

**GREEN  
CLIMATE  
FUND**

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23 June 2017

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# Sixth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change

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## Summary

This document contains the sixth annual report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) at its twenty-third session.

The Board may wish to request the Co-Chairs, assisted by the Secretariat, to finalize the report, taking into consideration the comments made and decisions taken at the seventeenth meeting of the Board, and submit the revised report to the UNFCCC secretariat, no later than 12 weeks prior to the twenty-third session of the Conference of the Parties to the UNFCCC, in accordance with UNFCCC decision 7/CP.20, paragraph 23.

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## **I. Introduction**

1. Pursuant to Article 11, paragraph 3, of the United Nations Framework Convention on Climate Change (UNFCCC), the Conference of the Parties (COP) to the UNFCCC provides guidance annually to the Green Climate Fund (GCF) as an operating entity of the Financial Mechanism of the Convention on its policies, programme priorities and eligibility criteria as an operating entity entrusted with the operation of the Financial Mechanism of the Convention. The Board therefore takes appropriate action on guidance received from the COP on an ongoing basis and submits annual reports to the COP for its consideration and to receive further guidance.
2. Paragraph 6 of the Governing Instrument for the GCF provisioned for arrangements to be concluded between the COP and the GCF, consistent with Article 11 of the Convention, to ensure that the GCF is accountable to and functions under the guidance of the COP. Such arrangements were adopted by the COP at its nineteenth session in UNFCCC decision 5/CP.19. The arrangements specify elements to be included in the annual report of the GCF to the COP starting from COP 20.
3. The draft sixth annual report of the GCF to the COP is presented in annex II. It provides an overview of milestones reached by the GCF from November 2016 to early June 2017 with respect to guidance received from the COP.

## **II. Proposed action by the Board**

4. By decision B.10/18, paragraph (c), the Board decided to adopt an annual reporting period running up to and including 31 July of every calendar year. It is therefore proposed that the Board request the Co-Chairs, assisted by the Secretariat, to finalize the sixth report of the GCF to the COP, taking into consideration the comments made and decisions taken at the seventeenth meeting of the Board, and submit the revised report to the UNFCCC secretariat, no later than 12 weeks prior to the twenty-third session of the COP (COP 23), in accordance with UNFCCC decision 7/CP.20, paragraph 23.
5. The Board may therefore wish to adopt the decision proposed in annex I.

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## Annex I: Draft decision of the Board

The Board, having considered document GCF/B.17/02 titled “Sixth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change”:

Requests the Co-Chairs, assisted by the Secretariat, to finalize the “Sixth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change” presented in annex II, taking into consideration the comments made and decisions taken at the seventeenth meeting of the Board, and submit the revised report to the United Nations Framework Convention on Climate Change secretariat, no later than 12 weeks prior to the twenty-third session of the Conference of the Parties, in accordance with UNFCCC decision 7/CP.20, paragraph 23.

## **Annex II: Sixth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change**

### **Executive summary**

1. The sections below summarize the more recent milestones reached under the guidance of the Conference of the parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) towards its objective to promote the paradigm shift towards low-emission and climate-resilient development pathways, in serving the UNFCCC and the Paris Agreement.
2. The Board approved an additional USD 50 million for the execution of the readiness programme, bringing the total amount allocated to the programme to USD 80 million. As at 31 May 2017, a cumulative amount of USD 34.3 million had been committed or spent. USD 30 million had been approved for 102 readiness requests from 78 countries. Of the 78 countries, 51 were small island developing States (SIDS), African States and least developed countries (LDCs). USD 4.3 million had been expended on readiness events including structured dialogues, regional workshops and national designated authority (NDA) visits to the Secretariat, and on providing in-kind support to countries and direct access entities through the accreditation process of the GCF. Legal arrangements had been completed for 69 of the approved readiness proposals, either in the form of bilateral grant agreements or under the GCF framework agreement with multilateral agencies, and USD 6 million had been disbursed to 46 countries.
3. Forty-eight entities had been accredited to the GCF, including 23 direct access entities and 25 international access entities – and among them six private sector entities. An additional 76 entities had completed and submitted their applications for accreditation and were in the second stage of the accreditation process (institutional assessment and completeness check) and 13 applications were under review by the independent Accreditation Panel (third stage of the accreditation process). With the aim to bring forward accredited entities that fill the mandate on balance, diversity, coverage and advancing the objectives of the GCF, the Board decided to establish a prioritization of entities applying for accreditation, applicable in 2016 and 2017 which prioritizes each of the following: national direct access entities; entities in the Asia-Pacific and Eastern European regions; private sector entities, in particular those in developing countries; entities responding to requests for proposals issued by the GCF; entities seeking fulfilment of conditions for accreditation; and entities requesting upgrades.
4. The Board had approved USD 2.2 billion to support the implementation of 43 climate change adaptation and mitigation projects and programmes in 64 developing countries. These projects and programmes are anticipated to attract USD 5.1 billion in direct public and private sector co-financing. Of the USD 2.2 billion approved, USD 1.2 billion has come through the Fund's Private Sector Facility and is anticipated to help mobilise USD 41 billion in on-ground investment. Of the 43 projects and programmes approved, 29 involve LDCs, SIDS and African States. It is expected that the projects and programmes in the portfolio will abate 981 Mt CO<sub>2</sub> eq of greenhouse gases and reach 218 million beneficiaries. Close to 80 per cent of the amount allocated to adaptation is to projects and programmes to be implemented in LDCs, SIDS and African States. The total value of the projects and programmes approved is USD 7.3 billion.
5. The Board authorized the launch of the pilot programme to mobilize resources at scale in addressing adaptation and mitigation, and mandated the issuance of a request for proposals (RFP) to solicit responses from accredited and potential accredited entities to establish and manage pilot programmes for mobilizing funds at scale. USD 500 million is allocated to this pilot programme. This is in addition to two other pilot programmes for which RFPs were launched in 2015 and 2016 for which the Board has started to approve funding proposals. These are the

USD 200 million pilot phase enhancing direct access to the GCF, targeting at least 10 proposals, with at least four proposals to be implemented in LDCs, SIDS and African States; and the USD 200 million pilot programme to support micro-, small-, and medium-sized enterprises (RfP launched for the initial tranche of USD 100 million). A fourth RFP for REDD-plus results-based payments is planned for the Board to consider in 2017.

6. As at 31 May 2017, the GCF has entered into bilateral agreements on privileges and immunities with 12 countries. In accordance with UNFCCC decision 7/CP.20, paragraph 20, and decision B.15/03, paragraph (h), the biennial report on privileges and immunities of the GCF is appended in annex III.

7. The GCF continues to further strengthen its investment and operational frameworks. Items scheduled for Board consideration in 2017 include policy matters arising from the consideration of funding proposals, an updated risk framework and risk policies and guidelines, fiduciary compliance and integrity policies including policies relating to prohibited practices, anti-money laundering and countering the financing of terrorism and the competitive process to select the permanent Trustee of the GCF.

## **I. Introduction**

1. Parties to the United Nations Framework Convention on Climate Change (UNFCCC) through decision 1/CP.16 established the Green Climate Fund (GCF) to be designated as an operating entity of the financial mechanism of the Convention under Article 11 of the UNFCCC to support projects, programmes, policies and other activities in developing country Parties.
2. At its seventeenth session, the Conference of Parties (COP) to the UNFCCC through decision 3/CP.17 launched the GCF and approved the Governing Instrument for the GCF, which stipulates that the GCF is to play a key role in channelling new, additional, predictable and adequate financial resources to developing countries so as to promote the paradigm shift towards low-emission and climate-resilient development pathways towards attaining the goals set by the international community to combat climate change, while remaining accountable to and functioning under the guidance of the COP.
3. Through UNFCCC decision 5/CP.19, the COP agreed to the arrangements between the COP and the GCF to ensure that the GCF is accountable to and functions under the guidance of the COP. Accordingly, the GCF: receives guidance from the COP, including on matters related to policies, programme priorities and eligibility criteria, and matters related thereto; takes appropriate action in response to the guidance received; and submits annual reports to the COP for its consideration and in order to receive further guidance.
4. By UNFCCC decision 1.CP/21, the COP decided that the GCF as an entity entrusted with the operation of the Financial Mechanism of the UNFCCC is also to serve the Paris Agreement, which was adopted at COP 21.
5. This document presents the sixth annual report of the GCF to the COP. It provides an overview of actions taken in response to guidance received from the COP and milestones reached towards its objective to promote the paradigm shift towards low-emission and climate-resilient development pathways, in serving the UNFCCC and the Paris Agreement. It covers the period from November 2016 to early June 2017, during which the Board held its fifteenth and sixteenth meetings.<sup>1</sup>

## **II. Accessing Green Climate Fund resources**

### **2.1 Readiness and preparatory support**

6. The GCF readiness and preparatory support programme (hereinafter referred to as the readiness programme) was put in place to enhance country ownership and to help countries to access GCF resources. The readiness programme therefore provides resources for strengthening the institutional capacities of NDAs or focal points and direct access entities to effectively engage with the GCF. It also assists countries in undertaking adaptation planning and the development of strategic frameworks to build their programming with the GCF.
7. In UNFCCC decision 10/CP.22, paragraph 7, the COP requested the Board “to take into account decision 1/CP.21, paragraph 64, to enhance the coordination and delivery of resources to support country-driven strategies through simplified and efficient application and approval procedures, and through continued readiness support to developing country Parties [...]”.
8. Through decision B.15/04, the Board approved an additional of USD 50 million for the execution of the readiness programme, bringing the total amount allocated to the programme to

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<sup>1</sup> The fifteenth and sixteenth meetings of the Board were held on 13 – 15 December 2017 and 4 – 6 April respectively, in Songdo, Republic of Korea.



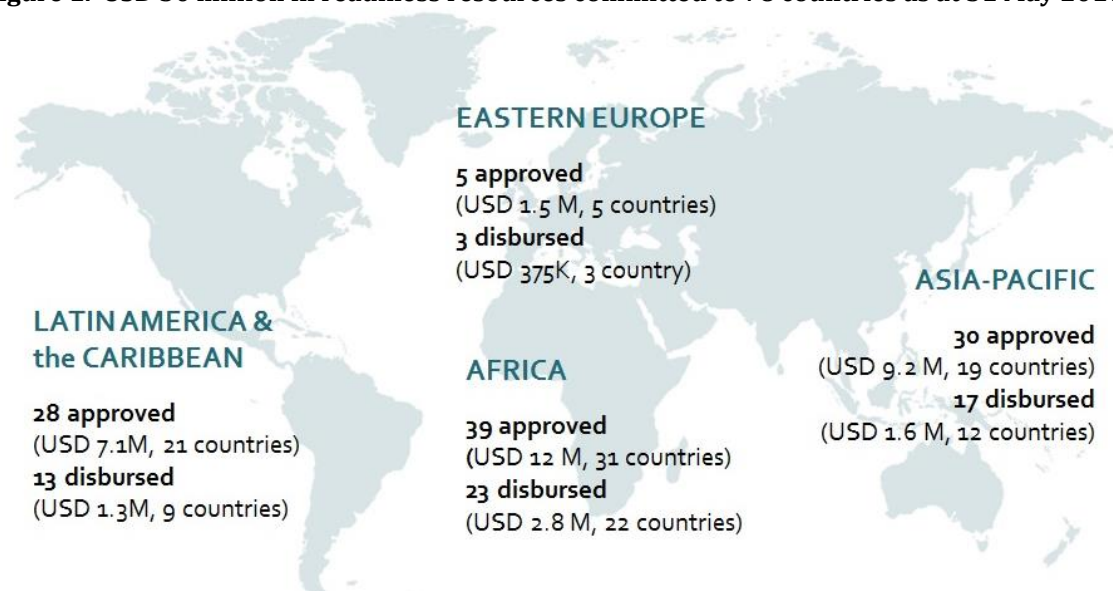
USD 80 million. As at 31 May 2017, a cumulative amount of USD 34.3 million had been committed or spent.

9. As at 31 May 2017, the GCF had engaged with 105 countries on 165 readiness requests. USD 30 million had been committed in the form of grants or technical assistance for 102 readiness requests from 78 countries, and 56 of the requests were under implementation or had been completed. Of the 78 countries whose readiness requests were approved, 51 were SIDS, LDCs and African States.

10. USD 4.3 million had been expended on readiness events including structured dialogues, regional workshops and NDA visits to the Secretariat, and on providing in-kind support to countries and direct access entities through the accreditation process of the GCF.

11. Legal arrangements had been completed for 69 of the approved readiness proposals, either in the form of bilateral grant agreements or under the GCF framework agreement with multilateral agencies, and USD 6 million had been disbursed to 46 countries.

**Figure 1. USD 30 million in readiness resources committed to 78 countries as at 31 May 2017**



12. Table 9 in annex VIII lists all the activities approved to receive readiness support as at 31 May 2017.

#### 2.1.1 Expected results from readiness support

13. Key expected outcomes of readiness support provided include:

- (a) The development of country programmes that form the basis for countries' engagement with the GCF, and of pipelines of projects and programmes. Recipient countries can engage with stakeholders in their countries, as well as accredited entities and the Secretariat in the structured dialogues to further develop their country programmes and pipelines of projects that implement national climate priorities identified in nationally determined contributions (NDCs) and other national strategies or plans;
- (b) The strengthening of the capacity of NDAs to engage their stakeholders in their countries to conduct dialogues and consultations, particularly on GCF country programmes;

- (c) The provision of support to direct access entities in the accreditation process of the GCF, from identification through to accreditation and, once accredited, the development of their capacities to build their pipelines of projects and programmes as articulated in their entity work programmes, and to effectively implement projects and programmes funded by the GCF;
- (d) The establishment of transparent and efficient no objection procedures in countries;
- (e) The engagement of the private sector and the mobilization of private sector finance in countries for climate action;
- (f) The establishment or strengthening of national adaptation planning processes; and
- (g) The strengthening of knowledge sharing and learning through regional structured dialogues and other events, which are in addition to readiness grants and technical assistance provided to countries.

### 2.1.2 Support for national adaptation planning

14. The COP, in UNFCCC decision 1/CP.21, paragraph 46, requested the Board to expedite support for LDCs and other developing countries for the formulation of national adaptation plans (NAPs), consistent with decisions 1/CP.16 and 5/CP.17, and for the subsequent implementation of policies, projects and programmes identified by them. In response to this guidance, through decision B.13/09, the Board decided to expedite support for developing countries for the formulation of NAPs consistent with UNFCCC decisions 1/CP.16 and 5/CP.17 and 1/CP.21, paragraph 46, and for the subsequent implementation of projects, policies and programmes identified by them. The Board also invited NDAs and focal points (FPs) to collaborate with readiness delivery partners and accredited entities in order to submit requests for support to formulate their NAPs and/or other adaptation planning processes.

15. The Board established a separate activity area under the readiness and preparatory support programme for the formulation of NAPs, and delegated authority to the Executive Director to approve up to USD 3 million to support the formulation of NAPs and other national planning processes, taking into consideration the UNFCCC NAP technical guidelines<sup>2</sup> and the importance of coordination and complementarity with other NAP-related initiatives and support.

16. As at 31 May 2017, the Secretariat had approved two proposals (from Liberia and Nepal), and had received NAP proposals from 15 additional countries: Antigua and Barbuda; Argentina; Armenia; Bosnia and Herzegovina; Colombia; Democratic Republic of the Congo; Dominican Republic; Ecuador; Kenya; Madagascar; Mongolia; Niger; Pakistan; United Republic of Tanzania; and Uruguay.

### 2.1.3 Support for direct access entities

17. In UNFCCC decision 7/CP.20, paragraph 13, the COP requested the Board in its implementation, to pay adequate attention to the priorities and needs of developing country Parties, including the LDCs, SIDS and African States, emphasizing the need to provide readiness support to those national and regional entities eligible for fast tracking upon request.

18. The GCF has provided in-kind accreditation support to 102 entities nominated by the NDAs and FPs of 55 countries in African, Asia-Pacific, and Latin American and Caribbean States. Among them, technical assistance support had been approved for 21 direct access entities

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<sup>2</sup> LDC expert Group (2012), Least Developed Countries, National Adaptation Plans: Technical guidelines for the national adaptation plan process.

nominated by 18 countries for in-depth assessments of their institutional capacity, and fiduciary, environmental and social safeguards and gender standards to meet GCF accreditation requirements. As at 31 May 2017, 15 of the entities nominated by 12 countries had received technical assistance totalling USD 537,434 enabling completion of their assessments and action plans.

19. Following provision of the technical assistance, six entities had submitted their applications for accreditation (stage I of the accreditation process); accreditation applications of two entities were under review (stage II of the accreditation process); and one entity (Central American Bank for Economic Integration) had been accredited. The institutional gap assessments reduce the time taken for reviews undertaken at stage I and stage II and helps entities to accelerate through the accreditation process.

20. A user-friendly version of the online GCF accreditation self-assessment tool is available on the GCF website.<sup>3</sup> The tool provides stakeholders interested in accreditation with insights into the fit-for-purpose accreditation requirements of the GCF. Since its launch, 355 users, including NDAs and FPs and entities have completed the assessment.

## 2.2 Accreditation to the Green Climate Fund

21. Access to GCF resources for the implementation of adaptation and mitigation activities is through entities accredited to the GCF. Accredited entities play a key role in working with developing countries to bring forward funding proposals and, once approved by the GCF, to oversee the implementation of the projects and programmes in countries. The COP, through UNFCCC decision 7/CP.20, paragraph 13, encouraged the timely implementation of the accreditation framework of the GCF, and in UNFCCC decision 7/CP.21, paragraph 16, urged the Board to streamline the accreditation modalities and to seek a balance of diversity in accredited entities.

22. The GCF adopted the fit-for-purpose approach to accreditation, so that entities are accredited according to the project size category, financial activity, and level of environmental and social risk of the projects and programmes that they intend to bring to the GCF.

23. As at 31 May 2017, a total of 48 entities had been accredited to the GCF, including 23 direct access entities (14 national and nine regional direct access entities), and 25 international access entities – and among them are six private sector entities. This represents an increase in the proportion of direct access entities in the total portfolio of accredited entities from 39 per cent on 31 July 2016 (the cut-off point for reporting in the Fifth Report of the GCF to the COP<sup>4</sup>), to 48 per cent. The Governing Instrument for the GCF establishes that countries will determine the mode of access, and both the direct access and international access modalities can be used simultaneously.

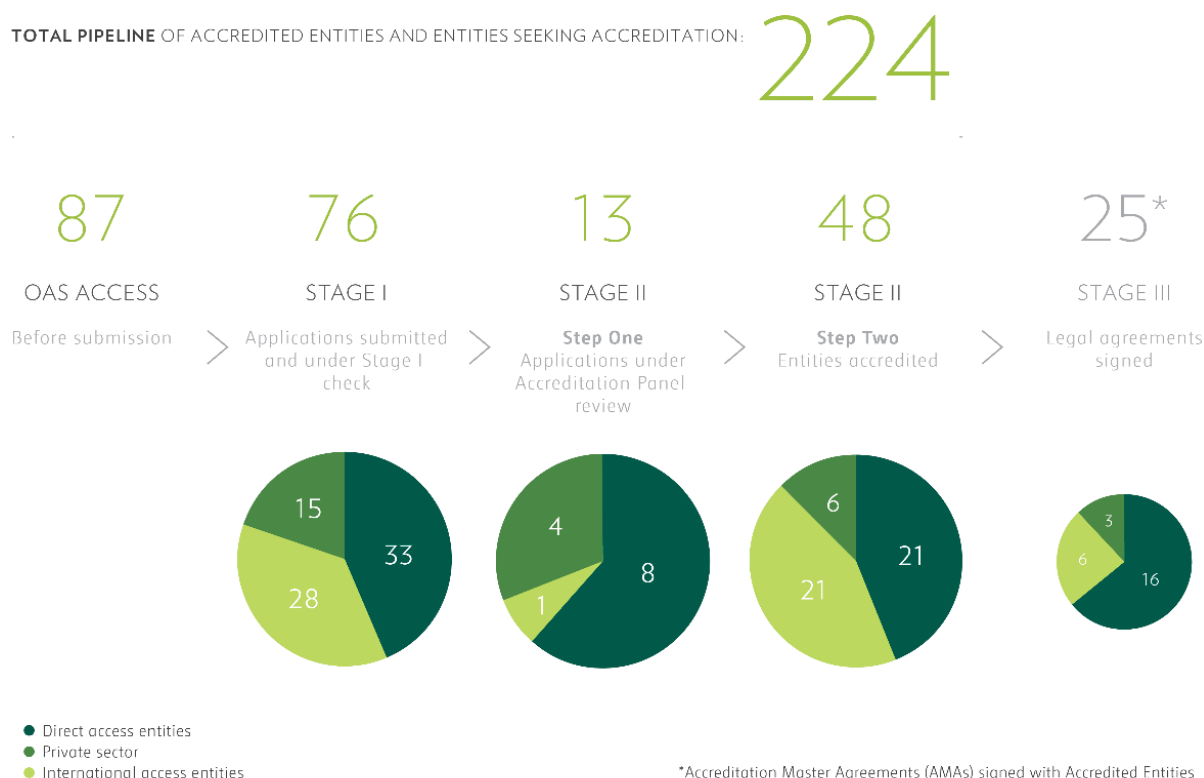
24. As at 31 May 2017, a total of 224 entities were at various stages of the accreditation process of the GCF. Of these, 87 entities had gained access to the GCF Online Accreditation System (OAS) and are preparing their applications for submission; 76 entities have submitted their applications and are under the Stage I of the accreditation process for institutional assessment and completeness checks; 13 were under Stage II, the review by the independent Accreditation Panel which makes recommendations to the Board regarding the accreditation of the entities; and 48 have been accredited. Of the 13 entities that have completed Stage I and are under the Stage II review, 11 entities (85 per cent) are direct access and four (31 per cent) are private sector (three of which are direct access entities).

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<sup>3</sup> Available at <<http://www.greenclimate.fund/partners/accredited-entities/self-assessment-tool>>.

<sup>4</sup> Document FCCC/CP/2016/7/Rev.1.

**Figure 2. Pipeline of entities in the various stages of the application process as at 31 May 2017**



25. The GCF Board at its fourteenth meeting (B.14), with the aim to bring forward accredited entities that fill the mandate on balance, diversity, coverage and advance the objectives of the GCF, established a prioritization of entities applying for accreditation, applicable in 2016 and 2017. To this end, the GCF Board prioritizes the following:

- (a) National direct access entities;
- (b) Entities in the Asia-Pacific and Eastern European regions;
- (c) Private sector entities, in particular those in developing countries, seeking a balance of diversity of entities in line with decision B.09/07, paragraph (g) and decision B.10/06, paragraph (h);
- (d) Entities responding to requests for proposals issued by the GCF, for example including a pilot phase for enhancing direct access; a pilot programme to support micro-, small-, and medium-sized enterprises; and a pilot programme to mobilize resources at scale in order to address adaptation and mitigation;
- (e) Entities seeking fulfilment of conditions for accreditation; and
- (f) Entities requesting upgrades.

26. As at 31 May 2017, the GCF Secretariat received five applications from accredited entities to upgrade their accreditation types, of which one upgrade was approved by the GCF Board in decision B.15/09. The remaining four entities include two direct access accredited entities and two international access accredited entities, which are currently under Stage I of the accreditation process.

