



REPLIES OF THE EUROPEAN COMMISSION

TO THE EUROPEAN COURT OF AUDITORS' SPECIAL REPORT

The Global Climate Change Alliance (+)
Achievements fell short of ambitions

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This document presents the replies of the European Commission to observations of a Special Report of the European Court of Auditors, in line with Article 259 of the [Financial Regulation](#) and to be published together with the Special Report.

I. THE COMMISSION REPLIES IN BRIEF

The Commission welcomes this Special report by the European Court of Auditors (ECA). The Global Climate Change Alliance Plus (GCCA(+)) is a European Union flagship initiative which aims to help the world's most vulnerable countries to address the negative effects of climate change.

The adoption of the Paris Agreement at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP) in 2015 has been key to reinforce the role of the GCCA(+) initiative as an instrument to support partner countries' efforts to implement the Accord.

In terms of demonstrating the **overall impact** of the GCCA(+) initiative, while the evaluations showed that individual projects positively contributed to climate action, their final effect on beneficiary countries' ability to increase resilience to climate change would have to be considered together with other EU-funded and other donors' interventions, including those of EU Member States.

In terms of **geographical coverage**, after the adoption of the Paris Agreement, the GCCA(+) extended its range of action and types of targeted countries to both adaptation and mitigation action in vulnerable countries to facilitate the transition to a climate resilient low-carbon future. Yet, it must be borne in mind that the GCCA(+) was not the only source of funding directed towards least developed countries (LDCs) and small island developing states (SIDS) highly vulnerable to the impacts of climate change. Other EU-funded and other donors' climate related interventions were implemented during the GCCA(+) initiative lifecycle. In view of the inherently limited size of funds available for the GCCA(+), choices had to be made in terms of countries to be targeted. In this context, political and institutional instability in some countries and/or the lack of sufficient security conditions in the field, together with the need of scaling up of the results achieved during the initiative's first phase in some countries, played a role in selecting projects in certain countries vis-à-vis others.

Regarding the **visibility and awareness** of the initiative, the Commission draws attention to the multiple communication channels used by the initiative to communicate on its activities (publications, Capacity for Dev posts, websites, YouTube channels, activities undertaken in a large variety of regional and international fora, etc.). The decentralised nature of the initiative implies that in addition to several initiatives led by Commission's Headquarters, several others were conducted at local level, probably leading to sub-estimation of the overall outreach.

During the Multiannual Financial Framework (MFF) 2021-2027, EU international cooperation is funded under the Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI-GE). The NDICI-GE follows a geographic approach, according to which the vast majority of funds is allocated through country and regional envelopes (EUR 68 billion out of EUR 79.5 billion) with limited funding allocated to global thematic initiatives. As regards climate finance, the EU climate ambition increased in the current MFF, with 30% of the NDICI-GE funding intended to contribute to climate action compared to 20% during the last MFF. In addition, following a new pledge by President von der Leyen in the 2021 State of the European Union (SOTEU) address, another EUR 4 billion were added to the target, equivalent to a total climate contribution of 35%.

In this context, the thematic "Global Challenges" envelope of the NDICI-GE was not sufficient to be able to continue the GCCA(+) initiative through 2021-2027. As a result, the vast majority of climate action programmes are now integrated into the national and regional Multiannual Indicative Programmes (MIPs). Each national and regional envelope is adapted to the needs and EU strategic priorities of the country/region, including for climate change. Lessons learnt on best practices from

the GCCA+, including a capitalisation study on adaptation from the GCCA+ Support Facility, will be instrumental in the design and implementation of impactful new actions in the climate change realm. The new NDC (Nationally Determined Contributions) Facility will take over the GCCA+ Support Facility and, together with other technical assistance facilities as part of the Green Deal Knowledge Hub, will offer support to partner countries and EU Delegations alike on designing and implementing EU funded actions targeting mitigation, adaptation, and disaster risk reduction.

