits clarify that window SCCF-A should be retained.
Para 131 <i>“Another issue mentioned during several interviews is that of an unclear branding of SCCF projects; these projects, in the view of project proposers, beneficiaries, and donors, become associated most often with GEF activities.”</i>	It is unclear what this means or is referring to. Branding in what way?  We would like to understand what exactly is the “issue” being presented here. Does branding substantiate or enhance adaptation benefits, and why this would even matter to proponents and beneficiaries? Is there evaluative evidence to suggest that two similar projects would have different outcomes if one was branded as SCCF while the other was branded as GEF, bilateral, or something else?	This paragraph is now merged with former paragraph 123 (now 130) and reformulated to clarify that branding of the SCCF refers to the visibility of the SCCF as a funding source distinct from the GEF Trust Fund and GEF Agencies.



GEF Secretariat Comments		
Referenced text	Comments	Response and action taken
<p>Para 132 <i>“The lack of funding for the SCCF has made the fund less visible and less important to the donors.”</i></p>	<p>This sentence appears to be saying that because donors do not fund it, it cannot support projects, so it is not visible to donors. It is a conundrum to try to raise visibility of a fund that does not have resources and cannot fund projects. On what grounds should it be publicized, in a way that will not place donors in an awkward position? We would like to see a discussion on what should have been done.</p>	<p>This sentence has been deleted and the focus has been put on donors’ lack of interest in the SCCF.</p>
<p>Para 132 <i>“The small size of SCCF projects and the limited scale of overall funding is a reason that makes the SCCF unattractive to donors.”</i></p>	<p>This sentence is incorrect and does not reflect donor thinking in the finance landscape.</p> <p>This sentence also reflects a lack of awareness of donors’ stated interests in catalytic type support that enables greater innovation and private sector action for climate adaptation, as has been demonstrated by SCCF supported projects in GEF-7, particularly and including through the Challenge Program for Adaptation Innovation. The catalyzing effect of MSPs has also been pointed to in previous complementary IOE evaluations. We strongly suggest revision of this statement to reflect better understanding of documents donors’ interests with the family of GEF managed trust funds.</p> <p>This sentence does not make sense. The SCCF has limited scale of overall funding and the few project it has are small size projects due to very limited donor support. To say the case is the opposite ignores why the projects are limited and small and is not a true reflection.</p> <p>Please see the overall comment at the top of this document. These reasons are not sufficient to justify lack of donor support.</p>	<p>This section is based on key stakeholder interviews.</p>
Comment from FAO		
<p>Para 124</p>	<p>The Ecuador livestock project is completed. Therefore, the statement should read “experienced delays in the last year of implementation”.</p>	<p>This has been addressed.</p>