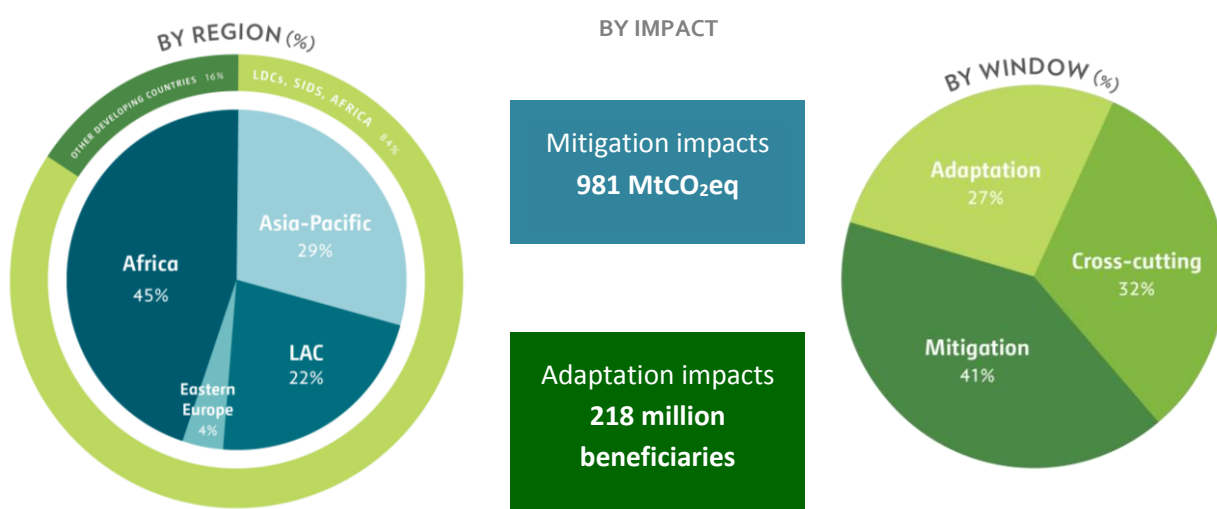
27. The Board is scheduled to consider addition applications for accreditation at upcoming Board meetings. Annex VII lists all the entities accredited to the GCF as at 31 May 2017.

## 2.3 Support for adaptation and mitigation actions

28. The Board, as of its sixteenth meeting in April 2017, had approved USD 2.2 billion to support the implementation of 43 climate change adaptation and mitigation projects and programmes in 64 developing countries. Of the 43 projects and programmes approved, 29 involve LDCs, SIDS and African States. It is expected that the projects and programmes will abate 981 Mt CO<sub>2</sub>eq of greenhouse gases and reach 218 million beneficiaries. The total value of the projects and programmes approved is USD 7.3 billion.

29. Of the USD 2.2 billion approved for the 43 projects and programmes, 41 per cent is allocated through the mitigation window, 27 per cent is through the adaptation window, and 32 per cent cuts across both the adaptation and mitigation windows.

**Figure 3: Portfolio of the Green Climate Fund by region, impact, and thematic windows**



Abbreviations: LAC = Latin American and the Caribbean States; LDCs = least developed countries ; SIDS = small island developing States

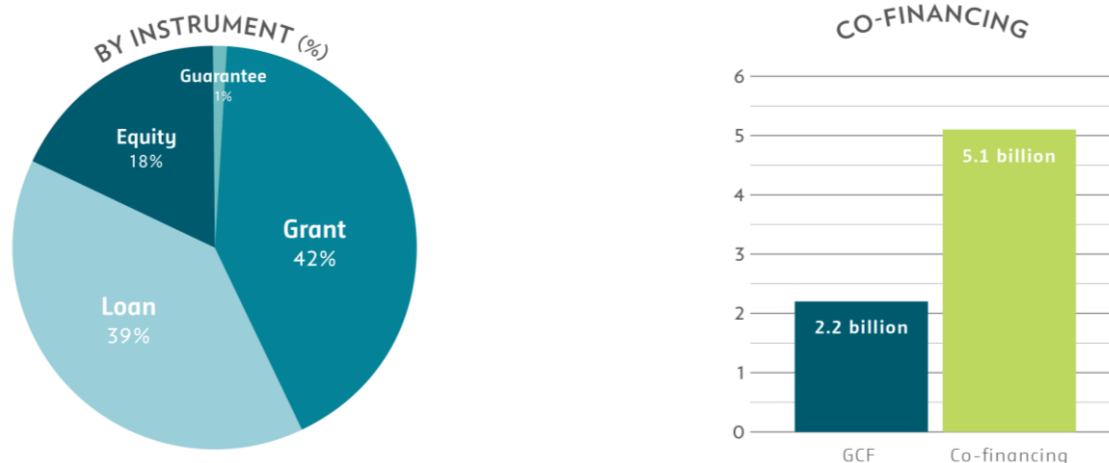
30. The COP, in UNFCCC decision 7/CP.20, paragraph 13, requested the Board in its implementation, to pay adequate attention to the priorities and needs of developing country Parties, including the LDCs, SIDS and African States. Close to 80 per cent of the amount allocated to adaptation projects and programmes will be implemented in LDCs, SIDS and African States.

31. The current portfolio of the GCF comprises 43 projects and programmes including 32 public sector projects and programmes, totalling USD 1 billion and 11 with a total GCF contribution of USD 1.2 billion from the private sector, and utilising a wide range of financial instruments as provided for in the Governing Instrument for the GCF. These projects and programmes are anticipated to attract USD 5.1 billion in direct public and private sector co-financing.

32. Figure 4 provides an overview of the financial instruments applied and the combined co-financing in the current GCF portfolio of 43 projects and programmes.



**Figure 4: Instruments in the portfolio of the Green Climate Fund and co-financing**



33. More details on the projects and programmes approved to receive GCF funding as at April 2017 are provided in table 11 contained in annex VIII. The Board will continue to consider additional funding proposals at upcoming Board meetings.

#### **2.3.1 Alignment of the portfolio of the Green Climate Fund with the initial results management framework**

34. In the arrangements between the COP and the GCF, the COP requested the Board to indicate actions undertaken to balance the allocation between adaptation and mitigation activities.<sup>5</sup> The GCF portfolio has exceeded USD 2 billion. In line with decision B.09/02, the Board is to consider actions in order to align the portfolio composition with the initial results management framework, which consists of an equal number (four each) of adaptation and mitigation result areas.<sup>6</sup> In line with decision B.06/06 and paragraph 3 of the Governing Instrument for the GCF, the Board will continue to aim to maintain a balance between mitigation and adaptation over time as it considers further projects and programmes at its meetings.

## **2.4 Disbursement of resources for the implementation of approved projects and programmes**

35. The COP, in UNFCCC decision 10/CP.22, paragraph 10, requested the Board “to enhance the delivery of resources by addressing those measures that are delaying the implementation of projects that have been approved by the Board, including the conclusion of pending accreditation master agreements and funded activity agreements”.

36. An accreditation master agreement (AMA) is the central instrument in the relationship between the GCF and an accredited entity. It sets out the basic terms and conditions as to how the accredited entity and the GCF can work together for the use of GCF resources. Once entities are accredited to the GCF, an AMA between the GCF and the accredited entity is to be signed as the last step in the accreditation process. The Board, through decision B.12/31, paragraph (f), requested the Executive Director to prioritize the execution of AMAs with those entities

<sup>5</sup> Decision 5/CP.19, annex, paragraph 14.

<sup>6</sup> GCF adaptation result areas are: most vulnerable people and communities; health and well-being, and food and water security; infrastructure and built environment; and ecosystem and ecosystem services. The mitigation result areas are: energy access and power generation; low-emission transport; buildings, cities, and industries and appliances; forestry and land use.



accredited by the Board, as a matter of urgency. The Secretariat continues to make every effort to expedite the conclusion of legal agreements to pave the way for project implementation. Among other efforts, five additional legal personnel have joined the GCF since the second half of 2016 in order to strengthen the Secretariat's capacity to review and process legal arrangements with accredited entities on AMAs and funded activity agreements (FAAs).

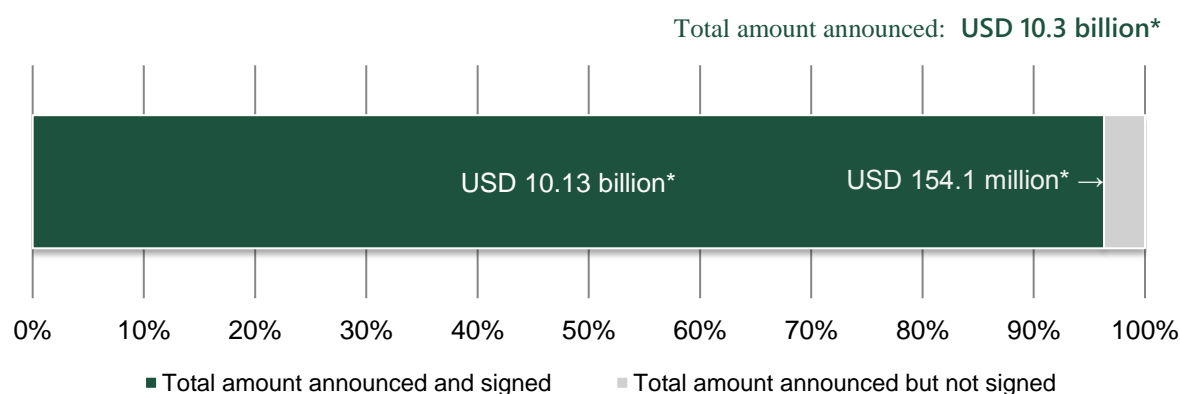
37. As at 12 June 2017, AMAs had been signed with 25 of the 48 entities accredited to the GCF. Out of the 43 projects and programmes approved, FAAs for 18 projects had been signed, corresponding to USD 478 million of GCF funding allocated to these projects and programmes.

38. The initial tranches for three of the projects have since been made for USD 6.6 million to three countries, and initial disbursements for the projects and programmes whose FAAs have been signed recently are expected to follow.

## 2.5 Status of resources and arrangements for the formal replenishment process for the Green Climate Fund

39. Pledges to the GCF in the Initial Resource Mobilization (IRM) period to date amount to USD 10.3 billion equivalent.<sup>7</sup> The pledges emerge from 43 countries, 3 regions and 1 city, 34 of which are developed and 9 are developing countries. As at 2 June 2017, approximately USD 10.13 billion of the pledges had been converted into contribution agreements/arrangements, representing just over 98 per cent of the total pledged amount. The GCF continues to work with the relevant contributors on the conversion of the remaining pledged amounts into signed contributions or arrangements. Annex V provides details on the status of pledges and contributions as at 2 June 2017.

**Figure 5: Amount pledged to the Green Climate Fund in the initial resource mobilization period and signed contribution arrangements**



\* Amounts indicated are in United States dollars equivalent (USD eq.)

40. GCF's initial resource mobilization period is ongoing, and the GCF accepts new pledges on an ongoing basis.

<sup>7</sup> Using the historical reference exchange rates established for the November 2014 GCF High-level Pledging Conference.

### 2.5.1 Arrangements for the formal replenishment process of the Green Climate Fund

41. Through decision B.12/09, the Board requested the Co-Chairs to undertake consultations with the Board on the first formal replenishment process of the GCF and to present a report on the outcomes of these consultations to the Board; and also requested the Secretariat to support the Co-Chairs to prepare documentation related to the design and development of the first formal replenishment process. This matter is in the pipeline for consideration by the Board.

## III. Support for forest-related actions

42. In line with the mandates of the GCF as instituted by the COP, “Promoting the paradigm shift towards low-emission and climate-resilient development pathways” and “supporting the implementation of the Paris Agreement [...]” are the two strategic visions of the GCF Strategic Plan for 2015–2018. Accordingly, the strategic plan outlines operationalization of REDD-plus results-based payments as one of the key actions that the Board will take in promoting pipeline development.

43. In UNFCCC decision 10/CP.22, paragraph 4, the COP urged the Board to finalize in a timely manner its work related to the guidance of the COP on financing for forests, as mandated by decision 7/CP.21, paragraphs 23–25, where the COP:

- (a) Urged the Board to operationalize results-based payments for activities referred to in decision 1/CP.16, paragraph 70, consistent with decision 9/CP.19, and in accordance with decision B.08/08 (UNFCCC decision 7/CP.21, paragraph 23);
- (b) Encouraged the Board to consider the mobilization of private sector finance to progress the GCF forestry-related result areas (UNFCCC decision 7/CP.21, paragraph 24); and
- (c) Requested the Board to take into account UNFCCC decision 16/CP.21, in particular paragraph 6, referring to support for alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests, as appropriate, in its funding decisions (UNFCCC decision 7/CP.21, paragraph 25).

### 3.1 Operationalizing results-based payments for REDD-plus

44. Building on the REDD-plus logic model and the performance measurement framework for ex post REDD-plus results-based payments adopted at its eighth meeting, the Board, in decision B.12/07, paragraph (d), requested the preparation of a document allowing for the operationalization of results-based payments REDD-plus activities. Subsequently, through decision B.14/03, the Board mandated the development of a RFPs for REDD-plus results-based payments, including guidance consistent with the Warsaw Framework for REDD-plus and other REDD-plus UNFCCC decisions. Decision B.14/03 also mandated the development of further guidance to support efforts by NDAs and FPs to engage with the GCF in the early phases of REDD-plus.

45. Work to develop the REDD-plus RFP and further guidance to NDAs and FPs is under way. The Secretariat launched consultations with members of the Board and global REDD-plus stakeholders in February 2017 and organized an expert workshop in Bali, Indonesia, in April 2017. Both the submissions from the consultations and the outcomes of the expert workshop will serve as the basis for the development of an RFP for results-based payments.

46. The Board is scheduled to consider the proposed REDD-plus RFP and further guidance to NDAs and FPs at the seventeen meeting of the Board in July 2017.



## 3.2 Private sector engagement on forest finance

47. In decision B.12/07, paragraph (f), the Board invited the Private Sector Advisory Group (PSAG) to make recommendations on the mobilization of private sector finance to progress the GCF forestry-related areas.

48. The Secretariat prepared a background document for discussion among PSAG members which will serve as the basis of PSAG recommendation on the mobilization of private sector finance to progress the GCF forestry-related areas

49. The item will be presented to the Board following the Board's approval of the REDD-plus RFP.

## 3.3 Alternative policy approaches for the integral and sustainable management of forests

50. In decision B.12/07, paragraph (e), the Board requested the Secretariat to prepare a document regarding alternative policy approaches, such as joint mitigation and adaptation approaches, for the integral and sustainable management of forests consistent with UNFCCC decision 16/CP.21, paragraph 6, and decision 7/CP.21, paragraph 25. The Secretariat is analysing options to implement the alternative policy approaches and is scheduled to present a document on the matter to the Board for its consideration.

## IV. Capacity-building and support

51. In UNFCCC decision 7/CP.20, paragraph 8, the COP requested the Board to ensure adequate resources for capacity-building and technology development and transfer, consistent with paragraph 38 of the Governing Instrument for the GCF.

52. Through UNFCCC decision 16/CP.22, paragraph 9, the COP invited "United Nations agencies, multilateral organizations and relevant admitted observer organizations engaged in providing capacity-building support to developing countries to provide information to the secretariat to be uploaded on the capacity-building portal."<sup>8</sup>

53. Pursuant to the same decision, the UNFCCC Secretariat issued an information note<sup>9</sup> inviting the submission of information on capacity-building activities undertaken between 1 January and 31 December 2016. The information note was shared with the GCF Secretariat.

54. The note requested that the information submitted be in accordance with the 15 priority areas for capacity-building identified in the framework for capacity-building in developing countries (annex to UNFCCC decision 2/CP.7), namely: "

- (a) Institutional capacity-building, including the strengthening or establishment, as appropriate, of national climate change secretariats or national focal points;
- (b) Enhancement and/or creation of an enabling environment;
- (c) National communications;
- (d) National climate change programmes;

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<sup>8</sup> Available at: <<http://unfccc.int/capacitybuilding/activities.html>>.

<sup>9</sup> Available at:  
<[http://unfccc.int/files/parties\\_and\\_observers/notifications/application/pdf/information\\_note\\_cbp\\_submission\\_2017.pdf](http://unfccc.int/files/parties_and_observers/notifications/application/pdf/information_note_cbp_submission_2017.pdf)>.

- (e) Greenhouse gas inventories, emission database management, and systems for collecting, managing and utilizing activity data and emission factors;
  - (f) Vulnerability and adaptation assessment;
  - (g) Capacity-building for implementation of adaptation measures;
  - (h) Assessment for implementation of mitigation options;
  - (i) Research and systematic observation, including meteorological, hydrological and climatological services;
  - (j) Development and transfer of technology;
  - (k) Improved decision-making, including assistance for participation in international negotiations;
  - (l) Clean development mechanism;
  - (m) Needs arising out of the implementation of Article 4, paragraphs 8 and 9, of the Convention;
  - (n) Education, training and public awareness; and
  - (o) Information and networking, including the establishment of databases.”
55. As requested, the GCF Secretariat is working to provide information through the capacity-building portal under the applicable priority areas.

#### 4.1 Capacity-building and support through the Green Climate Fund readiness and preparatory support programme

56. The readiness and preparatory support programme is a strategic priority for the GCF and was established to strengthen and build enabling environments to allow developing countries to access GCF resources. It provides support to NDAs/FPs to prepare their strategic frameworks, including country programmes, and to develop GCF programme pipelines on mitigation, adaptation/cross-cutting in a coherent approach. By decision B.08/11, the Board decided to use readiness resources to develop country-specific strategic frameworks for engagement with the GCF, building on existing strategies and plans (including nationally appropriate mitigation actions, national adaptation plans of action, NAPs and intended NDCs), support for accreditation for direct access entities, formulation of NAPs (decision B.13/09).

57. In accordance with the UNFCCC classification, the areas where the GCF has provided financial support to developing countries through the readiness programme are areas: (a) institutional capacity-building, including the strengthening or establishment, as appropriate, of national climate change secretariats or national focal points; (b) the enhancement and/or creation of an enabling environment; (d) national climate change programmes; (f) vulnerability and adaptation assessment[s?]; (g) capacity-building for the implementation of adaptation measures; and (n) education, training and public awareness.

#### 4.2 Capacity-building and support through projects and programmes

58. Beyond the readiness programme, the GCF can and has provided further support for capacity-building under its adaptation and thematic windows, where such activities are identified by countries as critical steps with respect to enhancing climate change adaptation and mitigation results to be achieved through the implementation of their GCF-supported projects and programmes. Typically, this has been provided as financial support for capacity-building

and technical assistance components of projects and programmes approved to receive financing from the GCF.

59. In accordance with the UNFCCC classification, the financial support that the GCF is to provide for capacity-building and technical assistance components of GCF projects and programmes have fallen under the areas: (a) institutional capacity-building, including the strengthening or establishment, as appropriate, of national climate change secretariats or national focal points; (b) the enhancement and/or creation of an enabling environment; (g) capacity-building for the implementation of adaptation measures; (i) research and systematic observation, including meteorological, hydrological and climatological services; and (n) education, training and public awareness.

## **V. Facilitating an increase in the amount of direct access proposals in the Green Climate Fund pipeline**

60. The COP, in UNFCCC decision 10/CP.22, paragraph 6, requested the Board “to facilitate an increase in the amount of direct access proposals in the pipeline” and to report to the COP on progress made in this regard. This section hereby responds to this request, focusing on the progress achieved by the GCF from 31 July 2016 (the cut-off point for reporting in the Fifth Report of the GCF to the UNFCCC COP<sup>10</sup>) to 31 May 2017.

61. The Governing Instrument for the GCF identifies direct access as a modality through which recipient countries receive funding. The GCF Strategic Plan 2015–2018 identifies ensuring the responsiveness of the GCF to developing countries’ needs and priorities by enhancing country programming and direct access as a core operational modality. Through decisions B.13/20, B.13/21 and B.14/07, the Board has requested the Secretariat to facilitate and enhance access to the resources of the GCF by direct access entities through a number of channels, including the simplified approval process and the readiness and preparatory support programme.

### **5.1 Current engagement with accredited direct access entities**

62. The GCF has been working with all accredited entities to update or develop draft entity work programme briefs. Aiming to strengthen the proactive and strategic approach of the GCF to programming and to deliver country-owned, high-impact proposals, the entity work programme briefs include information on overall engagement with the GCF envisioned by the accredited entities, focus areas, potential pipeline with the GCF, as well as readiness needs. The Secretariat reported to the Board on the development of 33 entity work programme briefs (including 22 from direct access entities) at the sixteenth meeting of the Board in April 2017.

63. The Secretariat maintains a steady dialogue with all 23 direct access accredited entities and continues to explore opportunities to provide further technical support to NDAs and direct access entities for developing high-quality funding proposals.

64. The Secretariat organized the Empowering Direct Access Workshop on 23–25 May 2017 at its headquarters in Songdo, Incheon, Republic of Korea. The goal of the workshop was to facilitate the engagement between the Secretariat and the accredited direct access entities, and build their knowledge base to improve project design. The workshop also aimed to enhance peer-to-peer knowledge exchange, strengthen the capacity of entities and countries and build partnerships to address climate change. The workshop welcomed 68 participants, of which 41

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<sup>10</sup> Document FCCC/CP/2016/7/Rev.1.

represented direct access accredited entities, 19 were NDAs and 8 were development partners.<sup>11</sup>

65. As a result of a variety of capacity-building learning sessions that were organized, the workshop offered an opportunity for the direct access accredited entities to discuss 32 project ideas and concept notes with the Secretariat, and received immediate feedback through focused bilateral meetings. In addition, the workshop provided focused guidance on seven funding proposals put forward by direct access accredited entities, along with two enhancing direct access pilot proposals, to get them ready for the next or final stage of review.

66. The engagement with direct access accredited entities enabled them to identify their needs at the institutional level and/or the project level, which could then be addressed through the GCF readiness and preparatory support programme<sup>12</sup> or the Project Preparation Facility (PPF).<sup>13</sup> A number of readiness proposals were also advanced during the workshop, with six coming from countries and one from a direct access accredited entity. A further six PPF requests are expected to be submitted in the near term.

67. This engagement has also led to earlier identification of potential upgrades in accreditation types for direct access accredited entities in terms of project size category, fiduciary functions, and environmental and social risk category, and potential gaps related to these.

## 5.2 Identifying and addressing direct access accredited entity needs for support

68. Through a number of channels within the GCF there exist modalities that serve to increase or facilitate an increase on the origination of funding proposals from direct access accredited entities. The Secretariat has works with direct access accredited entities and provides dedicated and targeted support in translating the identified needs into readiness requests and PPF requests while ensuring alignment with their respective NDA or FP.

69. Since 31 July 2016, five readiness proposals have been endorsed for direct access accredited entities (they are: Agency for Agricultural Development of Morocco, Centre de Suivi Ecologique, Environment Investment Fund of Namibia, South African National Biodiversity Institute and Unidad Para el Cambio Rural of Argentina). An additional 12 direct access accredited entities have indicated that they would need readiness support to build their institutional capacities and pipeline of projects. Beyond closing accreditation conditions and achieving upgrades in terms of fiduciary standards and environmental and social safeguards, these activities also aim to further develop the capacities of direct access accredited entities.

70. Furthermore, the Board, in decision B.13/21, decided on the operational modalities of the PPF. In line with that decision, the PPF will support project and programme preparation requests from all accredited entities, especially direct access entities, and especially for projects in the micro- to small-sized category, with a view to enhancing the balance and diversity of the project pipeline.

71. The first PPF proposal (from the Ministry of National Resources of Rwanda for USD 1.5 million) was approved at the twelfth meeting of the Board, and has now completed all activities. On 30 April 2017, the Ministry of National Resources of Rwanda submitted its funding proposal

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<sup>11</sup> Development partners are partners of the GCF for project development support.