II. COMMISSION REPLIES TO MAIN OBSERVATIONS OF THE ECA

1. Overall impact of the GCCA(+) initiative

The Global Climate Change Alliance (GCCA) was set up by the EU in 2007 with a vision to establish a dialogue with the most vulnerable communities on how best to support them in adapting to the negative effects of a changing climate. In 2014, the GCCA(+) aimed at responding to the new post-2015 international climate change governance landscape. It has focused on two pillars since: policy dialogue and technical and financial support to the implementation of national climate change adaptation and mitigation policies. The initiative continued supporting vulnerable countries, mainly least developed countries (LDCs) and small island developing states (SIDS), by increasing their resilience to adapt to climate change and enhance mitigation co-benefits.¹

With respect to the ability of the GCCA(+) initiative to demonstrate that it increased partner countries' resilience to the negative effects of climate change², the Commission stresses that the existing literature in the field of climate action indicates that the amount of financial resources required to properly address developing countries' adaptation needs is considerably larger than the levels of international public climate finance currently provided by developed countries³. This consideration also takes into account the fact that adaptation finance represents a minority share of the donors' climate finance portfolio, which is primarily directed to mitigation. In fact, the proportion of adaptation finance provided and mobilised by developed countries progressively started to increase only from 2017, when it rose from 22% to 37% of totals in 2020.⁴ As part of this process, the Commission is providing a fairly balanced amount of funding to adaptation and mitigation. In this context, the Commission would like to stress that while the GCCA(+) individual projects positively contributed to climate action, their final effect on beneficiary countries' ability to increase resilience to climate change would have to be considered together with other EU-funded and other donors' interventions. While it is unlikely that GCCA(+) projects alone could have produced country-wide changes in terms of increased resilience, they may have positively influenced some of the vulnerability indicators the multidimensional ND-GAIN index is composed of (e.g.: regulatory quality dimension). In addition, the reasons behind a possible backsliding of a country's position in the ND-GAIN ranking can be manifold and attributable to environmental, political and socioeconomic factors which are outside the control of any given GCCA(+) action.

¹ The "plus" of GCCA+.

² See ECA observations: III, 41, 43, and 44.

³ It is worth noting that the EU and its Member States and the EIB are the world's largest provider of international public climate finance. In 2020, they contributed more than USD 27 billion, making up one-third of the total USD 83 billion provided by donor countries that year.

⁴ OECD, 2022. Climate Finance Provided and Mobilised by Developed Countries in 2016-2020. Available at: Climate Finance Provided and Mobilised by Developed Countries in 2016-2020: Insights from Disaggregated Analysis | en | OECD.

A country's ability to respond to the negative effects of climate change also depends on its capacity to design, implement and assess appropriate actions. Mainstreaming adaptation in government policy is crucial to the successful formulation and implementation of national, subnational, and sectoral adaptation plans. Moreover, it can help strengthen a country's overall adaptive capacity and simultaneously provide opportunities for more climate-resilient investment decisions. The GCCA(+) initiative largely contributed to expanding partner countries' capabilities in identifying impacts, understanding vulnerabilities, and thereby prepare national, subnational, and sectoral adaptation strategies which could have been translated in turn into national and subnational adaptation planning. By supporting countries in designing policies and actions for increasing their resilience to the impacts of climate change at national and local level, and by directly encouraging stronger global engagement and exchanges, the GCCA(+) helped building the basis of climate action (including, for instance, first national climate change strategies and the first generation of Nationally Determined Contributions) in a number of LDCs and SIDS with limited resources to do so. Individual project evaluations recognise and positively assess this role of the GCCA(+), yet the overall impact of such support cannot be measured in full.

Finally, another aspect to be considered is the fact that many countries were lacking the right mechanisms for the assessment of their adaptation targets. As pointed out by UNEP's Adaptation Gap Report 2022⁵ (p. 12) the existence of such mechanisms is instrumental to facilitating increasingly more effective adaptation action over time. This aspect should be considered when assessing the GCCA(+) ability to increase countries' resilience to the effects of climate change, as development programmes also rely on the existence of national monitoring and reporting mechanisms.

The ECA considers that the persistent focus on capacity building throughout the two programme phases is due to trained staff leaving, which in turn reduced the resources available for the systematic upscaling of successful concrete actions⁶. In this respect, the Commission would like to add that capacity building remained highly relevant because it represents one of the three forms of support to developing countries foreseen by the Paris Agreement (finance, capacity building and technology transfer). High staff turnover – a process outside the control of GCCA(+) projects – required remedial actions, such as continued capacity building, to maintain the level of competence of beneficiary country high enough to keep delivering on climate action. In addition, as partner countries' governments have been regularly involved in project design, they had the opportunity to channel their own needs into the projects. Therefore, the Commission considers that the inclusion of capacity building in project design responds to partners' needs.

2. Focus of the geographical coverage of the GCCA(+) initiative

The Commission considers that the focus of the initiative was diversified in the second phase (2014-2020).⁷ The GCCA(+)’s broader geographic focus was justified by the changes in the international climate policy environment. The advances in international climate policy meant that the Commission also had an opportunity to reorient the way it provided support through the GCCA(+).

