





## GCF Sec. ICT, 5 Dec. 2013: Preliminary Thoughts

Dear Marcelo, 4 December 2013

Many thanks for giving me the opportunity to participate in your first Informal Consultative Talk on 5 December. I think the questions you have chosen in the Agenda for this discussion are indeed relevant and apposite to the paper on "Additional Modalities that further enhance direct access" and look forward to discussing them. However, I also strongly believe that it would be useful to precede the discussion of the issues raised in these questions with some thoughts on the envisaged scope of that paper. Allow me to briefly share my views on this.

I think that a discussion of that issue should take into account (i) the meaning of the relevant agenda item, and (ii) the need to avoid duplication of work undertaken by the Secretariat, either in the current round or previously.

We all know that the Additional Modalities paper relates to paragraph (g) of Decision B.04/06, in which the Board: "Decided to consider at its first meeting in 2014 additional modalities that further enhance direct access, including through funding entities with a view to enhancing country ownership of projects and programmes."

The substantive part of that decision (italicized) was lifted verbatim from paragraph 47 (*Direct Access*) of the GCF Governing Instrument, which is why it stands to reason that it's operational meaning must be the same as the one in that paragraph. This is why I requested that the paper I sent you be shared with the participants of the talk, because it contains a semantic analysis of the two key terms in this context: "enhance(d) direct access", and "funding entities" (and indeed a *Glossary of Access Modality Terms* that might be useful).

What I would like stress here is that these terms are *by no means ill-defined*. There may be people who do not know what they mean, but that does not mean that the people who introduced them into the GI did not know precisely what they intended to say. And the paper I sent around is my attempt to clarify precisely that.

As concerns the scope of the Additional Modalities paper, my main conclusion is that it must therefore be focused, first and foremost, on "Enhanced Direct Access through National Funding Entities" (in the said sense). This is not to say that, say, the involvement of sub-national entities should not be discussed, or for that matter, the relationship between NFEs and NDAs, or the role of NFEs in country coordination and multi-stakeholder engagement. Far from it! The point is simply that it should focus on how NFEs could be given enhanced direct access, that it to NFEs (and only secondarily to "local, ... and international financial intermediaries").

As concerns the TOR for the Additional Modalities paper, the conclusion similarly ought to be that it focuses on the analysis of options of additional modalities, not only because of the EDA-focus, but also because "best practices for direct access" have already been discussed in the general Access Modalities paper GCF/B.04/05.

In the hope this is helpful, I remain, as ever

Benito

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<sup>&</sup>lt;sup>1</sup> Indeed, that was the compromise, negotiated by the Indian, Bangladeshi and US board members/alternates which ultimately led to a consensus at the fourth Board meeting in Songdo.

http://www.oxfordclimatepolicy.org/publications/documents/EnhancedDirectAccess-04-2013.pdf





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