<sup>12</sup> Refer to annex VII to decision B.13/32 for a revised indicative list of activities that can be supported by the readiness and preparatory support programme.

<sup>13</sup> Decision B.13/21.

of the underlying project, the Rural Green Economy and Climate Resilient Development Project, to the Secretariat.

72. As at 31 May 2017, direct access entities had submitted five PPF requests and the Secretariat is working with all direct access entities to help them develop further PPF requests. Much of the support sought in the PPF requests is to conduct feasibility studies, environmental and social impact assessments, and stakeholder consultations.

### **5.3 Expected results of funding proposals from direct access accredited entities**

73. The GCF strives to fulfil its mandate on balance, diversity and coverage of accredited entities and advance the objectives of the GCF in that regard. With a view to enhancing country ownership and reach a balanced portfolio, the GCF is working closely with the 23 accredited direct access entities to enhance their portfolio of projects.

74. The current GCF portfolio of approved projects includes 11 funding proposals from direct access accredited entities, which accounts for 26 per cent of total approved funding proposals. The 11 proposals from direct access accredited entities amounts to a total GCF funding of USD 236 million, representing 11 per cent of the total approved funding as at the sixteenth meeting of the Board held in April 2017.

## **VI. Maximizing engagement with the private sector**

75. As established by the Governing Instrument for the GCF, the GCF has a Private Sector Facility (PSF) that seeks to promote the participation of private sector actors in developing countries, in particular local actors, including small- and medium-sized enterprises (SMEs) and local financial intermediaries. The Governing Instrument establishes that the PSF will also support activities to enable private sector involvement in SIDS and LDCs and that the operation of the PSF will be consistent with a country-driven approach.

### **6.1 Accreditation of private sector entities**

76. UNFCCC decision 7/CP.20, paragraph 9, requested the Board to accelerate the operationalization of the PSF by aiming to ensure that private sector entities and public entities with relevant experience in working with the private sector were accredited in 2015.

77. As of 31 May 2017, of the 48 entities accredited to the GCF, six are accredited as private sector entities. However, many other entities accredited to the GCF, including national, regional and multilateral development banks, have brought forward private sector funding proposals to the GCF. In addition, it is possible for accredited entities to partner with private sector or other entities to bring forward private sector proposals.

78. At its fifteenth meeting (B.15), the Board decided to prioritize certain applications for accreditation, among which are applications by private sector entities, and in particular those in developing countries. (See section 2.2 on “Accreditation to the GCF” for other applications to be prioritized for accreditation in 2016 and 2017.)

## 6.2 Actions to promote private sector participation in projects

79. UNFCCC decision 7/CP.20, paragraph 9, also requested the Board of the GCF to accelerate the operationalization of the PSF by expediting actions to engage local private sector actors in developing country Parties, including SMEs in the LDCs, SIDS and African States, emphasizing a country-driven approach, expediting action to mobilize resources at scale, and developing a strategic approach to engaging with the private sector.

80. The Board has approved 43 projects so far, thereby committing USD 2.2 billion. Of the USD 2.2 billion approved, USD 1.2 billion (53 per cent ) has come through the PSF and is anticipated to help mobilise USD 41 billion in on-ground investment. Nonetheless, the Board has mandated actions to promote the participation of private sector actors in developing countries and in LDCs and SIDS in line with the Governing Instrument and guidance from the COP as follows.

### 6.2.1 Establishment of pilot programmes

81. Through decision B.10/11, the Board established two pilot projects targeting the private sector, namely:

- (a) A pilot programme to support micro-, small- and medium-sized enterprises (MSMEs), allocated USD 200 million; and
- (b) A pilot programme to mobilize resources at scale in addressing adaptation and mitigation, allocated USD 500 million.

#### a) Pilot programme to support micro-, small- and medium- sized enterprises

82. The Board approved the MSME pilot RFP, deciding to limit GCF participation in the first tranche at USD 100 million (decision B.13/22). The Board has so far approved two funding proposals that were developed following the launch of the RFP, including USD 20 million for the “Business Loan Programme for GHG Emissions Reduction” proposal (FP028) submitted by XacBank to be implemented in Mongolia; and USD 12.2 million for the “SCF Capital Solutions” proposal (FP029) submitted through the Development Bank of Southern Africa, to be implemented in the South Africa. Further projects emerging from the MSME pilot are expected to be brought for consideration by the Board, as is Board approval of the launch the RFP for the second USD 100 million-tranche for the MSME pilot.

#### b) Pilot programme to mobilize resources at scale

83. Through decision B.16/03, the Board mandated the issuance of an RFP to solicit responses from accredited and potential non-accredited entities to establish and manage pilot programmes for mobilizing funds at scale. Funding proposals that are submitted as a response to the RFP will be considered by the Board as part of the wider portfolio of the GCF, and through the same modalities as standard proposals.

### 6.2.2 Enabling private sector involvement in least developed countries and small island developing States, and in adaptation

84. UNFCCC decision 10/CP.22, paragraph 11, encourages the Board of the GCF to implement decision B.04/08 to develop modalities to support activities enabling private sector involvement in the LDCs and SIDS, and to seek opportunities to engage with the private sector, including local actors, on adaptation action at the national, regional and international levels.



85. In response to the guidance of the COP, the Board through decision B.15/03 requested the PSAG to provide recommendations to the Board on:

- (a) The development of modalities to support activities enabling private sector involvement in the LDCs and SIDS; and
- (b) Opportunities to engage the private sector, including local actors, in adaptation action at the national, regional and international levels.

86. The Board decided to co-opt a Board representative from the LDCs and another from SIDS to assist the PSAG to develop its recommendations. This matter is scheduled for consideration by the Board.

#### **6.2.3 Promoting private sector participation in forestry-related activities**

87. Decision B.12/07, paragraph (f), mandates the PSAG to make recommendations on the mobilization of private sector finance to progress the GCF forestry-related areas, scheduled for consideration by the Board.

#### **6.2.4 Developing a private sector outreach plan**

88. Pursuant to decision B.13/05, the Board is scheduled to consider an analysis of barriers to crowding-in and maximizing the engagement of the private sector, and to consider the PSAG recommendations on the same.

89. The Board, by the same decision, also mandated the development of a private sector outreach plan. The Secretariat carried out a survey of private sector actors and an analysis of barriers to crowding-in the private sector, which was presented to the PSAG, and these items are planned to be presented to the Board for its consideration in driving towards the development of the private sector outreach plan.

## **VII. Complementarity and coherence with other funds**

90. The Governing Instrument for the GCF institutes that the GCF “shall operate in the context of appropriate arrangements between itself and other existing funds under the Convention, and between itself and other funds, entities, and channels of climate change financing outside the Fund” (paragraph 33). The Governing Instrument also institutes that the Board will “develop methods to enhance complementarity between the activities of the Fund and the activities of other relevant bilateral, regional and global funding mechanisms and institutions, to better mobilize the full range of financial and technical capacities” and that “the Fund will promote coherence in programming at the national level through appropriate mechanisms”, and will also “initiate discussions on coherence in climate finance delivery with other relevant multilateral entities”.

91. UNFCCC decision 7/CP.21, paragraph 26, and UNFCCC decision 7/CP.20, paragraph 16, encourage the Board of the GCF to improve complementarity and coherence with other institutions as per paragraphs 33 and 34 of the Governing Instrument, including by engaging with relevant bodies of the Convention, such as the Standing Committee on Finance.

92. Accordingly, the Board, in decision B.13/12, mandated the preparation of an operational framework on complementarity and coherence that is to act as the basis for the cooperation of the Board with the Standing Committee on Finance. The operational framework is to be built around the key elements outlined in the Governing Instrument for the GCF, namely:

- (a) Board-level discussions on fund-to-fund arrangements;

- (b) Enhanced complementarity at the activity level;
  - (c) Promotion of coherence at the national programming level; and
  - (d) Complementarity at the level of delivery of climate finance through an established dialogue.
93. On adoption of the framework, the Board is to consider options for the operationalization of these key elements.

## **7.1 Coherence and current engagement with other climate finance delivery channels**

94. While work is ongoing to develop an overarching framework to act as the basis for engaging with other funds, efforts are also ongoing to promote complementarity and coherence of the GCF with these counterparts as outlined below.

### **7.1.1 Coherence in providing readiness and preparatory support to countries**

95. The GCF Secretariat has initiated a Readiness Coordination Mechanism (RCM), a group which consists of institutions providing dedicated readiness support to access GCF funding. Core members include the African Development Bank, the Commonwealth Secretariat, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), KfW Development Bank, United Nations Environment Programme, United Nations Development Programme and World Resources Institute, and in addition are a number of observer institutions. The aim of the RCM is to strengthen coordination among readiness providers to avoid duplication of efforts and maximize collaborative opportunities to ensure harmonized approaches at the country level and globally.

### **7.1.2 Complementarity and coherence in the accreditation process**

96. Pursuant to decision B.08/03, institutions accredited by and in full compliance with the standards of the Global Environment Facility (GEF), the Adaptation Fund (AF) and the European Commission's Directorate-General for International Cooperation and Development (DG DEVCO) are eligible to apply for accreditation to the GCF under the fast-track accreditation route, thus maintaining consistency with the standards of the GEF, AF and DG DEVCO and building on the existing systems of the intermediaries and implementing entities. This is also in line with the recommendations from the Fifth Review of the Financial Mechanism of the UNFCCC to the accreditation process of the GCF.<sup>14</sup>

97. Of the 48 entities accredited to the GCF to date, 35 have gone through the fast-track accreditation route.

### **7.1.3 Promoting complementarity and coherence at the activity level**

98. The Board, through decision B.13/12, mandated the initiation of an annual dialogue with climate finance delivery channels in order to enhance complementarity and coherence at the activity level, the first of which is planned to take place on the margins of B.17.
99. Other institutions providing climate finance, including multilateral, regional and national development banks, are among the entities accredited to GCF. There are ongoing efforts to develop country programmes and work programmes for entities accredited to the GCF as a means to strengthen its strategic approach to programming. The process directly emanates

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<sup>14</sup> Decision 9/CP.20, annex, paragraph 25, and decision 9/CP.20, annex, paragraph 58.



from the GCF Strategic Plan for 2015–2018. Among others, the process to develop country and entity work programmes has sought to incorporate the aspect of building on the comparative advantages and possibilities of the GCF to coordinate with other climate finance institutions so as to support the implementation of the Paris Agreement in a coherent manner.

#### **7.1.4 Engagement with other funds**

100. The GCF continues to engage with other climate finance delivery channels, including the AF, GEF and the Climate Investment Funds (CIFs).

101. On 20 April 2017 the secretariats of the GCF, the GEF, the AF and the CIFs met on the margins of the Spring Meetings of the World Bank in Washington DC to better understand opportunities for collaboration for complementarity and coherence in the climate finance architecture. Building on this meeting, the GCF Secretariat participated in bilateral meetings with secretariats of these institutions to provide an update on operations and further potential avenues of collaboration related to coherence of the work of the various funds. Collaboration has focused on identifying synergies in the country programming processes to maximize opportunities for countries in engaging with the different funds.

### **VIII. Strengthening linkages with the Technology Mechanism**

102. In UNFCCC decision 14/CP.22, paragraph 9, the COP invited “ the operating entities of the Financial Mechanism to provide information on their actions in strengthening the linkages between the Technology Mechanism and the Financial Mechanism in their annual reports to the COP”. In response to this invitation, the Board, through decision B.15/03, requested the Secretariat to include information on the actions taken to strengthen linkages between the Technology Mechanism in the Sixth Report of the GCF to the COP. This section hereby addresses that mandate.

103. By decision B.14/02, paragraph (d), the Board also requested the Secretariat to provide recommendations on further steps to enhance cooperation and coherence for consideration by the Board, and in the context of the GCF operational framework on complementarity and coherence and the annual event with the thematic bodies of the UNFCCC.

104. In UNFCCC decision 14/CP.22, paragraph 3, the COP encouraged the Board to invite the Chairs of the Technology Executive Committee (TEC) and the Advisory Board of the Climate Technology Centre and Network (CTCN) to future meetings of the Board of the Green Climate Fund on issues of common interest, in order to strengthen the existing linkages between the Technology Mechanism and the Financial Mechanism. Pursuant to this guidance, the Board, in accordance with paragraph 38 of Rules of Procedure of the Board, decided through decision B.15/03 to invite the Chairs of the TEC and the Advisory Board of the CTCN to present to the Board during consideration of options for supporting collaborative research and development.

105. Additionally, the GCF has collaborated with the CTCN in the organization of events to enhance coordination between NDAs and national designated entities (NDEs) as part of the structured dialogues and information materials going to the NDAs with information on collaboration between the CTCN and the GCF.

106. Pursuant to the Board mandates, these matters are in the pipeline for consideration by the Board within the 2017 workplan, particularly on collaborative research and development, and on strengthening the linkages with the Technology Mechanism.

## IX. Gender considerations in the work of the Green Climate Fund

107. In UNFCCC decision 21/CP.22, paragraph 21, the COP “requests the Financial Mechanism and its operating entities to include in their respective annual reports to the Conference of the Parties information on the integration of gender considerations in all aspects of their work”. In response to this guidance, the Board, through decision B.15/03 decided to include, where feasible, gender considerations in all of the activities of the GCF and requested the Secretariat to include such information in its annual report to the COP. Information on actions taken on gender is hereby provided.

108. The Board adopted the Gender policy and action plan of the GCF in March 2015 (decision B.09/11) in seeking to enhance a gender-sensitive approach in the processes and operations of the GCF as embedded in the Governing Instrument for the GCF. An overview of actions taken to integrate gender considerations in the work of the GCF guided by the Gender policy and action plan and of other additional actions is outlined below.

### 9.1 Enhancing gender considerations in readiness activities

109. To strengthen gender-related actions in activities implemented under the readiness and preparatory support programme activities, dedicated resources are being provided to NDAs for:

- (a) Developing participatory and inclusive strategies;
- (b) Enhancing multi-stakeholder processes, especially at the grass-roots level;
- (c) Ensuring the involvement of women-led organizations and representatives of indigenous peoples’ organizations in consultations; and
- (d) Conducting gender-sensitive stakeholder consultations and analyses.

110. This targeted support is expected to enhance the gender-responsiveness of country programmes as well as gender inclusiveness in other activities supported by the readiness programme.

111. Gender-informed indicators and gender considerations have been incorporated in the templates of country programmes and entity work programmes. The development of country programmes and entity work programmes is an ongoing initiative that has directly resulted from the implementation of the GCF Strategic Plan for 2015–2018 adopted by the Board through decision B.12/35 (March 2015). In this context, the Secretariat is working to advance gender responsive actions, and to monitor progress on gender actions in the country programmes and work programmes of accredited entities.

112. The NAP development processes followed by countries when developing NAP proposals for submission to the GCF have been reviewed from a gender perspective.

113. PPF proposals submitted to the Secretariat are also reviewed from a gender perspective.

### 9.2 Gender considerations in projects and programmes

114. The Secretariat has proactively reviewed concept notes and funding proposals from a gender perspective, and ensures that gender assessments are undertaken by accredited entities as part of project appraisals, in line with the GCF Gender policy and action plan. The gender assessments and actions plans submitted by accredited entities are now disclosed as part of the funding proposal packages considered by the Board.

115. As per the strategies outlined in the Gender policy and action plan, gender assessments at the project/programme level have been undertaken by accredited entities. The majority of

funding proposals considered by the Board therefore contain gender assessments. Innovative gender mainstreaming design features, such as project-level gender action plans, have also been introduced. This has helped to identify specific gender elements that should be included in project and programme activities; and in determining how the project or programme can respond to the needs of women and men from vulnerable communities in view of the specific climate change issue to be addressed. As a result, the majority of funding proposals considered by the Board contain project-level gender action plans.

116. Gender mainstreaming features were also incorporated in the MSMEs pilot programme and the enhancing direct access pilot programme – two of the three pilot programmes established by the Board with allocations of up to USD 200 million each.<sup>15</sup>

### 9.3 Other tools and initiatives to promote gender considerations in the activities of the Green Climate Fund

117. A training manual on gender and climate change has been finalized and is currently being prepared for publication in print and on the GCF website. This will be the first manual that the GCF will publish across any thematic area. Efforts are ongoing to develop other gender-relevant outreach materials.

118. The GCF worked closely with and guided the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) on the preparation of a handbook on leveraging co-benefits between gender equality and climate action. The handbook was launched by UN Women at COP 22 and is available for viewing on the GCF website.<sup>16</sup>

119. A knowledge-sharing session on gender and social inclusion was organized for potential accredited entities in the Organization of Eastern Caribbean States region in Grenada on 25 April 2017 and another such event for direct access entities, NDA and FPs in Songdo, Incheon, Republic of Korea on 23–25 May 2017.

### 9.4 Review of the Gender policy and action plan

120. Terms of reference for the review and update of the GCF Gender policy and action plan were developed, and a call for public inputs posted on the GCF website.<sup>17</sup> Inputs received will form the basis for developing the updated Gender policy and action plan that is in the pipeline for consideration by the Board.

## X. Further development of the Green Climate Fund investment and operational frameworks

121. By UNFCCC decision 7/CP.20, paragraph 10, the COP requested the Board of the GCF to complete its work related to policies and procedures. Work continues to further strengthen the GCF investment framework and operational framework. In addition to the matters indicated throughout this report, the Board is scheduled to consider in 2017 policy matters related to

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<sup>15</sup> Decision B.10/04 and decision B.10/11.

<sup>16</sup> See <<http://www.greenclimate.fund/documents/20182/194568/LEVERAGING+CO-BENEFITS+BETWEEN+GENDER+EQUALITY+AND+CLIMATE+ACTION.pdf/95dd0426-6d58-4413-bbbc-45e4d6c7e7d5>>.

<sup>17</sup> See <[http://www.greenclimate.fund/boardroom/board-meetings/documents?p\\_p\\_id=122\\_INSTANCE\\_8e72dTqCP5qa&p\\_p\\_lifecycle=0&p\\_p\\_state=normal&p\\_p\\_mode=view&p\\_p\\_col\\_id=118\\_INSTANCE\\_jUGwSITWV8c5\\_column-2&p\\_p\\_col\\_count=1&p\\_r\\_p\\_564233524\\_resetCur=true&p\\_r\\_p\\_564233524\\_categoryId=23991#nav-category](http://www.greenclimate.fund/boardroom/board-meetings/documents?p_p_id=122_INSTANCE_8e72dTqCP5qa&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=118_INSTANCE_jUGwSITWV8c5_column-2&p_p_col_count=1&p_r_p_564233524_resetCur=true&p_r_p_564233524_categoryId=23991#nav-category)>.

funding proposals that have arisen during the initial sessions where proposals were considered by the Board. Matters related to risk, including the updated risk management framework and risk policies and guidelines are also to be considered by the Board. The competitive process to select the permanent Trustee is ongoing and the final nominee is expected to be recommended to the Board for its decision no later than its eighteenth meeting. The Board is also scheduled to consider fiduciary compliance and integrity policies including policies relating to prohibited practices, anti-money laundering and countering the financing of terrorism.

## **XI. Privileges and immunities with regard to the operational activities of the Green Climate Fund**

122. In UNFCCC decision 10/CP.22, paragraphs 8 and 9, the COP noted with concern the lack of signed bilateral agreements related to privileges and immunities in order for the GCF to undertake its activities, and looked forward to the biennial report on the matter, in accordance with UNFCCC decision 7/CP.20, paragraph 20, and Board decision B.08/24.

123. Following this guidance from the COP, the Board, in decision B.15/03 paragraph (g), requested the Secretariat to continue its efforts to negotiate and sign, or otherwise develop, agreements or other appropriate arrangements with countries on privileges and immunities consistent with decision B.10/12; and further requested the Secretariat through decision B.15/03, paragraph (h), to incorporate in its report to the twenty-third session of the COP a section on the status of the existing GCF privileges and immunities with regard to its operational activities consistent with UNFCCC decision 7/CP.20, paragraph 22.

124. As at 31 May 2017, the GCF has entered into bilateral agreements on privileges and immunities with 12 countries namely: Antigua and Barbuda; Belize; Cook Islands; Honduras, Kiribati, Micronesia (Federated States of); Namibia; Papua New Guinea; Samoa; Solomon Islands; Tonga and Zambia

125. In accordance with UNFCCC decision 7/CP.20, paragraph 20, and decision B.15/03, paragraph (h), the biennial report on privileges and immunities of the GCF is appended in annex III.

## **XII. Actions taken by the Green Climate Fund pursuant to guidance received from the Conference of the Parties**

126. This section provides an overview of actions taken by the GCF pursuant to individual guidance received from the COP. It is organized in three sub-sections as follows:

- (i) Actions taken by the GCF in response to guidance received from COP 22 (presented in table 1);
- (a) Actions taken by the GCF in response to guidance received from the seventeenth to the twenty-first sessions of the COP that is still relevant for action and reporting (presented in table 2); and
- (b) Report on the implementation of the arrangements between the COP and the GCF (presented in table 3).

## 12.1 Actions taken in response to guidance received from the twenty-second session of the Conference of the Parties

127. The COP, in UNFCCC decision 10/CP.22, requested the GCF, as an operating entity of the Financial Mechanism to include in its annual report to the COP information on the steps it has taken and the timeline for the implementation of the guidance provided in the decision.

128. The progress in implementing guidance contained in UNFCCC decision 10/CP.22 and other COP 22 guidance is provided in table 1 below.