Firstly, the GCCA(+) initiative has progressively extended its range of action following the adoption in 2015 of the Paris Agreement on climate change as a far-reaching multilateral agreement to

⁵ <https://www.unep.org/resources/adaptation-gap-report-2022>

⁶ See ECA observations: V, 21, 22, 23, and 70.

⁷ See ECA observations: V, 46 through 49, 71.

which the EU, and partner countries, had committed to. This, together with the GCCA's associated goal of the Global Public Goods and Challenges (GPGC) to "facilitate the transition to a climate resilient low-carbon future", implied that the GCCA(+) expanded to both adaptation and mitigation action in vulnerable countries other than SIDS and LDCs and supported the achievement of national climate commitments such as Nationally Determined Contributions (NDCs) or National Adaptation Plans (NAPs). For instance, this was the case of Brazil, which benefitted from the Sustainable Agri-food systems and Sustainable Landscape programmes, characterised by strong adaptation and mitigation co-benefits. The inclusion of mitigation among the eligible activities was justified based on growing scientific evidence about the need to curb greenhouse gas emissions as early as possible to help limit future adaptation costs as well as averting loss and damage.

Secondly, concerning the fact that GCCA(+) funding was not able to reach all LDCs highly vulnerable to the impacts of climate change, the Commission clarifies that this is due to four specific reasons, amongst others:

- a. the limited funding available for GCCA+ implied that choices had to be made in terms of country selection, including on the opportunity and efficiency of funding climate action in specific countries under other instruments or programmes.
- b. the fact that climate change was not often identified as a priority in the multi-annual programmes (MIPs) of such countries limited the possibility to allocate funding to climate action through that channel. The priorities of the EU cooperation with partner countries are contained in the MIPs. Such priorities are identified based on the principle of ownership by partners countries and are elaborated following extensive consultations and policy dialogue with all stakeholders, including national and local authorities, civil society, and other donors.
- c. the existence of ongoing support from other donors or regional programmes, including under the intra-ACP component of the GCCA(+), would not have justified the provision of additional GCCA(+) bilateral funding.
- d. in certain cases, due to political and institutional instability and/or for security reasons, EU cooperation had to be directed towards other priorities. This is particularly the case of fragile or (post-)conflict countries such as Afghanistan, Yemen, Somalia, and the Central African Republic, whose development priorities focused on more short-term assistance needs, such as reconstruction, economic recovery, peace building and humanitarian aid.

Thirdly, some less vulnerable countries (mainly SIDS) received additional funding in the second phase to build on previous or ongoing activities with a view to contribute to the scaling up of the results achieved during the first phase. The Commission aimed in this way to pursue the objectives of the two GCCA(+) pillars⁸. In addition, the Commission would like to reiterate that the selection of the countries to be supported was not exclusively made on the basis of vulnerability indexes but included other criteria such as the quality of the request made and endorsements by the relevant country authorities and/or the EU Delegation, the status of the dialogue on climate change between the country and the EU; political factors such as strategic and/or reinforced cooperation with certain countries; the role the country plays in the UNFCCC negotiations and commitment to its processes, and efforts in the implementation of related commitments.

3. Visibility and awareness of the GCCA(+) initiative

During the first phase of the GCCA(+) initiative, communication and visibility activities were mainly web-based. The second phase of the GCCA(+) added a stronger emphasis on the binding role of knowledge management and communication. The aim was to create a solid knowledge base of

⁸ Pillar 1: Fostering dialogue and knowledge sharing. Pillar 2: Providing technical and financial support for adaptation, mitigation and disaster risk reduction measures.

experience and practical instruments for supporting and enhancing the national climate policies and programmes of partner countries; increasing awareness raising, information sharing, networking and visibility at all levels.

Concerning the degree of awareness of the GCCA(+) initiative by partner countries⁹, the Commission would like to stress the complexity and the cost of a large-scale, protracted multi-country communication campaign to raise awareness over a specific programme, and highlight the potential limited cost-effectiveness of such an endeavour. Yet, the outreach of GCCA+ has been widespread. The GCCA(+) published many reports and regular publications to make the activities more widely known. For instance, 380 publications are saved on the Capacity4dev repository¹⁰ and over 100 newsletters have been regularly produced reaching an audience of 5,000 subscribers. The website www.gcca.eu is a thorough repository of the work done, as is the relevant YouTube channel¹¹. The same function is played by the website of the intra-ACP component of the GCCA(+) (www.intraacpgccaplus.org), which contains a dedicated knowledge management section.