**Table 1. Update on progress in addressing guidance received from the twenty-second session of the Conference of the Parties**

Guidance received from the Conference of the Parties	Progress in responding to the guidance
<b>Guidance on REDD-plus</b>	
<p>Urges the Board to finalize in a timely manner its work related to the guidance of the Conference of the Parties on financing for forests as mandated by decision 7/CP.21, paragraphs 23–25</p> <p><i>UNFCCC decision 10/CP.22, para. 4</i></p> <p><i>Linked with</i></p> <p><i>Decision 1/CP.21, paragraph 54</i></p> <p><i>Decision 7/CP.20, paragraph 18</i></p> <p><i>Decision 9/CP.19, paragraph 8</i></p> <p><i>Decision 7/CP.21, paragraph 23</i></p> <p><i>Decision 7/CP.21, paragraph 24</i></p> <p><i>Decision 7/CP.21, paragraph 25</i></p>	<p>See section III on “Support for forest-related actions”</p>
<b>Initial Resource Mobilization</b>	
<p>Also urges Parties that made pledges under the initial resource mobilization process of the Green Climate Fund but have not yet confirmed them through fully executed contribution arrangements or agreements to do so as a matter of high priority</p> <p><i>UNFCCC decision 10/CP.22, para. 5</i></p> <p><i>Linked with</i></p> <p><i>Decision 7/CP.21, paragraph 8</i></p>	<p>See section 2.5 on “Status of resources and arrangements for the formal replenishment process for the GCF”</p>
<b>Facilitating increase in proposals from direct access entities</b>	
<p>Requests the Board to facilitate an increase in the amount of direct access proposals in the pipeline and to report to the Conference of the Parties on progress made in this regard</p> <p><i>UNFCCC decision 10/CP.22, para. 6</i></p>	<p>See section VI on “Facilitating an increase of direct access proposals in the pipeline”</p>

Guidance received from the Conference of the Parties	Progress in responding to the guidance
<b>Delivery of resources</b>	
<p>Also requests the Board to take into account decision 1/CP.21, paragraph 64, to enhance the coordination and delivery of resources to support country-driven strategies through simplified and efficient application and approval procedures, and through continued readiness support to developing country Parties, including the least developed countries and small island developing States, as appropriate, and in accordance with Board decisions  <i>UNFCCC decision 10/CP.22, para. 7</i>  <i>Linked with</i>  <i>Decision 1/CP.21, paragraph 64</i></p>	<p><b>Enhancing coordination in delivery of resources</b>  See section VIII on “Complementarity and coherence with other funds”  <b>Simplified and efficient application and approval procedures</b>  Pursuant to decision B.11/11, the GCF has undertaken an initiative to review and to update the initial proposal approval process. The Board is to conclude this review  Through decision B.13/20 the Board adopted principles to guide the development of a simplified process for the approval of proposals for certain activities, in particular small-scale activities, and requested the Secretariat to present the guidelines to the Board for consideration and approval. This matter is also under consideration by the Board.  In decision B.13/32, the Board welcomed the simplification of the Readiness and Preparatory Support Programme template and agreed to simplify the readiness grant agreement with a view to developing an arrangement for country programme framework agreements in order to expedite the disbursement of readiness resources  <b>Continued readiness support</b>  See section 2.1 on “Readiness and preparatory support”  <b>Enhancing delivery of resources</b>  See section 2.5 on “Disbursement of resources for the implementation of approved projects and programmes”</p>
<p>Requests the Board to enhance the delivery of resources by addressing those measures that are delaying the implementation of projects that have been approved by the Board, including the conclusion of pending accreditation master agreements and funded activity agreements  <i>UNFCCC decision 10/CP.22, para. 10</i></p>	
<b>Privileges and immunities for the GCF</b>	
<p>Notes with concern the lack of signed bilateral agreements related to privileges and immunities in order for the Green Climate Fund to undertake its activities  <i>UNFCCC decision 10/CP.22, para. 8</i>  <i>Linked with Decision 7/CP.20, paragraph 21 and</i>  <i>Decision 7/CP.20, paragraph 21</i></p>	<p>The Board in decision B.15/03 paragraph (g) requested the Secretariat to continue its efforts to negotiate and sign, or otherwise develop, agreements or other appropriate arrangements with countries on privileges and immunities consistent with decision B.10/12; and further requested the Secretariat through decision B.15/03 paragraph (h) to incorporate in its report to the twenty-third session of the COP a section on the status of the existing GCF privileges and immunities with regard to its operational activities consistent with UNFCCC decision 7/CP.20, paragraph 22.  As at 31 May 2017, the GCF has entered into bilateral agreements on privileges and immunities with 12 countries namely: Antigua and Barbuda; Belize; Cook Islands; Honduras, Kiribati, Micronesia (Federated States of); Namibia; Papua New Guinea; Samoa; Solomon Islands; Tonga and Zambia.  In accordance with UNFCCC decision 7/CP.20, paragraph 20, and decision B.15/03, paragraph (h), the biennial report on Privileges and Immunities to the GCF is appended in Annex III.</p>
<p>Looks forward to the biennial report on the matter referred to in paragraph 8 above, in accordance with decision 7/CP.20, paragraph 20, and Board decision B.08/24;  <i>UNFCCC decision 10/CP.22, para. 9</i></p>	



Guidance received from the Conference of the Parties	Progress in responding to the guidance
<b>Private sector engagement</b>	
<p>Encourages the Board to implement its decision B.04/08 to develop modalities to support activities enabling private sector involvement in the least developed countries and small island developing States, and to seek opportunities to engage with the private sector, including local actors, on adaptation action at the national, regional and international levels</p> <p><i>UNFCCC decision 10/CP.22, para. 11</i></p>	<p>Pursuant to decision B.13/05, paragraphs (c) and (d), the Board is scheduled to consider an analysis of barriers to crowding-in and maximizing the engagement of the private sector, and PSAG recommendations on the same.</p> <p>The Board through decision B.15/03, paragraph (i), requested the Private Sector Advisory Group (PSAG) to provide recommendations to the Board on:</p> <ul style="list-style-type: none"> <li>(i) The development of modalities to support activities enabling private sector involvement in the least developed countries (LDCs) and small island developing States (SIDS); and</li> <li>(ii) Opportunities to engage the private sector, including local actors, in adaptation action at the national, regional and international levels</li> </ul> <p>The Board decided to co-opt a Board representative from the LDCs and another from SIDS to assist the PSAG to develop its recommendations</p> <p>The Board also mandated the development of a private sector outreach plan. The Secretariat carried out a survey of private sector actors and an analysis of barriers to crowding-in the private sector, which was presented to the PSAG, and these items are subsequently planned for presentation to the Board for its consideration, in driving towards the development of the private sector outreach plan</p>
<b>Formal replenishment of the GCF</b>	
<p>Reiterates its request to the Board to agree on the arrangements for the first formal replenishment process of the Green Climate Fund</p> <p><i>UNFCCC decision 10/CP.22, para. 13</i></p>	<p>In decision B.12/09, the Board requested the Co-Chairs to undertake consultations with the Board on the first formal replenishment process of the GCF and present a report on the outcomes of these consultations to the Board; and requested the Secretariat to support the Co-Chairs to prepare documentation related to the design and development of the first formal replenishment process. This matter is in the pipeline for consideration by the Board</p>
<b>Consideration of gender in the activities of the GCF</b>	
<p>Requests the Financial Mechanism and its operating entities to include in their respective annual reports to the Conference of the Parties information on the integration of gender considerations in all aspects of their work</p> <p><i>UNFCCC decision 21/CP.22, para. 21<sup>a</sup></i></p>	<p>Action taken to integrate gender consideration in various aspects of the work of the GCF is provided in section X</p>
<b>Linkages between the Technology Mechanism and the GCF</b>	
<p>Encourages the Board of the Green Climate Fund to continue to invite the Chairs of the Technology Executive Committee and the Advisory Board of the Climate Technology Centre and Network to future</p>	<p>By decision B.15/03, the Board decided to invite the Chairs of the Technology Executive Committee (TEC) and the Advisory Board of the Climate Technology Centre and Network (CTCN) to present to the Board during its consideration of options for supporting</p>

Guidance received from the Conference of the Parties	Progress in responding to the guidance
meetings of the Board of Green Climate Fund on issues of common interest in order to strengthen the existing linkages between the Technology Mechanism and Financial Mechanism <i>UNFCCC decision 14/CP.22, para. 3<sup>a</sup></i>	collaborative research and development, in accordance with paragraph 38 of the Rules of Procedure of the Board. The agenda item “options for supporting collaborative research and development” which was originally scheduled for B.17 is in the pipeline for consideration by the Board, and the Chairs of the TEC and the Advisory Board of the CTCN will in accordance with decision B.15/03 be invited to present to the Board when this agenda item is considered.
Encourages the Technology Executive Committee, the Climate Technology Centre and Network and the operating entities of the Financial Mechanism to enhance the involvement of relevant stakeholders as they undertake actions to strengthen the linkages between the Technology Mechanism and the Financial Mechanism <i>UNFCCC decision 14/CP.22, para. 8<sup>a</sup></i>	See Section IX on “Strengthening linkages with the Technology Mechanism”
Invites the Technology Executive Committee, the Climate Technology Centre and Network and the operating entities of the Financial Mechanism to provide information on their actions in strengthening the linkages between the Technology Mechanism and the Financial Mechanism in their annual reports to the Conference of the Parties for guidance on further actions if needed <i>UNFCCC decision 14/CP.22, para. 9<sup>a</sup></i>	

<sup>a</sup> <<http://www.greenclimate.fund/partners/contributors/resources-mobilized>>.

## 12.2 Actions taken in response to guidance received from the seventeenth to the twenty-first sessions of the Conference of the Parties that is still relevant for action and reporting

129. The guidance provided to the GCF at COP 17 through to COP 21 that is still relevant has been consolidated in table 2. Similar guidance from these four sessions has been grouped together.

**Table 2. Overview of actions taken pursuant to guidance received from COP 17, COP 18, COP 19, COP 20 and COP 21 that is still relevant for reporting**

Guidance received from the Conference of the Parties	Action by the Green Climate Fund
<b>National adaptation planning</b>	
<u>National adaptation plans</u> Further requests the Green Climate Fund to expedite support for the least developed countries and other developing country Parties for the formulation of national adaptation plans, consistent with	See section 2.1.2 on “Support for national adaptation planning”



Guidance received from the Conference of the Parties	Action by the Green Climate Fund
decisions 1/CP.16 and 5/CP.17, and for the subsequent implementation of policies, projects and programmes identified by them <i>Decision 1/CP.21, paragraph 46</i> <i>Linked with</i> <i>Decision 4/CP.21, paragraph 6</i>	
<u>Adaptation planning</u> Invites the Board of the Green Climate Fund to take into account in its programmatic priorities the Cancun Adaptation Framework, in particular the principles referred to in decision 1/CP.16, paragraph 12, and the activities referred to in decision 1/CP.16, paragraph 14 <i>Decision 7/CP.21, paragraph 21</i>	
<b>Readiness and preparatory support</b>	
<u>Disbursement of readiness resources</u> Takes note of the progress achieved to date in the implementation of the readiness and preparatory support programme of the Green Climate Fund and stresses the importance of improving the approval process and timely disbursement of readiness resources to facilitate readiness programme implementation pursuant to Green Climate Fund Board decision B.11/04 <i>Decision 7/CP.21, paragraph 17</i> <i>Linked with decision 7/CP.20, paragraph 12</i>	In decision B.11/04, the Board requested the Secretariat proposal to simplify the process to access funds for country programming and readiness and preparatory support. Consequently, the Board in decision B.13/27 welcomed the simplification of the readiness support template and encourages the Secretariat to continue to expedite the approval and disbursement of readiness and preparatory support resources; and agreed to simplify the readiness grant agreement with a view to developing an arrangement for country programme framework agreements in order to expedite the disbursement of readiness resources.  Section 2 on “Readiness and preparatory support” provides an overview of progress achieved by the GCF Readiness and Preparatory Support Programme, including progress in disbursement of readiness and preparatory support resources.
<b>Accreditation</b>	
<u>Accreditation</u> Urges the Board of the Green Climate Fund to streamline the accreditation modalities and to seek a balance of diversity in accredited entities <i>Decision 7/CP.21, paragraph 16</i>	See section 2.2 on “Accreditation to the GCF” The latest status of the accreditation status play including the accredited entities’ composition is also available on the GCF website <sup>1</sup>
<u>Accreditation</u>	See section 2.1 on “Readiness and preparatory support” and section 2.2 on “Accreditation to the GCF”

<sup>1</sup> <http://www.greenclimate.fund/partners/accredited-entities/ae-composition>

Guidance received from the Conference of the Parties	Action by the Green Climate Fund
<p>Encourages the timely implementation of the accreditation framework and <i>requests</i> the Board of the Green Climate Fund, in its implementation, to pay adequate attention to the priorities and needs of developing country Parties, including the least developed countries, small island developing States and African States, emphasizing the need to provide readiness support to those national and regional entities eligible for fast tracking that request it</p> <p><i>Decision 7/CP.20, paragraph 13</i></p>	
<b>Proposal approval process</b>	
<p><u>Initial proposal approval process</u></p> <p>Requests the Board of the Green Climate Fund to ensure that the revised funding proposal template and concept note template are designed to facilitate the application process</p> <p><i>Decision 7/CP.21, paragraph 13</i></p>	<p>Scheduled for consideration at B.17 in aiming to enhance accessibility and predictability in line with the GCF Strategic Plan and decision B.11/11, is the review of the initial proposal approval process. Furthermore, following the Board's mandate in decision B.11/11, paragraph (o), the process to simplify the funding proposals template is ongoing</p>
<p><u>Simplified approvals process for small-scale activities</u></p> <p>Also requests the Board of the Green Climate Fund to adopt a simplified process for approval of proposals for certain activities, in particular for small-scale activities, as soon as possible in 2016, to reduce complexities and costs involved in project proposal development</p> <p><i>Decision 7/CP.21, paragraph 14</i></p>	<p>Through decision B.13/20 the Board adopted principles to guide the development of a simplified process for the approval of proposals for certain activities, in particular small-scale activities, and requested the Secretariat to present the guidelines to the Board for consideration and approval. This matter is also under consideration by the Board</p>
<b>Resource mobilization and replenishment</b>	
<p><u>Financial inputs to the GCF</u></p> <p>Reiterates the invitation for financial inputs from a variety of sources, public and private, including alternative sources, throughout the initial resource mobilization process</p> <p><i>Decision 7/CP.21, paragraph 9</i></p>	<p>Pursuant to decisions B.05/04, B.11/05 and B.14/01 policies and procedures for contributions from philanthropic foundations and other non-public and alternative sources are in the pipeline for consideration by the Board</p>
<p><u>Fund Replenishment</u></p> <p>Requests the Board of the Green Climate Fund to agree on the arrangements for the first formal replenishment process of the Green Climate Fund as soon as feasible</p> <p><i>Decision 7/CP.21, paragraph 10</i></p>	<p>In decision B.12/09, the Board requested the Co-Chairs to undertake consultations with the Board on the first formal replenishment process of the GCF, and present a report on the outcomes of these consultations to the Board. The Board also requested the Secretariat to support the Co-Chairs to prepare documentation related to the design and development of the first formal replenishment process of the GCF . The matter relating to the first formal replenishment process of the GCF currently is in the pipeline for consideration by the Board</p>

Guidance received from the Conference of the Parties	Action by the Green Climate Fund
<b>Risk management framework</b>	
<p><u>Risk Management</u> Requests the Board of the Green Climate Fund to prioritize the development of its initial risk management framework <i>Decision 7/CP.21, paragraph 18</i></p>	<p>Pursuant to decision B.12/34 and B.13/35, the Board is scheduled to consider , the updated risk management framework at B.17, and risk policies and guidelines at B.18 that are to guide the Fund's assessment of public and private sector funding proposals. These will replace the interim risk framework and the set of interim risk and investment guidelines adopted in decision B.13/36</p>
<b>GCF Accountability units</b>	
<p>Urges the Board of the Green Climate Fund to operationalize the Independent Evaluation Unit, Independent Redress Mechanism and Independent Integrity Unit as a matter of urgency and to make public the procedures Parties and affected individuals should follow when seeking redress until the Independent Redress Mechanism is operationalized <i>Decision 7/CP.21, paragraph 20</i></p>	<p>The Board, through decisions B.BM-2016/09, B.13/17 and B.13/18 appointed the heads of the Independent Redress Mechanism (IRMU), Independent Evaluation Unit and Independent Integrity Unit. The heads of the accountability units, are in the process of setting up the GCF accountability units.</p> <p><b><u>IRMU</u></b> Work to revise the terms of reference for IRMU to be approved by the Board is ongoing. The Board is also to consider the detailed guidelines and procedures for independent redress mechanism, which are to be prepared in consultations with the similar or equivalent mechanisms of accredited entities and other stakeholders</p> <p><b><u>IEU</u></b> The Board through decision B.16/07 approved an interim work plan and interim budget of the IEU, and authorized the Head of the IEU to undertake consultations to inform the outline of the Independent evaluation policy and undertake processes to set up the IEU.</p> <p><b><u>IIU</u></b> As per the work plan of the IIU approved through decision B.15/13, the IIU has developed a suite of fiduciary compliance and integrity policies designed to prevent and remediate the occurrence of integrity violations in GCF operations that are set for consideration by the Board. These include the Anti-Money Laundering and Combating the Financing of Terrorism Policy; Policy on Prohibited Practices; Whistle-blower and Witness Protection Policy; Integrity Due Diligence Policy for Private Sector Operations; and the Administrative Guidance on Financial Disclosure and Declaration of Interest Statements</p>
<b>Engagement with UNFCCC Thematic bodies</b>	
<p><u>Technical examination process</u> Encourages the operating entities of the Financial Mechanism of the Convention to engage in the technical expert meetings and to inform participants of their contribution to facilitating progress in the</p>	<p>During SB46, the GCF secretariat participated in the technical expert meetings (TEMs) on adaptation and mitigation at the 46<sup>th</sup> meetings of the Subsidiary Bodies in Bonn in May 2017. The secretariat delivered a presentation during the TEMs on mitigation focusing on cross-cutting issues in urban environment and land use. The secretariat also made an intervention</p>

Guidance received from the Conference of the Parties	Action by the Green Climate Fund
<p>implementation of policies, practices and actions identified during the technical examination process <i>Decision 1/CP.21, paragraph 110</i></p>	<p>during the TEMs on adaptation. The GCF will continue engaging in the TEMs and incorporate emerging lessons learned into its work, where appropriate. The GCF will continue engaging in the TEMs and incorporate emerging lessons learned into its work, where appropriate.</p>
<p><u>Support for technology</u> Also invites the Board of the Green Climate Fund, in line with paragraph 38 of the governing instrument of the Green Climate Fund, to consider ways to provide support, pursuant to the modalities of the Green Climate Fund, for facilitating access to environmentally sound technologies in developing country Parties, and for undertaking collaborative research and development for enabling developing country Parties to enhance their mitigation and adaptation action <i>Decision 7/CP.21, paragraph 22</i></p>	<p>The GCF Strategic Plan identifies the ability to take on risks that other funds/institutions are not able or willing to take, including risks associated with deploying innovative climate technologies as key for the GCF to achieve maximum impact. As per decision B.14/02, the Board acknowledged that current GCF modalities enable support for technology development and transfer, including for facilitating access to environmentally sound technologies and for collaborative research and development. The Board also encouraged national designated authorities and focal points to access readiness support directly, or to collaborate with readiness delivery partners and accredited entities to submit readiness requests, concept notes, funding proposals and Project Preparation Facility proposals that will facilitate access to environmentally sound technologies, consistent with a country-driven approach and will encourage the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects. By decision B.14/02, paragraph (f), the Board requested the Secretariat to prepare a document for consideration by the Board at B.17 identifying concrete options on how the GCF can support collaborative research and development in developing countries, in line with the operational modalities of the GCF, taking into account decisions B.13/11 and B.13/12, and in the context of the operational framework for complementarity and coherence with climate finance delivery channels. This matter is scheduled for consideration by the Board.</p>
<p><u>Capacity-building and technology development and transfer</u> Requests the Board of the Green Climate Fund [...] to ensure adequate resources for capacity-building and technology development and transfer, consistent with paragraph 38 of the Governing Instrument (annex to decision 3/CP.17) <i>Decision 7/CP.20, paragraph 8</i> <i>Linked with</i> <i>Decision 13/CP.21, paragraph 10</i></p>	<p><u>Capacity-building</u> See section V on “Capacity-building and support” <u>Technology development and transfer</u> As per decision B.12/07, the Board is set to consider at B.14 ways to provide support pursuant to the existing GCF modalities, for facilitating access to environmentally sound technologies in developing countries, and for undertaking collaborative research and development for enabling developing countries to enhance their mitigation and adaptation actions.</p>
<b>Linkages with the Financial Mechanism of the UNFCCC</b>	
<p><u>Linkages with the Technology Mechanism</u> Invites the Board of the Green Climate Fund to provide its recommendations, in accordance with decision 1/CP.18, paragraph</p>	<p>By its decision B.13/06, the Board agreed to strengthen the relationship with the thematic bodies of the Convention through holding an annual meeting between the Co-Chairs of the Board and the Chairs of the thematic bodies. The first annual meeting was held during the</p>

Guidance received from the Conference of the Parties	Action by the Green Climate Fund
<p>62, for consideration by the Conference of the Parties at its twenty-second session (November 2016) <i>Decision 13/CP.21, paragraph 4</i></p>	
<p><u>Relationship with Thematic bodies</u> To initiate a process to collaborate with the Adaptation Committee and the Technology Executive Committee, as well as other relevant thematic bodies under the Convention, to define linkages between the Fund and these bodies, as appropriate <i>Decision 6/CP.18, paragraph 7(f)</i> <i>Linked with decision 3/CP.17, paragraph 17</i></p>	<p>22nd session of the Conference of the Parties in Marrakech, Morocco, on 9 November 2016. The meeting was attended by the Co-Chairs of the Technology Executive Committee and the Climate Technology Center and Network. During the meeting the Chair of the Advisory Board of the CTCN noted that he sees the areas of collaboration between the CTCN and the GCF in the Readiness and Preparatory Support Programme, the Project Preparation Facility and direct access areas as well as in enabling technical experts, national designated authorities, national designated entities and collaboration between the thematic bodies. The Chair of the TEC noted that the attendance at B.14 in Songdo was very useful and that both organizations will benefit from such collaboration in the future. The full report of the annual meeting with the thematic bodies is contained in annex III.</p>
<p><u>Linkages with the Technology Mechanism</u> Requests the Technology Executive Committee, the Climate Technology Centre and Network and the operating entities of the Financial Mechanism to continue to consult on and further elaborate, including through an in-session workshop at the forty-fourth sessions of the subsidiary bodies (May 2016), the linkages between the Technology Mechanism and the Financial Mechanism <i>Decision 13/CP.21, paragraph 8</i></p>	<p>Furthermore, the Board in decision B.13/11 requested the Secretariat to strengthen its current approach to engaging with thematic bodies, including through: (i) exchanging of information, (ii) participation in relevant meetings, (iii) identifying components of programmes and work plans of thematic bodies and incorporated into the relevant parts of the Work programme of the Secretariat (in Board decision). The GCF secretariat continued to participate in meetings and provided information and input into the activities the Technology Executive Committee and the Climate Technology Center and Network throughout the reporting period.</p> <p>Paragraph (f)(iii) of decision B.13/11 specifies “Identifying components of the programmes and work-plans of the thematic bodies that are related to the GCF, and, where appropriate, updating the work programme of the Secretariat” as means to improve coordination. The GCF Structured Dialogue for Asia held on 26 to 29 April 2017 in Bali, Indonesia demonstrated such collaboration in action with the Climate Technology Centre and Network (CTCN), having engaged with the GCF so that CTCN’s Regional Forum for Asia was held alongside the GCF Structured Dialogue. By scheduling the Dialogue and the CTCN’s Regional Forum in parallel and complementary schedules, the Fund’s NDAs and the CTCN’s National Designated Entities (NDEs) benefitted from a mutual exchange of updates and knowledge sharing through cross-presentations and discussions.</p> <p>By decision B.14/02, paragraph (d), the Board also decided to request the Secretariat to provide recommendations on further steps to enhance cooperation and coherence for consideration by of the Board by B.17 and in the context of the GCF operational framework on complementarity and coherence and the annual event with the thematic bodies of the UNFCCC</p>
<p><u>Response to the recommendations of the Adaptation Committee</u> Requests Parties, operating entities of the Financial Mechanism and other relevant entities working on adaptation to consider the</p>	<p>By its decision B.13/06, the Board agreed to strengthen the relationship with the thematic bodies of the Convention through holding an annual meeting between the Co-Chairs of the Board and the Chairs of the thematic bodies. The first annual meeting was held during the</p>

Guidance received from the Conference of the Parties	Action by the Green Climate Fund
<p>recommendations contained in chapter V of the report of the Adaptation Committee, as included in the annex <i>Decision 4/CP.20, paragraph 4</i></p>	<p>22nd session of the Conference of the Parties in Marrakech, Morocco, on 9 November 2016. The meeting was attended by the Co-Chair of the Adaptation Committee. She noted that the following activities are very closely related to the GCF: the preparation of an information document on the experience of countries in accessing GCF finances through Readiness support, in particular for National adaptation plans and adaptation planning processes; the organization of a workshop in the first half of 2017 on challenges in accessing funding in particular for national adaptation plans and national planning processes.</p> <p>Furthermore, the Board has requested the Secretariat to strengthen its current approach to engaging with thematic bodies, including through: (i) exchanging of information, (ii) participation in relevant meetings, (iii) identifying components of programmes and work plans of thematic bodies and incorporated into the relevant parts of the Work programme of the Secretariat.</p> <p>The GCF secretariat continued to participate in meetings and provided information and input into the activities of the Adaptation Committee throughout the reporting period.</p>
<b>Complementarity and coherence with other funds</b>	
<p><u>Complementarity and Coherence with other funds</u> Encourages the Board of the Green Climate Fund to improve complementarity and coherence with other institutions, per paragraphs 33 and 34 of the governing instrument of the Green Climate Fund, including by engaging with relevant bodies of the Convention, such as the Standing Committee on Finance <i>Decision 7/CP.21, paragraph 26</i> <i>Linked with decision 7/CP.20, paragraph 16</i></p>	<p>See section VIII on “complementarity and coherence with other funds”</p>
<p><u>Coherence and Coordination</u> Requests the Board of the Green Climate Fund, when deciding its policies and programme priorities, to consider the information and lessons learned through engagement with other relevant bodies under the Convention, and other relevant international institutions <i>Decision 7/CP.20, paragraph 15</i></p>	<p>The GCF has been continuously conducting consultations and engagement with existing funds such as the Adaptation Fund, the Global Environment Facility (GEF) and the Multilateral Fund to learn from their country-driven approach when developing and implementing all key operational areas of the GCF, covering accreditation, readiness and project development. The Secretariat has been participating in various meetings, events and workshops held by existing funds to actively learn from the existing lessons In addition, see section VIII on “Complementarity and coherence with other funds”</p>
<p><u>Incorporating lessons learned on country-driven processes</u> Requests the Board of the Green Climate Fund: (a) To consider important lessons learned on country-driven processes from other existing funds <i>Decision 4/CP.19, paragraph 16(a)</i></p>	<p>In its decision B.08/10 the Board has endorsed the initial best-practice options for country coordination and multi-stakeholder engagement as part of its decision on Country ownership. It has also decided that only those funding proposals that has a letter of No objection will be considered by the Board.</p>



Guidance received from the Conference of the Parties	Action by the Green Climate Fund
	<p>The Board through its decision B.10/10 re-affirmed that it will pursue the country driven approach</p> <p>In addition, the Board through decision B.13/33 mandated the development of Country ownership guidelines which it is scheduled to consider</p>
<b>Engagement with the private sector</b>	
<p><u>Private Sector</u></p> <p>Requests the Board of the Green Climate Fund</p> <ul style="list-style-type: none"> <li>to accelerate the operationalization of the private sector facility by aiming to ensure that private sector entities and public entities with relevant experience in working with the private sector are accredited in 2015</li> <li>expediting action to engage local private sector actors in developing country Parties, including small- and medium-sized enterprises in the least developed countries, small island developing States and African States, emphasizing a country-driven approach, expediting action to mobilize resources at scale, and developing a strategic approach to engaging with the private sector</li> </ul> <p><i>Decision 7/CP.20, paragraph 9</i></p>	<p>See section VII on “Maximizing engagement with the private sector”</p>
<b>Privileges and immunity to the GCF</b>	
<p>Requests the Board of the Green Climate Fund to report biennially to the Conference of the Parties on the status of existing privileges and immunities with regard to its operational activities, starting at the twenty-first session of the Conference of the Parties</p> <p><i>Decision 7/CP.20, paragraph 22</i></p>	<p>Reference is made to the following sections of the report:</p> <ul style="list-style-type: none"> <li>Section XII on “Privileges and Immunities with regard to the operational activities of the GCF”;</li> <li>Response to the COP guidance in UNFCCC decision 10/CP.22, paragraphs 8 and 9 (Contained in Table 1); and</li> <li>Annex III for the “Biennial report on privilege and immunities to the GCF”</li> </ul>
<b>Results management framework</b>	
<p><u>Monitoring and evaluation</u></p> <p>In supporting the monitoring and evaluation of adaptation, the AC recommends that the COP invite Parties, operating entities of the Financial Mechanism and relevant entities working on adaptation to take into account the following recommendations:</p> <p>(a) Monitoring and evaluation frameworks need to be appropriate, relevant to needs and tailored to country circumstances. A</p>	<p>Each project proposal includes indicators that are unique to each project but based on the core indicators of the Results Management Framework and relevant indicators from the GCF’s Performance Measurement Framework (decision B.05/03). Relevant performance indicators at the Impact and Outcome level are assessed in each Funding Proposal for future monitoring and evaluation. Productive communication with Accredited Entities is encouraged for better understanding their current monitoring and evaluation practices. National assessments are funded through the GCF’s readiness programme including inter</p>

Guidance received from the Conference of the Parties	Action by the Green Climate Fund
<p>common set of global indicators is not useful, owing to the context-specific nature of adaptation;</p> <p>(b) National-level assessments can play a different role in measuring adaptive capacity from subnational or project-based assessments. National-level assessments could, for example, measure the degree of coordination and integration of adaptation in national priorities;</p> <p>(c) A positive learning environment, which encourages formal and informal learning, including peer-to-peer learning, and which encourages learning from negative as well as positive experiences, is important;</p> <p>(d) Planning and allocation of resources, both technical and financial, are key for effective monitoring and evaluation systems</p> <p><i>Decision 4/CP.20, annex, paragraph 3</i></p>	<p>alia country programs and National Adaptation Plans, and institutional strengthening of national and direct access entities which affords coordination and integration of adaptation of national priorities. Monitoring and evaluations systems are also developed through readiness programs and are included in funded activities. Workshops organized by GCF to empower Direct Access Entities and National Designated Authorities and Focal Points help enhance South-South knowledge exchange and learn from peers as to how to effectively engage with GCF and access necessary funding.</p>
<p><u>Results Management framework</u></p> <p>In the context of the monitoring and evaluation of adaptation, the AC also recommends that the COP invite the Board of the GCF, with respect to its Results Management Framework, to consider:</p> <p>(a) Keeping indicators simple;</p> <p>(b) Designing indicators that are qualitative as well as quantitative;</p> <p>(c) Designing indicators in such a way as to capture the progress that countries are able to make in integrating adaptation into their development and sectoral planning, policies and actions;</p> <p>(d) Giving countries sufficient flexibility to define their indicators in line with their national and local planning, strategies and priorities</p> <p><i>Decision 4/CP.20, annex, paragraph 4</i></p>	<p>There are four core indicators of the Results Management Framework (decision B.08/07), three for mitigation (emissions reductions) and one for adaptation (populations affected). The indicators are used to measure the impacts of projects and programmes. Progress reports contain both quantitative and qualitative progress of relevant indicators for each Funding Proposal. Additionally, constant improvement of the adaptation and mitigation performance management framework indicators is envisaged. Additionally, narrative reports including qualitative elements on the implementation progress of each project will provide additional information for assessing the performance of GCF-funded projects. Pursuant to the Board request contained in decision B.08/07(b), the GCF Secretariat is in the process of developing indicators for the performance measurement framework, including indicators for NAPs. This work has taken into account the report of the Adaptation Committee to COP at its twenty-first session (COP 21). Several refinements to the proposed indicators were developed informed by the Adaptation Committee recommendations. The further work that has been carried out to further refine the indicators are scheduled for consideration by the Board</p>
<b>Selection of the permanent trustee</b>	
<p>Selection of the permanent trustee</p> <p>[...] To select the trustee of the Green Climate Fund through an open, transparent and competitive bidding process in a timely manner to ensure that there is no discontinuity in trustee services</p> <p><i>Decision 6/CP.18, paragraph 7(e)</i></p>	<p>In decision B.12/36, the Board mandated the commissioning of a third party to implement the review of the interim trustee of the GCF as set out in the Governing Instrument</p> <p>By decision B.16/05, the Board established the ad hoc Trustee Selection Committee and adopted the terms of reference of the ad hoc Committee; appointed four members of the Board to the Committee; and requested the ad hoc Trustee Selection Committee, with the</p>



Guidance received from the Conference of the Parties	Action by the Green Climate Fund
<i>Linked with decision 3/CP.17, paragraph 16</i>	support of the Secretariat, to convene immediately to begin its work, and are to recommend the final nominee to the Board for its decision no later than its eighteenth meeting.
<b>Decision 9/CP.20 Fifth review of the Financial Mechanism</b>	
<p><u>Stakeholder engagement in the development of policy documents</u></p> <p>The GCF could build on the experience of and lessons learned from the GEF in terms of stakeholder involvement. In this regard, the GCF may consider establishing a robust consultative process with its observers in order to ensure that adequate and timely consultation is undertaken with respect to the development of its policies, procedures, guidelines, and, later on, during the implementation of programmes and projects of the Fund</p> <p><i>Decision 9/CP.20, annex, paragraph 14</i></p>	<p>The GCF has continually conducted consultations with stakeholders through calls for inputs, workshops, webinars and conference calls.</p> <p>During this reporting period, stakeholder consultations were carried out as follows:</p> <ul style="list-style-type: none"> <li>i) In decision B.15/12, the Board authorizes the Head of the Independent Redress Mechanism Unit to undertake consultations on the revised terms of reference (ToRs) for the Independent Redress Mechanism On 21 December 2016, the GCF called for submission of inputs on the revised ToRs for the IRMU. Consultations were also carried out with a wide range of stakeholders through a series of webinars. The Board is scheduled to consider the revised ToRs of the IRMU.</li> <li>ii) The GCF launched consultations with members of the Board and global REDD-plus stakeholders in February 2017 and organized an expert workshop in Bali, Indonesia in April 2017. Both, the submissions from the consultations and the outcomes of the expert workshop will serve as the basis for the development of an RFP for results-based payments that is scheduled for consideration by the Board</li> <li>iii) The GCF on 24 May 2017 invited public inputs for the development of its Whistle-blower and Witness Protection Policy</li> <li>iv) The GCF on 20 April 2017 launched a call for public inputs to the review and update of the GCF Gender Policy and Action Plan posted on the GCF website</li> <li>v) On 15 December 2016, the GCF launched a call for inputs for the development of its environment and social management system to be developed pursuant to decision B.07/02</li> </ul> <p>Public calls for inputs with respect to the development of GCF policies, procedures, guidelines launched to date are available on the GCF website<sup>2</sup>.</p> <p>Following decision B.12/14, the process to conduct a comprehensive review of the participation of observers in activities of the Board/GCF is ongoing, and is in the pipeline for consideration by the Board</p>

<sup>2</sup> <[http://www.greenclimate.fund/boardroom/board-meetings/documents?p\\_p\\_id=122\\_INSTANCE\\_8e72dTqCP5qa&p\\_p\\_lifecycle=0&p\\_p\\_state=normal&p\\_p\\_mode=view&p\\_p\\_col\\_id=118\\_INSTANCE\\_jUGwSITWV8c5\\_column-2&p\\_p\\_col\\_count=1&p\\_r=564233524\\_resetCur=true&p\\_r=564233524\\_categoryId=23991#nav-category](http://www.greenclimate.fund/boardroom/board-meetings/documents?p_p_id=122_INSTANCE_8e72dTqCP5qa&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=118_INSTANCE_jUGwSITWV8c5_column-2&p_p_col_count=1&p_r=564233524_resetCur=true&p_r=564233524_categoryId=23991#nav-category)>.

Guidance received from the Conference of the Parties	Action by the Green Climate Fund
<p><u>Gender</u> In developing its own approach to gender mainstreaming, the GCF could build on the experience of the GEF. It is recommended that gender equality be integrated in the structure and organization of the GCF itself, and that gender-sensitive criteria be taken into account in funding approvals of the Fund <i>Decision 9/CP.20, annex, paragraph 18</i></p>	<p>See section X that elaborates on “Gender considerations in the work of the GCF”</p>
<p><u>Environment and social safeguards</u> As the GCF is developing its own environment and social safeguards, it should consider consistency with the safeguards of the GEF <i>Decision 9/CP.20, annex, paragraph 21</i></p>	<p>Pursuant to decision B.07/02, paragraph (d) the Environmental and Social Management System of the Fund is in the pipeline for consideration by the Board</p>
<p><u>Fiduciary Standards</u> As it monitors the use of its initial fiduciary standards and reviews those standards within the next three years, the GCF should consider maintaining consistency with the standards of the GEF <i>Decision 9/CP.20, annex, paragraph 25</i></p>	<p>Pursuant to decision B.07/02, the GCF adopted its initial fiduciary standards, which include basic fiduciary standards and three specialized fiduciary standards for project management, grant award and/or funding allocation mechanisms, and on-lending and/or blending. In decision B.08/03 and related decisions, the GCF accreditation process allows for entities that have undergone an accreditation process at the GEF (as well as the Adaptation Fund and the European Commission's Directorate-General for International Cooperation and Development - DG DEVCO) and are in full compliance with their requirements to be fast-tracked in the GCF accreditation process. This recommendation will be taken into consideration when the initial fiduciary standards are reviewed</p>
<p><u>Coherence and Coordination</u> The GEF and the GCF may consider collaborating in the use of funding pathways that may include the LDCF and the SCCF <i>Decision 9/CP.20, annex, paragraph 51</i></p>	<p>Pursuant to decision B.13/12, work to develop an overarching operational framework on complementarity and coherence with other funds is ongoing. See section VII on “Complementarity and coherence with other funds” which also reports on coherence and current engagement with other climate finance delivery channels while work to develop the overarching complementarity and coherence framework is ongoing</p>
<p><u>Indicators</u> The GEF and the GCF may consider collaborating to harmonize impact indicators and set new norms around reporting practice, especially in the context of adaptation finance. Furthermore, the operationalization of the GCF results-based management framework presents an opportunity to make progress in this regard <i>Decision 9/CP.20, annex, paragraph 76</i></p>	<p>Pursuant to the Board request contained in decision B.08/07(b), the Secretariat has further developed the GCF performance measurement frameworks (PMFs), which set the indicators that the GCF and its accredited entities are to use to measure the climate results envisaged in the initial results-based management framework. The draft PMFs were developed in consultation with 35 institutions, including the GEF. The proposed PMFs are in the pipeline for consideration by the Board</p>

## 12.3 Report on the implementation of the arrangements between the Conference of the Parties and the Green Climate Fund

130. Through UNFCCC decision 5/CP.19, the COP adopted the arrangements between the COP and the GCF, in line with Article 11 of the Convention, to ensure that the GCF, as an operating entity of the Financial Mechanism of the UNFCCC, is accountable to and functions under the guidance of the COP.

131. The arrangements specify elements to be included in the annual report of the GCF to the COP starting from COP 20. Table 3 responds to these requirements, or maps out where in the report the information requested is provided.

**Table 3. Arrangements between the Conference of the Parties and the Green Climate Fund: Overview of reports on actions by the Green Climate Fund**

Guidance received from the Conference of the Parties	Actions taken by the Green Climate Fund
<u>Arrangements with the COP</u> Requests the Board of the Green Climate Fund to report on the implementation of the arrangements referred to in paragraph 4 above in its annual reports to the Conference of the Parties, starting at the twentieth session of the Conference of the Parties (December 2014) <i>Decision 5/CP.19, paragraph 5</i>	This report addresses this request
<u>Recommendations of the independent Redress Mechanism Unit</u> The GCF will include in its annual reports to the COP the recommendations of its independent redress mechanism, and any action taken by the Board of the GCF in response to those recommendations <i>Decision 5/CP.19, annex, paragraph 9</i> <i>Linked with decision 7/CP.20, paragraph 24</i>	The Board through its decision B.BM-2016/09 appointed the Head of Independent Redress Mechanism (IRMU). Work to revise the terms of reference for IRMU to be approved by the Board is ongoing. The Board is also to consider the detailed guidelines and procedures for independent redress mechanism, which are to be prepared in consultations with the similar or equivalent mechanisms of accredited entities and other stakeholders Recommendations of the IRMU will be included in subsequent annual reports of the GCF to the COP
<u>GCF reports to the COP</u> The GCF is to submit annual reports to the COP for its consideration. Such annual reports shall include information on the implementation of policies, programme priorities and eligibility criteria provided by the COP, including information on the extent to which the COP guidance has been adhered to by the Board of the GCF <i>Decision 5/CP.19, annex, paragraph 11</i> <i>Linked with decision 6/CP.18, paragraph 5</i>	This report addresses this request

Guidance received from the Conference of the Parties	Actions taken by the Green Climate Fund
<p><u>Information on activities approved to receive GCF funding</u> The GCF will include in its reports a synthesis of the different activities under implementation and a listing of the activities approved, as well as a financial report <i>Decision 5/CP.19, annex, paragraph 12</i></p>	<p>Annex VI lists the activities approved to receive GCF funding as at 31 May 2017 under:</p> <ul style="list-style-type: none"> <li>• The Readiness and Preparatory Support Programme (Table 9)</li> <li>• The Project Preparation Facility (Table 10)</li> <li>• Projects and Programmes under the adaptation and mitigation thematic windows of the GCF (Table 11)</li> </ul>
<p>The GCF will also include in its reports information on all activities financed by the GCF <i>Decision 5/CP.19, annex, paragraph 13</i></p>	<p>Annex VIII contains the financial report and audited financial statements for 2016 Of the USD 2.2 billion approved for the implementation of 43 projects and programmes, 41% is allocated through the mitigation window, 27% is through the adaptation window, and 32% cuts across both the adaptation and mitigation windows. In line with decision B.06/06 and paragraph 3 of the Governing Instrument, the Board will continue to aim to maintain a balance between mitigation and adaptation over time as it considers further projects and programmes at its meetings In decision B.09/02, the Board requested the Secretariat “to monitor the portfolio, report to the Board, and recommend needed actions, in order to align the portfolio composition with the initial results management framework as contained in decision B.07/04 when the portfolio reaches US\$ 2 billion, but no later than two years after the first funding decision.” This matter is scheduled for consideration by the Board</p>
<p><u>Resource allocation</u> The GCF will indicate in its reports actions it has undertaken to balance the allocation of resources between adaptation and mitigation activities under the Fund <i>Decision 5/CP.19, annex, paragraph 14</i> <i>Linked with:</i> <i>Decision 4/CP.19, paragraph 9(a)</i> <i>Decision 6/CP.18, paragraph 7(b)</i> <i>Decision 3/CP.17, paragraph 8</i></p>	
<p><u>Mechanisms to draw on expert and technical advice from UNFCCC thematic bodies</u> The GCF will also include information on the development and implementation of mechanisms to draw on appropriate expert and technical advice, including from the relevant thematic bodies established under the Convention, as appropriate <i>Decision 5/CP.19, annex, paragraph 15</i> <i>Linked with Decision 7/CP.21, paragraph 27</i></p>	
<p><u>Resource mobilization</u> The GCF is to provide information on resource mobilization and the available financial resources, including any replenishment processes, in its annual reports to the COP <i>Decision 5/CP.19, annex, paragraph 17(b)</i> <i>Linked with:</i> <i>Decision 7/CP.20, paragraph 5</i> <i>Decision 4/CP.19, paragraph 9(a)</i></p>	<p>See section 2.5 on “Status of resources and arrangements for the formal replenishment process for the GCF” and annex V to see the pledge tracker. See status on available financial resources in annex IX which contains the “Audited financial statements 2016/Statements of financial position and of comprehensive income”</p>

Guidance received from the Conference of the Parties	Actions taken by the Green Climate Fund
<i>Decision 6/CP.18, paragraph 7(c)</i>	
<p><u>Independent evaluation</u></p> <p>The reports of the GCF should include any reports of the independent evaluation unit, including for the purposes of the periodic reviews of the financial mechanism of the Convention</p> <p><i>Decision 5/CP.19, annex, paragraph 20</i></p>	<p>At B.13, the Board appointed the head of the Independent Evaluation Unit (IEU) and through decision B.16/07 approved an interim work plan and interim budget of the IEU, and authorized the Head of the IEU to undertake consultations to inform the outline of the Independent evaluation policy and undertake processes to set up the IEU.</p> <p>Reports of the IEU, including for the purposes of the periodic reviews of the Financial Mechanism of the UNFCCC will be included in subsequent annual GCF reports to the COP</p>

## **Annex I: List of members and alternate members to the Board of the Green Climate Fund as at 14 June 2017**

**Table 4: Members and alternate members of the Board of the Green Climate Fund as at 14 June 2017**

<b>Constituency/ Regional Group</b>	<b>Members</b>	<b>Alternate Members</b>
Developing countries, Africa	Mr. Zaheer Fakir (South Africa) Head International Relations and Governance Department of Environmental Affairs	Mr. Richard Muyungi (Tanzania) Assistant Director Office of the Vice President
	Mr. Tosi Mpanu (Democratic Republic of the Congo) Former Chair African Group of Climate Negotiators	Mr. Nagmeldin Goutbi Elhassan (Sudan) Climate Change Negotiator Higher Council for Environment and Natural Resources
	Mr. Omar El-Arini (Egypt) Member of Board, Egyptian Environmental Affairs Agency	Mr. Cheikh Sylla (Senegal) Senior Technical Adviser Office of Prime Minister
Developing countries, Asia-Pacific	Mr. Yang Weifeng (China) Deputy Director International Financial Institution Division Ministry of Finance of People's Republic of China	Mr. Amjad Abdulla (Maldives) Director General Department of Climate Change Ministry of Environment and Energy
	Mr. Ayman M. Shasly (Saudi Arabia) International Policies Consultant Ministry of Petroleum and Mineral Resources	Mr. Nauman Bashir Bhatti (Pakistan) Counsellor Pakistan Mission to the United Nations, New York
	Mr. Dinesh Sharma (India) Additional Secretary Department of Economic Affairs Ministry of Finance	Mr. Azimuddin Bin Bahari (Malaysia) Deputy Secretary (Environment) Ministry of Natural Resources and Environment
Developing countries, Latin America and the Caribbean	Ms. Diann Black-Layne (Antigua Barbuda) Director of Environment Ministry of Health and Environment	Mr. Paul Oquist (Nicaragua) Minister-Private Secretary for National Policies Presidency of the Republic of Nicaragua

	Ms. Silvia Charpentier (Costa Rica) Board Member Central Bank of Costa Rica	Mr. Ignacio Lorenzo Arana (Uruguay) Director of Climate Change Ministry of Housing, Land Planning, and Environment
	Mr. Agustin Daniel Mai (Argentina) National Director Secretariat of International Financial Relations Ministry of Finance	Mr. Cristian Salas (Chile) Advisor for International Affairs to the Minister Ministry of Finance
Developing countries, Least developed countries	Mr. Evans Njewa (Malawi) Principal Environmental Officer / Climate Change Finance Negotiator Environmental Affairs Department	Mr. Karma Tshering (Bhutan) Head Policy and Programming Services National Environment Commission Secretariat
Developing countries, Small island developing States	H.E. Mr. Ali'ioaigi Feturi Elisaia (Samoa) Ambassador Extraordinary and Plenipotentiary, Permanent Representative Permanent Mission of Samoa to the United Nations	Mr. Ronald Jumeau (Seychelles) Ambassador for Climate Change and Small Island Developing State Issues
Developing countries <sup>20</sup>	Mr. Teimuraz Murgulia (Georgia) First Deputy Minister Ministry of Environment and Natural Resources Protection	Mr. Mamadou Honadia (Burkina Faso) Permanent Secretary of the National Council of the Environment and Sustainable Development (CONEDD) Ministry of Environment and Sustainable Development
Developed countries, Australia on behalf of Australia and New Zealand	Mr. Ewen McDonald (Australia) Deputy Secretary Department of Foreign Affairs, Trade and Development	Ms. Sally Truong (Australia) Director Multilateral Finance Australian Agency for International Development (AUSAID)
Developed countries, Denmark and the Netherlands	Ms. Merete Villum Pederson (Denmark) Chief Adviser on Climate in the Ministry of Foreign Affairs	Mr. Roelof Buffinga (Netherlands) Head Climate Team Ministry of Foreign Affairs