The GCCA(+) also organised global and regional conferences to share experiences and build knowledge, notably side events at each UNFCCC COP session¹². Awareness-raising activities of the initiative were also undertaken in a large number of fora, including intra-ACP regional economic organisations conferences or regional conferences, like the one in Rwanda in 2019 where collaboration with the International Union for Conservation of Nature (IUCN) led to a high regional visibility of the initiative. This trend has been reduced since the start of the COVID-19 pandemic in 2020.

Awareness raising was a component of several GCCA(+) programmes, with more than 20 awareness raising campaigns launched in over 50 countries during the initiative's life cycle. Partner countries where GCCA(+) is implemented are therefore aware of the initiative, and the GCCA(+) has been used to intensify policy dialogue with partner countries and regional organisations. The GCCA(+) support facilities also cooperated in organising events, and the GCCA(+) Global Support Facility is referring to the intra-ACP component¹³.

In countries with limited communication and visibility budget for individual GCCA(+) actions, the EU Delegations, Commission headquarters and the GCCA(+) facilities also came together to increase awareness of the initiative. As an example, the GCCA(+) Support Facility supported stakeholders in Myanmar to build a national communication strategy which positively influenced the integration of climate change in national policies. The outreach of such activities would have been bigger if synergies with national / subnational governments and stakeholders associated to the GCCA(+) projects were established, which was not always the case.

The Commission considers that staff turnover in EU Delegations, relevant partner countries' government departments and stakeholder organisations could have led to the loss of institutional memory and thus the awareness of GCCA(+), especially in countries where only one intervention took place during the early stage of the GCCA first phase. In addition, Member States' development

⁹ See ECA observations VIII, 45, 54-56, 73.

¹⁰ <https://europa.eu/capacity4dev/gcca-community/documents>

¹¹ <https://www.youtube.com/@GCCACommunity>

¹² Please see for example: <https://www.gcca.eu/multimedia/why-nature-based-solutions-are-crucial-climate-and-resilience-eu-gccacop26-side-event>.

¹³ <https://www.gcca.eu/services/gcca-intra-acp>

agencies practitioners who are employed in the field possess better knowledge of the initiative in comparison with those based in Brussels permanent representations.

In conclusion, the assessment of the general awareness of the GCCA(+) initiative is a complex issue which is linked to at least two factors. On the one hand, the nature of this multi-country decentralised programme poses challenges in terms of consistent and uniform understanding of its actions on the recipients' side. On the other hand, many awareness and visibility impacts are not recorded or measured consistently for several reasons (unquantifiable people-to people contacts and interactions, lack of full control over promotional activities through partner countries' official channels, limited use of social media by many beneficiaries, limited budget/staff working in communication, frequent staff turnover, implementers not always quoting the donors, etc.).

III. COMMISSION REPLIES TO THE RECOMMENDATIONS OF THE ECA

1. Recommendation 1: Focus on those most affected by climate change

(Target implementation date: actions funded from January 2024)

When funding climate change actions in developing countries, the Commission should:

(a) select indicators, baselines and targets to measure the outcomes of activities

The Commission accepts this recommendation and will implement it within the framework of the Global Europe Monitoring Performance System (GEPMS). The GEPMS is a performance monitoring system that is based on a series of methodological elements including: i) the definition of a set of corporate indicators against which all programmes are invited to report (Global Europe Results Framework GERF) and which are published annually including to report on progress of the NDICI – Global Europe, ii) the use of logical frameworks with their indicators as the main tool for reporting on results, and iii) the definition of sector and thematic core indicators that can be selected and included in logical frameworks (see also SWD SWD(2022) 22 final). In practice, this system is currently introduced across the organisation by the use of a new IT system (OPSYS) to be rolled out for the first time as of January 2023.

(b) set ambitious targets, taking account of the context in each country, for the proportion of women directly benefiting from actions and increase the focus on the poorest households

The Commission accepts this recommendation. Concerning the gender target, the Commission will implement it within the framework of the EU Gender Action Plan (GAP) 2021-2025. The GAP 2021-2025 requires that by 2025, 85% of new external actions have gender equality as a significant or principal objective (G1 and G2 markers as per the OECD-DAC gender equality policy marker) and at least 5% of them have gender equality as main objective (G2 marker). This goes beyond ensuring a particular percentage of women directly benefitting from actions. Actions having gender as a significant objective (with G1 marker) are required to ensure that:

- A gender analysis of the project/programme is conducted, and findings of this analysis inform the programme design;
- There is at least one result or indicator specifically related to improving gender equality;
- Results/indicators are disaggregated by sex whenever relevant;
- A commitment to monitor and report in the evaluation of the programme on the gender equality results achieved by the programme.