<sup>20</sup> Rotating seat. See paragraph 3(f) of the Rules of Procedure for the Board



Developed countries, France	Mr. Cyril Rousseau (France) Deputy Assistant Secretary Multilateral Financial Affairs and Development Division, Directorate-General of the Treasury	Ms. May Gicquel (France) Head Official Development Assistance and Multilateral Development, Directorate-General of the Treasury
Developed countries, Germany	Ms. Karsten Sach (Germany) Director General - Climate Policy European and International Policy Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety	Mr. Frank Fass-Metz (Germany) Deputy Director General Commissioner for Climate Federal Ministry of Economic Cooperation and Development
Developed countries, Japan	Mr. Mikio Mori (Japan) Deputy Director-General for International Cooperation and Global Issues Ministry of Foreign Affairs of Japan	Mr. Mitsutoshi Kajikawa (Japan) Director for Development Issues Ministry of Finance
Developed countries, Norway and Austria	Mr. Henrik Harboe (Norway) Director of Development Policy Ministry of Foreign Affairs	Mr. Jose Delgado (Austria) Senior Climate Policy Officer Ministry of Finance
Developed countries, Canada, Belgium and Poland	Ms. Caroline Leclerc (Canada) Director-General Department of Foreign Affairs, Trade and Development	Mr. Liesbeth Loddewyckx (Belgium) Attaché Director General Development Cooperation Ministry of Foreign Affairs
Developed countries, Spain and Italy	Ms. Ludovica Soderini (Italy) Senior Advisor Treasury Department Ministry of Economy and Finance	Ms. Esther González (Spain) Deputy Director of Multilateral Financial Institutions Ministry of Economy and Competitiveness
Developed countries, Finland, Hungary and Switzerland	Mr. Stephan Kellenberger (Switzerland) Focal Point Climate, Swiss State Secretariat for Economic Affairs	Ms. Johanna Pietikäinen (Finland) Climate Coordinator Ministry of Foreign Affairs
Developed countries, Sweden	Mr. Lars Roth (Sweden) Deputy Director Ministry of Foreign Affairs	Ms. Jessica Andersson (Sweden) Senior Advisor at the Swedish Ministry of the Environment and Energy

Developed countries, United Kingdom of Great Britain and Northern Ireland	Mr. Josceline Wheatley (United Kingdom of Great Britain and Northern Ireland) Head of International Team, Climate and Environment Department	Ms. Kate Hughes (United Kingdom of Great Britain and Northern Ireland) Deputy Director DFID's Climate and Environment Department
Developed countries, United States of America	Mr. Larry McDonald (United States of America) Deputy Assistant Secretary for Environment and Energy Office Department of the Treasury	Mr. Daniel Reifsnyder (United States of America) Deputy Assistant Secretary of Environment Department of State

## Annex II: References to decisions taken by the Board of the Green Climate Fund between December 2016 and 16 June 2017<sup>21</sup>

**Table 5: Compendia of decisions taken at meetings of the Board**

DOCUMENT NUMBER	DOCUMENT TITLE
GCF/B.15/24	Decisions of the Board – fifteenth meeting of the Board, 13–15 December 2016
GCF/B.16/23	Decisions of the Board – sixteenth meeting of the Board, 4–6 April 2017

**Table 6: Decisions approved in between meetings from December 2016 to 16 June 2017**

DECISION NUMBER	DECISION TITLE
B.BM-2016/16	Annual dialogue with climate finance delivery channels
B.BM-2016/17 (Limited Distribution)	Remuneration for the Executive Director of the Secretariat of the Green Climate Fund
B.BM-2016/18	Appointment of a member to the Private Sector Advisory Group of the Board
B.BM-2017/01	Decision of the Board on Accreditation of Observer Organizations
B.BM-2017/02	Work plan of the Board for 2017 Proposal from the Co-Chairs
B.BM-2017/03	Decision of the Board on Performance review of the members of the Accreditation Panel
B.BM-2017/04	Decision of the Board on the Appointment of members to the Budget Committee and the Risk Management Committee
B.BM-2017/05	Decision of the Board on Accreditation of Observer Organizations
B.BM-2017/06 (Limited Distribution)	Decision of the Board on funded activity agreements
B.BM-2017/07	Decision of the Board on dates of the seventeenth meeting of the Board

<sup>21</sup> [http://www.greenclimate.fund/boardroom/board-meetings/documents?p\\_p\\_id=122\\_INSTANCE\\_8e72dTqCP5qa&p\\_p\\_lifecycle=0&p\\_p\\_state=normal&p\\_p\\_mode=view&p\\_p\\_col\\_id=\\_118\\_INSTANCE\\_jUGwSITWV8c5\\_column-2&p\\_p\\_col\\_count=1&p\\_r\\_p\\_564233524\\_resetCur=true&p\\_r\\_p\\_564233524\\_categoryId=44226#nav-category](http://www.greenclimate.fund/boardroom/board-meetings/documents?p_p_id=122_INSTANCE_8e72dTqCP5qa&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=_118_INSTANCE_jUGwSITWV8c5_column-2&p_p_col_count=1&p_r_p_564233524_resetCur=true&p_r_p_564233524_categoryId=44226#nav-category)

## **Annex III: Biennial report on the privileges and immunities of the Green Climate Fund**

### **Executive summary**

1. This report gives an overview on the current status of negotiations regarding bilateral agreements on the privileges and immunities of the GCF and the operational challenges which the GCF faces in the absence of traditional privileges and immunities. It has been prepared solely for the consideration of the Parties to the United Nations Framework Convention on Climate Change (Convention) in the context of the arrangements between the Conference of the Parties (COP) to the Convention and the GCF.
2. In the absence of further and enhanced measures to ensure that the GCF and the persons associated with it are covered by privileges and immunities, there is a strong risk that the GCF, members and alternate members of the Board, as well as GCF staff, experts and other persons associated with the GCF (GCF personnel) may be exposed to litigation, in relation to the operational activities of the GCF, including in relation to decisions relating to accreditation and funding proposals, in the context of measures against corruption by the GCF and for a variety of other reasons. This risk is heightened to the extent that a number of the accredited entities of the GCF are covered by privileges and immunities under their constituent agreements and bilateral or multilateral agreements or arrangements, thereby increasing the likelihood that aggrieved third parties may seek recourse against the GCF, as the most exposed party involved in a transaction, rather than an accredited entity with privileges and immunities. This situation would result in the GCF using resources to defend itself and GCF personnel.
3. Notwithstanding the progress made in bilateral negotiations (12 agreements have been signed and are in force), the fact remains that currently the privileges and immunities of the GCF are not in force in most Parties to the United Nations Framework Convention to Climate Change. If this situation continues, it is likely to have adverse impacts on the ability of the GCF to perform its functions efficiently and on the effective operationalization of the activities of the GCF. It may also have adverse implications on GCF-financed projects or programmes.
4. Legal action against the GCF or GCF personnel can be initiated irrespective of whether the GCF conducts operations in a country or maintains an office in a country. Given the size of activities which the GCF may finance, any such legal action could be for large sums of money and entail commensurate legal costs. Any such legal action would be highly disruptive for the activities of the GCF and would undermine the confidence of contributors in the ability of the GCF to administer resources effectively.

## **I. Introduction**

1. This report sets out:
  - (a) The background of the matter, including the mandates provided by Conference of the Parties (COP) to the UNFCCC and the decisions which have been taken by the Board;
  - (b) The current status of negotiations with Parties to the Convention;
  - (c) The purpose and rationale for granting privileges and immunities to institutions such as the GCF and their personnel; and
  - (d) the challenges which the Green Climate Fund will face when operating without being protected by privileges and immunities.

## **II. Background**

2. The Governing Instrument for the GCF approved at the seventeenth session of the COP by decision 3/CP.17 (the “Governing Instrument”) provides in paragraph 7 that “[i]n order to operate effectively internationally, the [GCF] will possess juridical personality and will have such legal capacity as is necessary for the exercise of its functions and the protection of its interests”. Moreover, paragraph 8 stipulates: “The [GCF] will enjoy such privileges and immunities as are necessary for the fulfilment of its purposes. The officials of the [GCF] will similarly enjoy such privileges and immunities as are necessary for the independent exercise of their official functions in connection with the [GCF].”
3. Consistent with the aforementioned provisions, in 2013 the GCF entered into the Agreement between the Republic of Korea and the Green Climate Fund concerning the Headquarters of the GCF (HQA) which is a treaty under Article 6 of the Constitution of the Republic of Korea. Thus, the GCF is covered by privileges and immunities in the Republic of Korea.
4. To ensure that GCF personnel are protected by privileges and immunities also in other countries, the GCF sought to pursue an institutional linkage with the United Nations similar to the linkage applicable to the secretariats of the UNFCCC and the United Nations Convention to Combat Desertification (UNCCD).<sup>22</sup> Such institutional linkage allows the staff of the Convention and UNCCD secretariats to benefit from the applicability of the Convention on the Privileges and Immunities of the United Nations (General Convention), while still enjoying a certain degree of autonomy.
5. Following consultations with the Office of Legal Affairs at the United Nations and the Convention secretariat, it was established that the appropriate way to seek an institutional linkage with the United Nations would be to have the COP formally request the United Nations General Assembly for such linkage. The Board suggested in 2014 in its Report to the Conference of Parties to the UNFCCC that the COP might “wish to consider recommending to the General Assembly of the United Nations that the General Assembly consider an institutional linkage between the United Nations and the Green Climate Fund that is consistent with the status of the [GCF] and the powers vested in the Board and a Secretariat that is fully independent and accountable to the Board...”. However, this proposal of the Board has not yet been acted upon by the COP. Thus, the General Convention does not apply to GCF personnel. Moreover, as the GCF is not a specialized agency of the United Nations, the Convention on the Privileges and Immunities

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<sup>22</sup> See resolutions A/RES/52/198 and A/RES/56/196 and decisions 3/COP.1 and 32/COP.10 (ICCD/COP(1)/11/Add.1 and ICCD/COP(10)/31/Add.1).

of the Specialized Agencies (CPISA) does not apply, either to the GCF as an institution or to its personnel.

6. To ensure that the GCF is covered by privileges and immunities, the COP, in UNFCCC decision 7/CP.20, paragraphs 21 and 22, adopted in Lima in 2014, urged “developing country Parties to enter into bilateral agreements with the [GCF] based on the template to be approved by the Board of the [GCF], in order to provide privileges and immunities for the [GCF]” and requested the “Board of the [GCF] to report biennially to the Conference of the Parties on the status of existing privileges and immunities”.

7. Based on COP guidance, the Board, by decision B.10/12, approved reference provisions, to be incorporated in bilateral agreement between the GCF and developed and developing countries (Bilateral privileges and immunities agreement). The Board authorized “the Executive Director to negotiate and sign, or otherwise develop” such agreements, taking account of the approved reference provisions, and to “develop additional arrangements” to elaborate on such privileges and immunities.

### **III. Progress on bilateral agreements**

8. The GCF is currently pursuing negotiations with 120 countries, both developed and developing. In addition to the Headquarters Agreement, 12 countries have already signed Bilateral P&I Agreements which have become effective. Moreover, the GCF is making good progress in negotiations with some other countries. Hence, the ability of the GCF to be a party to agreements governed by international law and act at the international plane is firmly established.

9. While progress has been made and the support of the countries that have signed Bilateral P&I Agreements with the GCF is commendable and highly appreciated, it is, nevertheless, a matter of serious concern that so far no developed country and no country in Asia has agreed to sign the proposed bilateral agreement on the privileges and immunities of the GCF. Also, only two countries in Latin America and two countries in Africa have signed bilateral agreements on privileges and immunities with the GCF. It is of further serious concern that many countries which, through the COP, adopted the Governing Instrument and the various COP decisions relating to the privileges and immunities of the GCF have either not engaged with the GCF on this matter or have notified the GCF that it is not possible for them to enter into the proposed Bilateral P&I Agreement with the GCF.

10. This lack of P&I coverage risks having a serious impact on the speedy operationalization of the activities of the GCF in pursuit of its mandate.

### **IV. The purpose of privileges and immunities**

11. Privileges and immunities are of the utmost importance to ensure that the GCF can perform its functions effectively and for the speedy operationalization of the activities of the GCF. Moreover, they are necessary to protect the financial resources which have been made available to the GCF and to ensure the independence of the GCF.

12. No multilateral institution can function properly if it is subject to the laws of all the countries where it is operating. This is the rationale of the immunity of legal process which international organizations rely upon. Moreover, it is widely recognized that for international organizations to perform their functions effectively, their assets, archives and communications must be protected and that personnel such as Board members and alternate members of the Board, staff, and other persons associated with the GCF must enjoy functional immunity of legal process in relation to acts performed by them in an official capacity. Otherwise, there is a

concrete risk that legal action might be taken against them in a personal capacity while they are undertaking their official GCF functions.

13. The template of the privileges and immunities bilateral agreement proposed to developed and developing countries alike is consistent with the reference provisions approved by the Board and focuses on core provisions which are essential for the ability of the GCF to perform its functions effectively. Similar provisions are incorporated in virtually all agreement on privileges and immunities, including the General Convention, the CPISA and/or the constituent agreements of other international organizations, such as the multilateral development banks.

14. It is noted, however, that the template used by the GCF reflects a lower standard than that applicable under the General Convention and CPISA, and is no more onerous to the granting countries than the equivalent provisions in the constituent agreements of the multilateral development banks to which such countries are member states.

15. To be clear, the purpose of immunity from national jurisdiction is not meant by any means to allow the GCF to act with impunity. The GCF is committed to guarantee due process and settle disputes with third parties through arbitration whenever feasible. Also, in connection with privileges and immunities granted to individuals (e.g. members and alternate members of the Board, staff and other persons associated with the GCF), such privileges and immunities are not for their personal benefit, but for the benefit of the GCF when such persons are acting in their official capacity in fulfilment of the GCF's mandate. Accordingly, the GCF is under a duty to waive such privileges and immunities where they would impede the course of justice and can be waived without prejudice to the purpose for which they were accorded or to the interests of the GCF.

## **V. Challenges faced by the Green Climate Fund in delivering on its mandate in the absence of privileges and immunities**

16. Without a Bilateral P&I Agreement, the GCF will be seriously exposed to litigation, as there is a real risk that legal action against the GCF might be taken for a variety of reasons. This risk is further enhanced by the fact that a number of the accredited entities of the GCF are well protected by privileges and immunities, either under their constituent agreement or under a convention (e.g. the General Convention or CPISA) or other multilateral or bilateral agreements. Moreover, there is a concrete risk that legal action might be taken against Board members, staff and experts in their personal capacity in respect of decisions taken in their official capacity. Any legal action taken against the GCF or GCF personnel would be very costly and disruptive to the activities of the GCF and would affect its ability to perform its functions effectively. Also, any such litigious action may have longer-term impacts on the sustainability of the GCF as it might dissuade contributors, who wish to see their contributions protected, from making further contributions to the GCF.

17. In the following sections, the litigation risk which results from the lack of a Bilateral P&I Agreement will be further analysed in relation to GCF operations. Also, while the litigation risk is the most significant one, the absence of a bilateral agreement on privileges and immunities entails other risks as well which concern the GCF's assets and financial resources. Moreover, the fiscal implications of a lack of an agreement of P&Is will be discussed in further detail.

### **5.1 Litigation risk**

18. In the context of projects or programmes approved by the Board and to be implemented by an accredited entity or an executing entity, persons who are adversely affected by such



projects or programmes may sue the GCF, as well as the accredited entity and/or the executing entity, for damages. This is true irrespective of whether the GCF conducts operations or maintains an office in the relevant state.

19. While the use of an intermediary, such as an accredited entity or executing entity, may insulate the GCF from such claims in common law jurisdictions (where courts do not typically look beyond the entity responsible for the damage), the position in many civil law jurisdictions is different. In such jurisdictions, national courts often ‘follow the money’, regardless of which entity is actually responsible for the damage. But even in common law jurisdictions, the expense to engage counsel to file a motion to dismiss or similar legal action is nonetheless costly.

20. The lack of GCF immunity from jurisdiction is also a factor in the length of time it takes to negotiate accreditation master agreements (AMA) with accredited entities that do have privileges and immunities of their own. Where adverse impacts of a funded activity arise due to an accredited entity’s breach of an AMA or related Funded Activity Agreement (FAA), affected persons will not be able to successfully take legal action against accredited entities with privileges and immunities. In such circumstances, they may seek to recover any losses from the GCF in the relevant national court.

21. If they are successful, the GCF would be liable to pay damages to the complainant for an act or omission by the relevant accredited entity. Whether the GCF would be able to recover such amounts from the relevant accredited entity depends on the liability threshold of the accredited entity negotiated in the AMA. In the absence of the GCF having its own privileges and immunities, and to ensure that contributor resources are adequately protected, the Secretariat has sought to obtain sufficient contractual protection in the AMAs. Finding a compromise between the interests of the GCF and those of the accredited entity on this crucial issue has taken a significant amount of time and resources.

22. Having to deal with third-party claims in this manner has two main consequences for the GCF:

- (a) It has to take project implementation risk that is more appropriately borne by the accredited entity; and
- (b) For claims which are significant (e.g. claims for significant environmental damages), judgment against the GCF could have a material impact on the GCF’s available resources and, subsequently, its ability to deliver on its mandate (as its available funds would be decreased).

23. One related point is worth mentioning. The Governing Instrument provides that the GCF will establish an independent redress mechanism to receive complaints related to the operation of the GCF.<sup>23</sup> Further to its terms of reference, the second function of the independent redress mechanism is to receive complaints or grievances from people or communities who have been directly affected by the adverse impacts through the failure of a project or programme funded by the GCF to implement the policies of the GCF.<sup>24</sup> The purpose of such grievance mechanisms, particularly in international financial organizations such as the multilateral development banks, arose directly from their immunity from jurisdiction. In the absence of such a grievance mechanism, affected persons would have no place to seek redress against injuries caused to them by projects financed by such organizations. Accordingly, while in the absence of privileges and immunities the IRM may still have a role in connection with complaints by affected people and communities (particularly in relation to mediation), there is a risk that affected people and communities will take any such claims directly to national courts. This may undermine the purpose of the IRM.

<sup>23</sup> Governing Instrument for the Green Climate Fund, paragraph 69.

<sup>24</sup> Decision B.06/09, Annex V, paragraph 2(b).

24. Even if a complainant does utilize the grievance function of the IRM, a complainant could use the findings of the IRM to litigate against the GCF and claim relief in national courts, over and above what the Board is prepared to grant.

25. The absence of immunity from jurisdiction for the GCF also gives rise to litigation risk in respect of decisions taken by the GCF. This is particularly relevant in the case of the fight against corruption if entities (such as project contractors) who have been sanctioned by the GCF consider that such a decision is defamatory or otherwise injurious. In this connection, the jurisprudence of the House of Lords (United Kingdom of Great Britain and Northern Ireland), the Australian High Court and the European Court of Justice have accepted that “there is clearly a risk that dissemination of information through the internet may give rise to legal action for defamation in a wide range of countries. Potentially, this may be the case wherever the disseminated information was downloaded...”<sup>25</sup> For example, legal action against the Asian Development Bank (ADB) has been taken by a sanctioned entity in Paris even though the ADB does not conduct any operational activities in France. The ADB could only prevail in this matter by invoking its privileges and immunities as the provisions of Chapter VIII of the ADB Charter, including Article 50 which covers immunity of ADB from legal proceedings, have force of law in France. Such litigation risk may also arise in the context of other operational decisions of the GCF, such as rejecting a funding proposal, failing to accredit an entity and so on. In this connection, live-streaming of Board meetings on the web potentially increases the risk of claims against the GCF for defamation (or equivalent claims) regardless of where the relevant Board meeting is being held.

26. Without immunity from jurisdiction, in the event of such claims, the GCF will need to participate in a long and costly process of defending itself against such third party claims and, in the event such defence is unsuccessful, may be liable for significant damages, which would have a material impact of the GCF’s available resources.

## 5.2 Property / assets / investments

27. The template bilateral agreement on privileges and immunities contains a provision which provides that the property and assets of the GCF (which would include its investments) are immune from search, requisition, confiscation, expropriation or any other form of taking or foreclosure by executive or legislative action.

28. At first glance, the absence of this immunity poses significant risks to the GCF in countries where it holds property, assets and/or investments, particularly in the context of confiscation, expropriation and other forms of taking or foreclosure.

29. A deeper analysis, however, demonstrates the risks to the GCF to be more nuanced.

30. Where the property or assets are held in the Republic of Korea, the GCF is protected under the HQA. With respect to assets held in the trust fund with the interim trustee, such assets are at present protected under the umbrella of the interim trustee’s privileges and immunities.

31. With respect to investments made by the GCF, the absence of immunity in respect of property poses material risks to the GCF to the extent that the GCF has legal title to the relevant property or asset.

32. This is the case with equity investments to be made by the GCF, and which will be held in the name of the GCF (e.g. FP005 – Acumen KawiSafi; FP027 – DB UGEAP; and FP029 – DBSA SCF Capital Solutions). Such assets are, in the absence of immunity, at risk of expropriation (or

<sup>25</sup> G. Droege, *Accountability, Investigation and Due Process: The Example of the Asian Development Bank*. 2009, in *International Administration. Law and Management Practices in International Organizations*, edited by C. de Cooker. Martinus Nijhoff, Leiden. Boston, pp. 381-460, pp. 411-412.

equivalent measures). Were such measure to be taken, the GCF would have limited recourse to a speedy and effective remedy; it could pursue the relevant host state in the national courts of such state but would not be able to take the state to international arbitration (which an investor of a third state may be entitled to do under a bilateral investment treaty between the host state and the third state).

33. In effect, the absence of this immunity, leaves the GCF more exposed to expropriation risk in host states than investors of a third state which have bilateral investment treaties with the relevant host state.

34. Similar risks to the GCF may arise with respect to loans and guarantees which have been extended to executing entities (through an accredited entity) for which the GCF is the lender of record. For example, in certain jurisdictions, the legal right to repayment can be expropriated by an order of the executive or legislature. In such cases, the absence of this immunity, could have material impact on the resources of the GCF and its subsequent ability to deliver on its mandate.

35. The position with equity investments, loans and guarantees (which have been called) where the GCF is not a direct investor, lender or guarantor is different. In such cases, the immunity of the GCF in respect of property affords no additional protection against expropriation of the underlying asset. In such cases, the GCF would need to rely on the privileges and immunities of the accredited entity, if any and applicable, or the exercise of relevant rights by the accredited entity or executing entity, as appropriate, under national law or bilateral investment treaties.

36. However, the absence of immunity in respect of property could pose a risk to the GCF in relation to measures which have the effect of expropriation taken by the authorities in the state in which the accredited entity is situated (or where the GCF funds which have been transferred to it are located), in circumstances where the GCF has invested in or extended a loan or guarantee (which has been called) to an accredited entity.

37. Finally, with respect to grants, either directly to executing entities or to accredited entities for on-granting or through accredited entities, grants entail a transfer of legal title in the funds. Accordingly, any immunity in respect of property that they GCF may enjoy will not be extended to the relevant third party that takes ownership of such funds or uses such funds to acquire property or other assets.

### 5.3 Financial resources and currency

38. The autonomy and independence of the GCF would be ineffectual if it were not empowered to manage and mobilize freely the funds and assets placed at its disposal. To this end, the template bilateral agreements on privileges and immunities contain a provision which provides that the property and assets of the GCF are to be free from restrictions, regulations, controls or moratoria of any kind and that the GCF shall, without being restricted by financial controls, regulations or moratoria, be entitled to hold funds, gold or any currency and open accounts in any currency and free to transfer funds, gold or currency from one country to another and to convert any convertible currency into any other convertible currency.

39. Most funds and currencies held by the GCF are held in the Republic of Korea, where they are protected under the HQA, or with the interim trustee, where they are at present protected under the umbrella of the interim trustee's privileges and immunities.

40. However, a number of the approved funding proposals envisage a flow of funds structure whereby GCF funds will be held by accredited entities in different countries in circumstances where title to such funds will remain with the GCF prior to their application to projects or programmes. In addition, for equity investments, loans, guarantees and

reimbursable grants, dividends, capital, interest and principal repayments and other amounts may need to be reflowed back to the GCF.

41. In such cases, the absence of privileges and immunities may have an impact on the ability of the relevant accredited entity to hold GCF funds on behalf of the GCF and/or require lengthy approval processes. Furthermore, in the absence of such privileges, the ability of the GCF to transfer funds to and/or receive reflowed funds from accredited entities may be impaired.

42. Consequently, this could have the effect of either preventing or delaying the implementation of a funding proposal approved by the Board.

## 5.4 Fiscal matters

43. The template bilateral agreement on privileges and immunities provides for exemption from taxation for the GCF. The primary principle which underlies such an exemption has its history in the principle that states may not levy taxes on another state. By the same token, and particularly given that contributions to the GCF are at present made up of public funds, the exemption from taxation is important as it ensures that states may not levy taxes on other states through tax levies on the GCF.

44. Furthermore, in many national jurisdictions, fiscal measures are often used to affect behavioural changes (e.g. tax on gasoline, carbon taxes etc.). Attempts to influence the behaviour of the GCF through fiscal measures undermines the central purpose of privileges and immunities – the independence of the GCF from any one particular state.

45. The absence of this exemption could have a material impact on the resources of the GCF, the overall cost of individual projects and the economic return that the GCF may expect to receive in respect of an individual project.

46. For example, cross-border transfers of funds often attract deductions and/or withholding taxes. If such fiscal measures are applicable, transfers from the GCF or from the accredited entity to an executing entity may need to be grossed up, increasing the overall project cost.

47. Similar treatment may be afforded to funds which are expected to be reflowed back to the GCF, either directly by the executing entity, by the executing entity through the accredited entity or by the accredited entity in its own right. In such cases, if deductions and/or withholding taxes are payable, either the return received by the GCF will be lower than if the exemptions were in place or payments to the GCF may need to be grossed up, which in turn may have sustainability consequences for the relevant project or programme.

48. In short, the absence of an exemption from taxation both undermines the widely accepted principle that states may not levy taxes on other states (even through organizations such as the GCF) and may have an adverse impact on the available resources of the GCF.

## **Annex IV: Report on the first annual meeting to enhance cooperation and coherence of engagement between the Green Climate Fund and United Nations Framework Convention on Climate Change thematic bodies**

### **I. Mandate**

1. In accordance with GCF decision B.13/11, the first annual meeting to enhance cooperation and coherence of engagement between the GCF and United Nations Framework Convention on Climate Change (UNFCCC) thematic bodies took place on Wednesday, 9 November 2016 in the margins of the twenty-second session of the Conference of the Parties (COP) in Marrakech, Morocco.

### **II. Overview**

2. Mr. Zaheer Fakir (Co-Chair of the GCF Board) opened the meeting by welcoming participants, and the Chairs/Co-Chairs of the thematic bodies to the first annual meeting between the GCF and UNFCCC thematic bodies.

3. The meeting was attended by GCF Secretariat representatives, the Chair of SBI, Vice-chair of SBSTA and representatives of the following UNFCCC thematic bodies:

- (a) The Standing Committee on Finance (SCF);
- (b) The Advisory Board of the Climate Technology Centre and Network (CTCN);
- (c) The Technology Executive Committee (TEC);
- (d) The Least Developed Countries Expert Group (LEG);
- (e) The Adaptation Committee (AC); and
- (f) Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts (Executive Committee).

4. The GCF Co-Chair indicated that the meeting would be split into two sessions covering the following:

- (a) The possible scope of the relationship between the GCF and the UNFCCC thematic bodies; and
- (b) Opportunities to enhance cooperation between the GCF and the UNFCCC thematic bodies.

5. Before opening the discussions, Mr. Fakir called on Ms. Carolina Fuentes (Secretary to the GCF Board) to make a brief presentation on the topics of complementarity and coherence and the recently adopted Board decisions (see paras. 9–11 below), after which representatives of the thematic bodies were given the floor.

### **III. Objective of the meeting**

6. Mr. Fakir noted the GCF Board's intention that the event would enhance the input from thematic bodies to the work of the GCF. He stated that the GCF continues to interact with the thematic bodies of the Convention, in particular:

- (a) The draft guidance it receives from the SCF;

- (b) The collaboration with LEG and their work on national adaptation plans (NAPs),
- (c) The guidance it receives from AC on adaptation; and
- (d) The collaboration and existing exchange of information related to technology with TEC and CTCN.

7. Finally, Mr. Fakir noted that the GCF Board encourages further collaboration and would like to hear the views of representatives of the UNFCCC thematic bodies which the GCF will take into consideration in order to enhance its work.

## **IV. Proceedings of the meeting**

### **4.1 Opening remarks**

8. Ms. Fuentes thanked participants for attending and provided an overview of the adopted Board decisions on the relationship with thematic bodies and complementarity and coherence with other funds. She also presented few suggested examples of possible coordination between the GCF and UNFCCC thematic bodies:

- (a) Attending each other meetings and forums;
- (b) Holding joint workshops;
- (c) Exchanging information; and
- (d) Forming a joint taskforce on relevant issues.

9. Finally, Ms. Fuentes invited the representatives of the thematic bodies to make their remarks that would seek to answer the following questions:

- (a) How can the GCF and the thematic bodies increase their coordination?
- (b) How can the work programmes of the respective thematic bodies include elements of possible coordination? and
- (c) What measures should the GCF Board take to enhance coordination?

## **V. Views expressed by representatives of UNFCCC thematic bodies**

### **5.1 First session: the scope of the relationship between the GCF and the UNFCCC thematic bodies**

#### **5.1.1 Standing Committee on Finance**

10. Ms. Outi Honkatukia (Co-Chair of the SCF), thanked the GCF for the invitation to this meeting, which she welcomed as a positive opportunity to improve cooperation between the two bodies.

11. She outlined the most visible work of the SCF with regard to the GCF, which is advising the COP on the guidance to the Financial Mechanism (FM) of the Convention and the review of FM.

12. Ms. Honkatukia welcomed the attendance of GCF representatives at SCF meetings and emphasized how such face-to-face interaction had improved the relationship between the two organizations.



### 5.1.2 Advisory Board of the Climate Technology Centre and Network

13. Mr. Thomas Spencer, the Chair of the CTCN Advisory Board, thanked the GCF for holding this meeting. He noted that the CTCN is fully committed to engaging with the GCF and all other thematic bodies in order to fulfil their mandates.

14. He also noted that the CTCN encourages the leveraging of expertise in order to accelerate the skilled development of technology.

15. Finally, Mr. Spencer noted that he sees the areas of collaboration between the CTCN and the GCF in the Readiness and Preparatory Support Programme, the Project Preparation Facility and direct access areas as well as in enabling technical experts, national designated authorities, national designated entities and collaboration between the thematic bodies.

### 5.1.3 Technology Executive Committee

16. Ms. Duduzile Nhlengethwa Masina (Chair of the TEC) welcomed the opportunity to collaborate with the GCF. She noted that the TEC offers unique support action on mitigation and adaptation at the policy, sectoral and programme levels.

17. She stated that the TEC collaborated with the CTCN to promote complementarity and coherence with the Technology Mechanism (TM) and that the TM seeks to ensure that countries are served by the Financial Mechanism in an effective manner.

18. Finally, the Chair noted that attendance at the last GCF Board meeting in Songdo, Republic of Korea, was very useful and she believes that both organizations will benefit from such collaboration in the future.

### 5.1.4 Least Developed Countries Expert Group

19. Mr. Abias Huongo (Chair of the LEG) noted that the LEG continues to work towards the implementation of the UNFCCC decision 19/CP.21 with cooperation of the GCF in order to provide support for the least developed countries to access funds for NAPs. He noted that the LEG would like the GCF to continue to provide information on their work on simplifying mechanisms on their funding so that countries can smoothly accessed funds available for the NAP process.

20. To that end, the LEG is developing a quick guide for the least developed countries (LDCs) on how to access funding through the GCF. It would like to present this guide to the GCF for review so that the LEG would be able to provide clearer guidance to these countries.

21. Furthermore, Mr. Huongo thanked the GCF for its support at the NAP Expo in September 2016. He noted that Parties found it useful to gather together and exchange views on the GCF and how they can access its funding and asked the GCF to attend the next NAP Expo in 2017. Mr. Huongo also stated that the LEG is organizing a series of workshops for 2017 that it would encourage the GCF to assist in developing.

22. Next year the LEG will be embarking on regional expos to bring together countries with common circumstances and issues and would like the GCF to be part of this challenge that will start in June 2017 in Uganda.

23. Mr. Huongo also noted the need to address the lack of the NAPs from LDCs through the provision of resources.

24. Finally, he indicated that the LEG welcomes the attendance of GCF representatives at its biannual meetings and noted that it continues to request the GCF to come and share information at LEG activities so the two entities better link and attune their work.



### **5.1.5 Adaptation Committee**

25. Ms. Minpeng Chen (Co-Chair of the Adaptation Committee) welcomed the opportunity for the thematic bodies to learn more about each other.
26. She noted that the following mandates of the Adaptation Committee in the areas of adaptation are:
- (a) To promote the implementation of a portfolio of enhanced action on providing support and guidance on various issues regarding how to access support;
  - (b) To encourage good practice and engagement; and
  - (c) To provide information and recommendations to the COP.
27. In the current workplan of the Adaptation Committee, Ms. Chen noted that the following two activities are very closely related to the GCF:
- (a) The preparation of an information document on the experience of countries in accessing GCF finances through Readiness support, in particular for national adaptation plans and adaptation planning processes;
  - (b) The organization of a workshop in the first half of 2017 on challenges in accessing funding in particular for national adaptation plans and national planning processes; and

### **5.1.6 Executive Committee**

28. Ms Pepetua Election Latasi saw a lot of common possible ways of collaboration between the OE of the FM and the Executive Committee. The current work plan of the Executive Committee outlines the work in the areas of migration, displacement, relocation, disaster risk management, the possible financial instruments, contingency finance, including insurance and other. Some of those elements is what the GCF is already working on, and the Executive Committee could engage and collaborate with the GCF on those matters.
29. The Chair of SBI has expressed his appreciation to the Green Climate Fund for its efforts to support countries in their work towards combatting climate change. He saw the discussion with the thematic bodies as the opportunity to exchange views and information. The work that the thematic bodies are doing, including policy guidance on the NAMAs, NAPs, TNAs, etc. expresses the urgency of action, and the GCF represents the important means of financial support. The thematic bodies of the Convention are the best allies for the GCF. The GCF could encourage their accredited entities and their country representatives to collaborate with thematic bodies when organizing the regional expos and events. Lastly, he pointed out that the face-to-face direct communication is much more effective, friendly and efficient than electronic communication thus such events are welcome.
30. SBSTA vice-chair apologised that the Chair could not attend the meeting and encouraged the collaboration with the thematic bodies. He stressed that technical knowledge that is in the hands of thematic bodies should be used by the GCF and such events could even be happening more than once a year.

## **VI. Second session: opportunities, possible synergies and areas of collaboration**

31. Co-Chair of the GCF summarized the discussion from the first session. The brief introductions on the activities of various thematic bodies gave a better insight to all around the table of what each other is doing. During the second session, he would like to go deeper and

touch on those commonalities and areas where they can learn from each other. As an operating entity of the FM the GCF is tasked to support developing countries by providing resources to support countries to implement those actions. GCF wants portfolios that are qualitative, scalable and deliver impact. There is a lot of opportunities for the thematic bodies in their respective areas to help the GCF to facilitate such funding proposals to be brought. The expertise that lays in the thematic bodies can also help the Secretariat to do their work more efficiently and effectively.

32. The Co-Chair of the CTCN Advisory Board suggested few examples on where CTCN can collaborate. They have a good pipeline of projects for technology development and transfer. Few possibilities examples include:

- (a) Sharing of experience and expertise;
- (b) The Readiness and Preparatory Support Programme;
- (c) The Project Preparation Facility;
- (d) Direct access to GCF funding as the delivery partner; and
- (e) Enabling collaboration between technical experts, national designated authorities and national designated entities.

33. The director of CTCN Jukka Uosukainen echoed comments made by others and welcomed such initiative. He pointed that we all should benefit from each other's experiences and technical expertise. CTCN has experience in CDM projects, and the GCF participation in their technical expert meetings, where various stakeholders are attending is welcome. The CTCN is playing a key role in supporting developing countries in de-risking their technology choices and thus bringing good quality projects to the Fund. Secondly, CTCN has a strong network of RD&D institutions, this resources could be put into use in bringing knowledge on what would work and what not.

34. The Chair of TEC emphasized that their work focuses on the policy level and that they are in the position to give guidance on the actual implementation. In particular, TEC sees their relevance in the following areas:

- (a) Research and development, including their technical paper on financing for R&D;
- (b) Participation in each other's meetings, workshops or technical task forces; and
- (c) Sharing knowledge and information as well as providing inputs to each other's work (TEC is developing a lot of technical papers).

35. The SCF Chair identified the following areas where the Committee can collaborate with the GCF, which is the preparation of draft COP guidance to the GCF, in particular, the streamlining of the guidance and how it can identify the repetitive and redundant guidance in order to be more clear, to the point and more useful. The rationalization of the financial mechanism is the area where SCF has contributed least but where the matters of competitive advantage of the FM institutions should be explored. The SCF has a strong role to play here.

36. The Chair of the LEG has underlined that the collaboration has been quite good and suggested the following collaborative areas between the LEG and the GCF:

- (a) Reviewing the LEG quick guide for the LDCs on accessing funding through the GCF;
- (b) Attending the NAP Expo in 2017;
- (c) Attending regional workshops, the first of which will take place in June 2017 in Uganda;
- (d) Addressing the LDCs lack of quality in the NAP process through the provision of resources and training; and

(e) Attending the biannual meetings of the LEG.

37. He also emphasized that the issue of communication and exchange of information is an overarching matter that should be addressed through the activities proposed above that will allow for better collaboration.

38. The Co-Chair of the Adaptation Committee suggested the following collaborative areas between the Adaptation Committee and the GCF:

- (a) Providing information to the work of the AC, in particular, as they are working on the information document on the experience of countries in accessing GCF Readiness Programme;
- (b) Participation in each other's meetings, including participation in a taskforce on NAPs to collect and synthesize lessons learned and experiences gained by countries in accessing the Readiness and Preparatory Support Programme and direct access through the GCF; and
- (c) Organizing a joint workshop in the first half of 2017 (e.g. on challenges in accessing funding in particular for national adaptation plans and national planning processes).

39. The GCF Executive Director ad interim also thanked the participants for the fruitful discussions, and emphasized that it is important to think about the next steps and how to turn those ideas into concrete actions. Few suggestions could be, for example, identifying concrete partnership arrangements, a roster of consultants, or identified relationship manager for each thematic body.

## **VII. Conclusions**

40. The Co-Chair of the GCF concluded that the following actions could be implemented immediately, that all the chairs of thematic bodies agreed on:

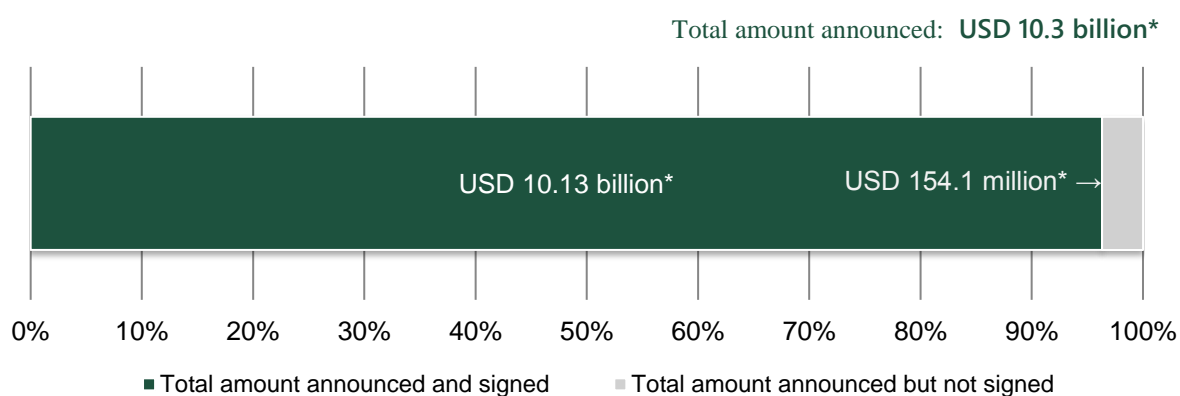
- (a) Exchange of information;
- (b) Attendance of each other's meetings; and
- (c) Joint trainings and workshops.

41. The Co-Chair of the GCF also informed that this meeting will be captured in a report that will be submitted to the COP23 as part of the Report of the Green Climate Fund, which will be presented to the GCF Board for approval prior to the submission.

## Annex V: Status of pledges and contributions made to the Green Climate Fund

Status Date: 2 June 2017

1. A total of 43 state governments have made a pledge to the Green Climate Fund (GCF) to date, including 9 representing developing countries. The objective is for all pledges to be converted into contribution agreements within one year from the time at which they are made. The combined pledges and contributions made to the Fund are indicated in the table below.
2. GCF's initial resource mobilization (IRM) period continues to be in progress, and the Fund accepts new pledges on an ongoing basis.



\* Amounts indicated are in United States dollars equivalent (USD eq.)

A detailed overview of pledges and contributions by amount is shown on the next page.

**Table 7. Status of Pledges for GCF's Initial Resource Mobilization (IRM) as of 2 June 2017**

Calculated on basis of reference exchange rates established for GCF's High-Level Pledging Conference (GCF/BM-2015/Inf.01)

(\*In millions)

Governments	Pledges					Grant Equivalent <sup>1</sup>			
	Announced		Signed	Disbursed Cash and Deposited PNs	Announced Per Capita	of Pledged Amount	of Signed Amount	of Pledged Amount	
	In Currency*	USD eq.* <sup>2</sup>	USD eq.* <sup>2</sup>	In Currency*	USD eq. <sup>2</sup>	USD eq.* <sup>2</sup>	USD eq.* <sup>2</sup>	Current FX* <sup>3</sup>	
Amounts Announced, Signed, and Disbursed									
Australia	AUD	200.7	187.6	187.6	130.7	7.92	187.6	187.6	149.1
Austria <sup>4</sup>	EUR	26.0	34.8	34.8	14.0	4.09	34.8	34.8	29.2
Belgium	EUR	50.0	66.9	66.9	50.0	6.22	66.9	66.9	56.2
Belgium (Brussels Capital Region)	EUR	3.6	4.8	4.8	3.6	1.30	4.8	4.8	4.0
Belgium (Flanders)	EUR	9.8	13.0	13.0	9.8	0.70	13.0	13.0	11.0
Belgium (Wallonia) (1)	USD	1.5	1.5	1.5	1.5	3.00	1.5	1.5	1.5
Belgium (Wallonia) (2)	EUR	7.0	9.4	9.4	7.0		9.4	9.4	7.9
Bulgaria	EUR	0.1	0.1	0.1	0.1	0.02	0.1	0.1	0.1
Canada (Grant)	CAD	168.0	155.1	155.1	168.0	7.80	155.1	155.1	124.4
Canada (Loan)	CAD	110.0	101.6	101.6	-		20.0	20.0	16.1
Canada (Cushion)	CAD	22.0	20.3	20.3	-		-	-	-
Chile	USD	0.3	0.3	0.3	0.3	0.02	0.3	0.3	0.3
Colombia	USD	0.3	0.3	0.3	0.3	0.12	0.3	0.3	0.3
Cyprus	EUR	0.4	0.5	0.5	-	0.40	0.5	-	0.4
Czech Republic	CZK	110.0	5.3	5.3	110.0	0.50	5.3	5.3	4.7
Denmark	DKK	400.0	71.8	71.8	250.0	12.82	71.8	71.8	60.5
Estonia	EUR	1.0	1.3	1.3	1.0	1.00	1.3	1.3	1.1
Finland	EUR	34.7	46.4	46.4	34.7	19.82	46.4	46.4	39.0
France (Grant)	EUR	432.0	577.9	577.9	247.4	16.03	577.9	577.9	485.7
France (Loan)	EUR	285.0	381.3	381.3	-		105.1	105.1	88.3
France (Cushion)	EUR	57.0	76.3	76.3	-		-	-	-
France (Paris) <sup>9</sup>	EUR	1.0	1.3	1.3	0.3	0.10	1.3	1.3	1.1
Germany	EUR	750.0	1,003.3	1,003.3	375.0	12.13	1,003.3	1,003.3	843.3

Hungary	HUF	1,000.0	4.3	4.3	1,000.0	0.40	4.3	4.3	3.6
Iceland	USD	0.5	0.5	0.5	0.5	0.50	0.3	0.3	0.5
Indonesia <sup>5</sup>	USD	0.3	0.3	0.3	0.2	0.00	0.3	0.3	0.3
Ireland	EUR	2.0	2.7	2.7	2.0	0.59	2.7	2.7	2.2
Italy	EUR	200.0	267.5	267.5	100.0	5.47	267.5	267.5	224.9
Japan	JPY	154,028.7	1,500.0	1,500.0	77,014.2	11.81	1,500.0	1,500.0	1390.4
Latvia	EUR	0.4	0.5	0.5	0.4	0.23	0.5	0.5	0.4
Liechtenstein	CHF	0.1	0.1	0.1	0.1	1.50	0.1	0.1	0.1
Lithuania	EUR	0.1	0.1	0.1	0.1	0.04	0.1	0.1	0.1
Luxembourg	EUR	25.0	33.4	33.4	20.0	93.60	33.4	33.4	28.1
Malta	EUR	0.2	0.2	0.2	0.2	0.20	0.2	0.2	0.2
Mexico	USD	10.0	10.0	10.0	10.0	0.08	10.0	10.0	10.0
Monaco	EUR	1.0	1.3	1.3	1.0	8.80	1.3	1.3	1.1
Netherlands	EUR	100.0	133.8	133.8	34.0	7.96	133.8	133.8	112.4
New Zealand	NZD	3.0	2.6	2.6	3.0	0.56	2.6	2.6	2.1
Norway	NOK	1,600.0	257.9	257.9	800.0	50.56	257.9	257.9	189.3
Panama	USD	1.0	1.0	1.0	1.0	0.26	1.0	1.0	1.0
Poland	PLN	0.4	0.1	0.1	0.4	0.00	0.1	0.1	0.1
Portugal	EUR	2.0	2.7	2.7	2.0	0.30	2.7	2.7	2.2
Republic of Korea <sup>5</sup>	USD	100.0	100.0	100.0	36.7	2.02	100.0	100.0	100.0
Romania	EUR	0.1	0.1	0.1	0.1	0.00	0.1	0.1	0.1
Spain <sup>6</sup>	EUR	120.0	160.5	160.5	17.0	3.40	160.5	160.5	134.9
Sweden	SEK	4,000.0	581.2	581.2	4,000.0	60.54	581.2	581.2	460.4
Switzerland	USD	100.0	100.0	100.0	100.0	12.20	100.0	100.0	100.0
United Kingdom <sup>7</sup>	GBP	720.0	1,211.0	1,211.0	401.7	19.07	1,211.0	1,211.0	928.1
United States of America <sup>8</sup>	USD	3,000.0	3,000.0	3,000.0	1,000.0	9.30	3,000.0	3,000.0	3,000.0
Total			10,132.7	10,132.7			9,678.3	9,677.8	8,616.8

Amounts Announced but Not Yet Signed									
Colombia	USD	5.7	5.7	-	-	0.12	5.7	-	5.7
Finland	EUR	45.3	60.6	-	-	19.82	60.6	-	50.9
Iceland <sup>10</sup>	USD	0.5	0.5	-	-	5.00	0.5	-	0.5
Italy	EUR	50.0	66.9	-	-	5.47	66.9	-	56.2

<b>Luxembourg<sup>11</sup></b>	EUR	10.0	<b>13.4</b>	-	-	93.60	13.4	-	11.2
<b>Mongolia</b>	MNT	90.0	<b>0.0</b>	-	-	0.02	0.0	-	0.0
<b>Peru</b>	USD	6.0	<b>6.0</b>	-	-	0.19	6.0	-	6.0
<b>Vietnam<sup>12</sup></b>	USD	1.0	<b>1.0</b>	-	-	0.01	1.0	-	1.0
<b>Total</b>			<b>154.1</b>	-			<b>154.1</b>	<b>18,861.7</b>	<b>131.6</b>
			<b>Grand Total</b>	<b>10,286.9</b>	<b>10,132.7</b>		<b>9,832.4</b>	<b>28,539.6</b>	<b>8,748.5</b>
<b>EU Member States (Total)</b>	USD		<b>4,834.8</b>	<b>4,693.9</b>			<b>4,482.4</b>	<b>4,341.1</b>	<b>3,650.3</b>

**Notes:**

1 Grant equivalent is calculated based on the terms in Policies for Contributions.

2 United States dollars equivalent (USD eq.), based on the reference exchanges rates established for GCF's High-Level Pledging Conference (GCF/BM-2015/Inf.01).