The number of actions with gender equality as a significant objective has been steadily growing over the past 10 years since the adoption of the first EU Gender Action Plan. The 2022 on the

implementation of the EU's External Action Instruments¹⁴ shows that 70% of all programmes adopted in 2021 had gender equality as a significant or as a principal objective.

The focus on the poorest households will be increased in the framework of the Inequality Action Plan/using the inequality marker, depending on the availability of data at country level.

(c) in the case of successive actions, improve the balance between capacity building and other activities with a view to scale up concrete adaptation actions reaching more people directly affected by the impact of climate change.

The Commission accepts this recommendation. Not all developing countries have sufficient capacities to deal with many of the challenges brought about by climate change, especially in the field of adaptation. As such, sufficient institutional capacity in partner countries is a pre-requisite for the implementation of concrete adaptation actions. This issue is further highlighted by LDCs' and SIDS' Technical Needs Assessments (TNAs)¹⁵, NDCs, and National Adaptation Plans (NAPs), and reiterated by frequent requests for capacity building and technical assistance under the UNFCCC Technology Mechanism¹⁶. To reflect this reality, the Paris Agreement places great emphasis on climate-related capacity building for developing countries and requests developed countries to enhance support for capacity building actions in developing countries. Capacity building will therefore remain an important part of the EU's future support in the field of climate action. At the same time, the share of support allocated to capacity building as part of a given action may be adjusted with a view to scale up adaptation actions taking into account the nature of the action itself as well as its geographical scope, beneficiaries' needs, and lessons learned.

2. Recommendation 2: Incorporate lessons learnt into future global development initiatives

(Target implementation date: other initiatives funded from January 2024)

When setting up future global development initiatives, the Commission should incorporate the lessons learnt from the Global Climate Change Alliance, particularly the following:

(a) revise the objectives when it is apparent during implementation that sufficient funding is not available

The Commission accepts this recommendation and will include this consideration, as relevant for global Team Europe Initiatives, in the updated methodological guidance for the Team Europe Initiatives.

(b) allocate funding strategically by applying objective criteria that also take account of financial support for the same sector received by partner countries from other sources

¹⁴ Report from the Commission to the European Parliament and the Council: 2022 Annual Report on the implementation of the European Union's External Action Instruments in 2021, COM/2022/578 final.

¹⁵ <https://unfccc.int/ttclear/tna>

¹⁶ <https://unfccc.int/ttclear/support/technology-mechanism.html>

The Commission accepts this recommendation and will implement it to the extent possible under the geographised approach of the NDICI-Global Europe. The Commission would also like to highlight that the opportunities for synergies, also with other donors, will be considered to the largest possible extent.

(c) systematically analyse and document the reasonableness of the budgeted costs of actions

The Commission accepts this recommendation. While there is a system in place for the analysis of budgeted costs of actions, the Commission will reinforce the applicable guidance and instructions, in particular regarding the documentation of this assessment.

Nevertheless, the Commission underlines that while the regulatory framework clearly requires that costs must be reasonable and comply with the principle of sound financial management in order to be eligible, the proportion of staff costs or the amounts allocated to one activity are to be assessed in the light of the objectives of the action and the circumstances under which it is implemented.

(d) promote general awareness of the initiative through communication activities targeting beneficiary countries and potential donors

The Commission accepts this recommendation. In the new communication and visibility guidelines for external actions 2022, project/programme-specific communication channels – websites, social media accounts, newsletters, etc. – are in principle not permitted, unless there is a specific and compelling justification for creating or maintaining them. Communication activities on future flagship global development initiatives will be carried out in the context of a more strategic and focused approach implemented under NDICI-Global Europe. This approach, which moves away from partner-implemented communication on individual projects to a more consolidated approach driven by EU Delegations and Commission Headquarters, will focus on key EU priorities, particularly those outlined in the 2021 Global Gateway strategy. This approach which aims to ensure awareness, understanding and perception of the EU, in both EU and partner countries, is commensurate with the scale and scope of our sustained investment, by concentrating on data-driven political and public-facing communication activities designed to ensure impact. Communication on flagship global initiatives, which are aligned with these key priorities, will therefore be incorporated into the broader communication strategy at global, regional, and country level, for example by utilising recognised corporate communication channels (websites, social media, etc.) and establishing relevant partnerships with key opinion formers and influencers.