3 USD eq., based on the foreign exchange rate as of 28 April 2017. Depending on the rate at the time of conversion, the USD eq. amount will fluctuate accordingly.

4 The original pledge from Austria was announced in USD (25 million) but signed in EUR (20 million). The amount shown as signed is calculated in accordance with <sup>2</sup>.

5 Signed amount includes contributions made prior to GCF's High-Level Pledging Conference.

6 The total amount pledged is EUR 120 million, but EUR 78 million will be paid after the Initial Resource Mobilization period (2015-2018).

7 Out of the United Kingdom's announced pledge of GBP 720 million, GBP 144 million is signed as a grant and GBP 576 million is signed as a capital contribution, as defined in its agreement.

8 Subject to the availability of funds. USD 500 million provided to date.

9 The total amount pledged is EUR 1 million, but EUR 0.4 million is planned to be paid after the IRM.

10 The total amount pledged is EUR 1 million, but EUR 0.4 million is planned to be paid after the IRM.

11 The EUR 10 million is planned to be paid after the IRM.

12 The total amount pledged is USD 1 million, but USD 0.4 million is planned to be paid after the IRM.



## **Annex VI: List of countries with national designated authority and focal point designations to the Green Climate Fund**

As at 31 May 2017, the 144 countries listed below have selected national designated authorities (NDAs) and focal points to the Green Climate Fund. NDAs and focal points are selected by governments to act as the core interface between a developing country and the GCF.

- |                                      |                                       |
|--------------------------------------|---------------------------------------|
| 1. Afghanistan                       | 75. Malaysia                          |
| 2. Albania                           | 76. Maldives                          |
| 3. Algeria                           | 77. Mali                              |
| 4. Angola                            | 78. Marshall Islands                  |
| 5. Antigua and Barbuda               | 79. Mauritania                        |
| 6. Argentina                         | 80. Mauritius                         |
| 7. Armenia                           | 81. Mexico                            |
| 8. Azerbaijan                        | 82. Micronesia                        |
| 9. Bahamas                           | 83. Moldova                           |
| 10. Bahrain                          | 84. Mongolia                          |
| 11. Bangladesh                       | 85. Montenegro                        |
| 12. Barbados                         | 86. Morocco                           |
| 13. Belize                           | 87. Mozambique                        |
| 14. Benin                            | 88. Myanmar (Burma)                   |
| 15. Bhutan                           | 89. Namibia                           |
| 16. Bolivia                          | 90. Nauru                             |
| 17. Bosnia and Herzegovina           | 91. Nepal                             |
| 18. Botswana                         | 92. Nicaragua                         |
| 19. Brazil                           | 93. Niger                             |
| 20. Burkina Faso                     | 94. Nigeria                           |
| 21. Burundi                          | 95. Niue                              |
| 22. Cambodia                         | 96. Oman                              |
| 23. Cameroon                         | 97. Pakistan                          |
| 24. Cape Verde                       | 98. Palau                             |
| 25. Central African Republic         | 99. Panama                            |
| 26. Chad                             | 100. Papua New Guinea                 |
| 27. Chile                            | 101. Paraguay                         |
| 28. China                            | 102. Peru                             |
| 29. Colombia                         | 103. Philippines                      |
| 30. Comoros                          | 104. Rwanda                           |
| 31. Congo                            | 105. Saint Kitts and Nevis            |
| 32. Cook Islands                     | 106. Saint Lucia                      |
| 33. Costa Rica                       | 107. Saint Vincent and the Grenadines |
| 34. Cote d'Ivoire (Ivory Coast)      | 108. Samoa                            |
| 35. Cuba                             | 109. Sao Tome and Principe            |
| 36. Democratic Republic of the Congo | 110. Saudi Arabia                     |
| 37. Djibouti                         | 111. Senegal                          |
| 38. Dominica                         | 112. Serbia                           |
| 39. Dominican Republic               | 113. Seychelles                       |
| 40. Ecuador                          | 114. Sierra Leone                     |
| 41. Egypt                            | 115. Singapore                        |
| 42. El Salvador                      | 116. Solomon Islands                  |
| 43. Equatorial Guinea                | 117. Somalia                          |
| 44. Eritrea                          | 118. South Africa                     |
| 45. Ethiopia                         | 119. South Korea                      |
| 46. Fiji                             | 120. South Sudan                      |
| 47. Gabon                            | 121. Sri Lanka                        |
| 48. Gambia                           | 122. Sudan                            |
| 49. Georgia                          | 123. Suriname                         |

- |     |               |      |                          |
|-----|---------------|------|--------------------------|
| 50. | Ghana         | 124. | Swaziland                |
| 51. | Grenada       | 125. | Syria                    |
| 52. | Guatemala     | 126. | Tajikistan               |
| 53. | Guinea        | 127. | Tanzania                 |
| 54. | Guinea-Bissau | 128. | Thailand                 |
| 55. | Guyana        | 129. | Timor-Leste (East Timor) |
| 56. | Haiti         | 130. | Togo                     |
| 57. | Honduras      | 131. | Tonga                    |
| 58. | India         | 132. | Trinidad and Tobago      |
| 59. | Indonesia     | 133. | Tunisia                  |
| 60. | Iran          | 134. | Turkmenistan             |
| 61. | Iraq          | 135. | Tuvalu                   |
| 62. | Jamaica       | 136. | Uganda                   |
| 63. | Jordan        | 137. | Uruguay                  |
| 64. | Kazakhstan    | 138. | Uzbekistan               |
| 65. | Kenya         | 139. | Vanuatu                  |
| 66. | Kiribati      | 140. | Venezuela                |
| 67. | Kyrgyzstan    | 141. | Vietnam                  |
| 68. | Laos          | 142. | Yemen                    |
| 69. | Lebanon       | 143. | Zambia                   |
| 70. | Lesotho       | 144. | Zimbabwe                 |
| 71. | Liberia       |      |                          |
| 72. | Libya         |      |                          |
| 73. | Madagascar    |      |                          |
| 74. | Malawi        |      |                          |

\* The list of NDAs and focal points designated to the GCF, including their names and contact information is available on the GCF website<sup>1</sup>

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<sup>1</sup> <http://www.greenclimate.fund/partners/countries/nda-directory>

## **Annex VII: List of entities accredited to the Green Climate Fund**

**Table 8. List of accredited entities of the Green Climate Fund as at 31 May 2017**

	<b>Legal Entity Name (contact information linked)</b>	<b>Acronym</b>	<b>Country</b>	<b>Entity Type</b>
1	Acumen Fund, Inc.	Acumen	United States of America	Regional
2	Africa Finance Corporation	AFC	Nigeria	International
3	African Development Bank	AfDB	Côte d'Ivoire	International
4	Agence Française de Développement	AFD	France	International
5	Agency for Agricultural Development of Morocco	ADA	Morocco	National
6	Asian Development Bank	ADB	Philippines	International
7	Banque Ouest Africaine de Développement (West African Development Bank)	BOAD	Togo	Regional
8	Caribbean Community Climate Change Centre	CCCCC	Belize	Regional
9	Caribbean Development Bank	CDB	Barbados	Regional
10	Central American Bank for Economic Integration	CABEI	Honduras	Regional
11	Centre de Suivi Ecologique	CSE	Senegal	National
12	Conservation International Foundation	CI	United States of America	International
13	Corporación Andina de Fomento	CAF	Venezuela	Regional
14	Crédit Agricole Corporate and Investment Bank	Crédit Agricole CIB	France	International
15	Deutsche Bank AktienGesellschaft	Deutsche Bank AG	Germany	International
16	Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ) GmbH	GIZ	Germany	International
17	Development Bank of Southern Africa	DBSA	South Africa	Regional
18	Environmental Investment Fund of Namibia	EIF	Namibia	National
19	European Bank for Reconstruction and Development	EBRD	United Kingdom	International
20	European Investment Bank	EIB	Luxembourg	International
21	Food and Agriculture Organization of the United Nations	FAO	Italy	International
22	Foreign Economic Cooperation Office, Ministry of Environmental Protection of China	FECO	China	National
23	Fundación Avina	Fundación Avina	Panama	Regional
24	HSBC Holdings plc and its subsidiaries	HSBC	United Kingdom	International
25	Inter-American Development Bank	IDB	United States of America	International

	<b>Legal Entity Name</b> (contact information linked)	<b>Acronym</b>	<b>Country</b>	<b>Entity Type</b>
26	International Bank for Reconstruction and Development and International Development Association	World Bank	United States of America	International
27	International Finance Corporation	IFC	United States of America	International
28	International Fund for Agricultural Development	IFAD	Italy	International
29	International Union for Conservation of Nature	IUCN	Switzerland	International
30	Korea Development Bank	KDB	Republic of Korea	National
31	Kreditanstalt für Wiederaufbau	KfW	Germany	International
32	Ministry of Finance and Economic Cooperation of the Federal Democratic Republic of Ethiopia	MOFEC	Ethiopia	National
33	Ministry of Natural Resources	MINIRENA	Rwanda	National
34	National Bank for Agriculture and Rural Development	NABARD	India	National
35	National Environment Management Authority of Kenya	NEMA	Kenya	National
36	Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden	FMO	Netherlands	International
37	Peruvian Trust Fund for National Parks and Protected Areas	Profonanpe	Peru	National
38	PT Sarana Multi Infrastruktur	PT SMI	Indonesia	National
39	Secretariat of the Pacific Regional Environment Programme	SPREP	Samoa	Regional
40	Société de Promotion et de Participation pour la Coopération Economique, SA	PROPARCO	France	International
41	South African National Biodiversity Institute	SANBI	South Africa	National
42	Unidad Para el Cambio Rural (Unit for Rural Change) of Argentina	UCAR	Argentina	National
43	United Nations Development Programme	UNDP	United States of America	International
44	United Nations Environment Programme	UNEP	Kenya	International
45	United Nations World Food Programme	WFP	Italy	International
46	World Meteorological Organization	WMO	Switzerland	International
47	World Wildlife Fund, Inc.	WWF	United States of America	International
48	XacBank LLC	XacBank	Mongolia	National

\* The list of accredited entities with more details relating to their accreditation is available at the GCF website<sup>1</sup>

<sup>1</sup> <http://www.greenclimate.fund/partners/accredited-entities/ae-directory>

## Annex VIII: List of activities approved to receive funding from the Green Climate Fund

Table 9. Readiness and preparatory support portfolio as at 31 May 2017

Region	Country	Results	Approved Amount (USD)			Disbursed (%)	Duration (months)
			2015	2016	2017		
Africa	Benin	No Objection Procedure Established	150,000				24
		Direct Access Entities Accreditation Supported and Pipeline Developed	37,000			36,070 (97%)	-
	Burkina Faso	No Objection Procedure Established			300,000		12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Central African Republic	No Objection Procedure Established	300,000			150,000 (50%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Chad	No Objection Procedure Established	300,000			120,000 (40%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Comoros	No Objection Procedure Established	300,000				24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Cote d'Ivoire	No Objection Procedure Established	300,000				24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Democratic Republic of Congo	No Objection Procedure Established	300,000			120,000 (40%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Djibouti	No Objection Procedure Established	300,000			120,000 (40%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Egypt	No Objection Procedure Established			300,000		18

		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
Ethiopia		No Objection Procedure Established	300,000			120,000 (40%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
Gabon		No Objection Procedure Established		300,000		120,000 (40%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed			33,415		-
Gambia		No Objection Procedure Established		300,000		75,000 (25%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
Ghana		Country Programmes and Pipeline Developed			350,750		13
Guinea		No Objection Procedure Established	300,000			300,000 (100%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
Kenya		No Objection Procedure Established	150,000				12
		Direct Access Entities Accreditation Supported and Pipeline Developed	37,000			34,102 (100%)	-
Liberia		No Objection Procedure Established		300,000		150,000 (50%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Adaptation Planning Processes Developed		2,263,467			24
Mali		No Objection Procedure Established	41,165			41,165 (100%)	6
		National Stakeholders Engaged in Dialogues on Country Programmes					
Mali		No Objection Procedure Established	300,000			100,000 (33%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
Mauritania		No Objection Procedure Established			300,000		18
		National Stakeholders Engaged in Dialogues on Country Programmes					
Mauritius		No Objection Procedure Established			300,000		12

		National Stakeholders Engaged in Dialogues on Country Programmes					
	Morocco	No Objection Procedure Established		300,000		100,000 (33%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Namibia	No Objection Procedure Established		391,009		244,209 (62%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Republic of Congo	No Objection Procedure Established		300,000		150,000 (50%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Rwanda	No Objection Procedure Established	300,000			120,000 (40%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Senegal	No Objection Procedure Established	300,000			120,000 (40%)	18
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Country Programmes and Pipeline Developed		600,000			12
		Direct Access Entities Accreditation Supported and Pipeline Developed			208,000		24
		Direct Access Entities Accreditation Supported and Pipeline Developed			29,722		-
	Seychelles	Direct Access Entities Accreditation Supported and Pipeline Developed		37,000		34,222 (100%)	-
	Swaziland	No Objection Procedure Established		300,000		150,000 (50%)	18
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Tanzania	No Objection Procedure Established	300,000				12



	Togo	National Stakeholders Engaged in Dialogues on Country Programmes					
		No Objection Procedure Established	300,000			100,000 (33%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Tunisia	No Objection Procedure Established		300,000		250,000 (83%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Zambia	No Objection Procedure Established	300,000			60,000 (20%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Zimbabwe	No Objection Procedure Established		300,000			24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	<b>Asia Pacific</b>	No Objection Procedure Established	150,000			150,000 (100%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes	152,548			69,680 (48%)	12
		Direct Access Entities Accreditation Supported and Pipeline Developed		34,620			-
		Direct Access Entities Accreditation Supported and Pipeline Developed		37,000		35,343 (96%)	-
		No Objection Procedure Established			272,338		20
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		No Objection Procedure Established	150,000			135,000 (90%)	12
		Direct Access Entities Accreditation Supported and Pipeline Developed			29,722		-
		No Objection Procedure Established	300,000			120,000 (40%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed		74,000		76,037 (103%)	-

	India	No Objection Procedure Established	300,000			150,000 (50%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Kiribati	No Objection Procedure Established		585,935			24
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Kyrgyz Republic	No Objection Procedure Established		300,000			12
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Mongolia	No Objection Procedure Established	300,000				12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Nauru	No Objection Procedure Established			339,250		24
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Nepal	Adaptation Planning Processes developed		2,935,350			36
	Niue	Direct Access Entities Accreditation Supported and Pipeline Developed	37,000			42,122 (114%)	-
		No Objection Procedure Established					
		National Stakeholders Engaged in Dialogues on Country Programmes			558,858		24
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					

	Oman	No Objection Procedure Established			600,000		12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Pakistan	Direct Access Entities Accreditation Supported and Pipeline Developed		37,000		35,367 (96%)	-
		No Objection Procedure Established	300,000			135,000 (45%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Palau	Direct Access Entities Accreditation Supported and Pipeline Developed		37,000		37,890 (102%)	-
	Philippines	No Objection Procedure Established	300,000				24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Thailand	No Objection Procedure Established	292,184			104,343 (36%)	6
	Timor-Leste	No Objection Procedure Established		300,000		150,000 (50%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Tonga	No Objection Procedure Established		300,000		130,000 (43%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Country Programmes and Pipeline Developed		200,000			6
		Private Sector Engaged and Mobilized					
	Vanuatu	No Objection Procedure Established	300,000			120,616 (40%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					

		Country Programmes and Pipeline Developed		137,000		70,000 (51%)	5
		No Objection Procedure Established					
<b>Latin America &amp; Caribbean</b>		National Stakeholders Engaged in Dialogues on Country Programmes			391,383		12
		Country Programmes and Pipeline Developed					
	Antigua and Barbuda	No Objection Procedure Established	300,000			250,000 (83%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Antigua and Barbuda	Direct Access Entities Accreditation Supported and Pipeline Developed			620,250	235,000 (38%)	12
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Bahamas	No Objection Procedure Established		300,000			12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Barbados	No Objection Procedure Established			300,000		12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Belize	No Objection Procedure Established		300,000			12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Bolivia	No Objection Procedure Established	300,000			60,000 (20%)	24
		National Stakeholders Engaged in Dialogues on Country Programmes					

	Brazil	Direct Access Entities Accreditation Supported and Pipeline Developed	37,000			33,851 (91%)	-
	Chile	No Objection Procedure Established		300,000		200,000 (67%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed		700,000			12
		Country Programmes and Pipeline Developed					
		Direct Access Entities Accreditation Supported and Pipeline Developed			300,000		12
		Country Programmes and Pipeline Developed					
	Colombia	Direct Access Entities Accreditation Supported and Pipeline Developed	74,000			68,639 (93%)	-
	Costa Rica	No Objection Procedure Established			300,000		12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Dominican Republic	No Objection Procedure Established	300,000			75,000 (25%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Ecuador	No Objection Procedure Established		300,000			12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	El Salvador	No Objection Procedure Established	300,000				18
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Guatemala	No Objection Procedure Established		300,000			12

		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Guyana	No Objection Procedure Established	300,000			120,000 (40%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Honduras	No Objection Procedure Established		300,000		135,000 (45%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed	74,000			68,346 (92%)	-
	Jamaica	No Objection Procedure Established		300,000			18
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Mexico	Direct Access Entities Accreditation Supported and Pipeline Developed		37,000		35,445 (96%)	-
	Paraguay	No Objection Procedure Established		300,000			12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Peru	Direct Access Entities Accreditation Supported and Pipeline Developed		33,415			-
	Saint Vincent and the Grenadines	No Objection Procedure Established			300,000		18
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Uruguay	No Objection Procedure Established			370,000		12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					

		Private Sector Engaged and Mobilized					
		Direct Access Entities Accreditation Supported and Pipeline Developed			28,203		-
<b>Eastern Europe</b>	Albania	No Objection Procedure Established		300,000		147,500 (49%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Georgia	No Objection Procedure Established		300,000		81,930 (27%)	18
		National Stakeholders Engaged in Dialogues on Country Programmes					
	Moldova	No Objection Procedure Established		300,000			24
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Montenegro	No Objection Procedure Established		300,000		145,000 (48%)	12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
	Serbia	No Objection Procedure Established		300,000			12
		National Stakeholders Engaged in Dialogues on Country Programmes					
		Direct Access Entities Accreditation Supported and Pipeline Developed					
		Country Programmes and Pipeline Developed					
		Private Sector Engaged and Mobilized					
		<b>TOTAL</b>		<b>29,697,888</b>		<b>6,032,176 (20%)</b>	





**Table 11. Projects and programmes approved by the Board to receive Green Climate Fund funding as at 31 May 2016 (latest approvals at the sixteenth meeting of the Board)**

Approved no.	Project Name	Accredited Entity	Country/ Region	Region	Mitigation / Adaptation / Cross-cutting	Public/ private	Access modality	Total GCF funding	Financial instrument	Total project value
FP001	Building the Resilience of Wetlands in the Province of Datem del Marañón, Peru	Profonanpe	Peru	LAC	Cross-cutting	Public	Direct	6.2	Grant	9.1
FP002	Saving Lives and Protecting Agriculture based Livelihoods in Malawi: Scaling up the use of Modernized Climate information and Early Warning Systems	UNDP	Malawi	Africa	Adaptation	Public	International	12.3	Grant	16.3
FP003	Increasing the resilience of ecosystems and communities through the restoration of the productive bases of salinized lands	CSE	Senegal	Africa	Adaptation	Public	Direct	7.6	Grant	8.2
FP004	Climate Resilient Infrastructure Mainstreaming (CRIM)	KfW	Bangladesh	Asia-Pacific	Adaptation	Public	International	40	Grant	80
FP005	Acumen Green Energy and Resiliency Fund or KawiSafi Fund	Acumen	Kenya, Rwanda,	Africa	Cross-cutting	Private	Direct	25	Equity, grant	110
FP006	Energy Efficiency Green Bond	IDB	Mexico	LAC	Mitigation	Private	International	22	Guarantee, grant	150
FP007	Supporting vulnerable communities in Maldives to manage climate change-induced water shortages	UNDP	Maldives	Asia-Pacific	Adaptation	Public	International	23.6	Grant	28.2
FP008	Fiji Urban Water Supply and Wastewater Management Project	ADB	Fiji	Asia-Pacific	Cross-cutting	Public	International	31	Grant	222
FP009	Energy Savings Insurance (ESI) for private energy efficiency investments by Small and Medium-Sized Enterprises (SMEs)	IDB	El Salvador	LAC	Mitigation	Public	International	21.7	Grant, loan	41.7

Approved no.	Project Name	Accredited Entity	Country/ Region	Region	Mitigation / Adaptation / Cross-cutting	Public/ private	Access modality	Total GCF funding	Financial instrument	Total project value
FP010	De-Risking and Scaling-up Investment in Energy Efficient Building Retrofits	UNDP	Armenia	EE	Mitigation	Public	International	20	Grant	29.8
FP011	Large-scale Ecosystem-based Adaptation in The Gambia: developing a climate-resilient, natural resource-based economy	UNEP	Gambia	Africa	Adaptation	Public	International	20.5	Grant	25.5
FP012	Africa Hydromet Program – Strengthening Climate Resilience in Sub-Saharan Africa: Mali Country Project	WB	Mali	Africa	Adaptation	Public	International	22.8	Grant	27.3
FP013	Improving the resilience of vulnerable coastal communities to climate change related impacts in Viet Nam	UNDP	Vietnam	Asia-Pacific	Cross-cutting	Public	International	29.5	Grant	40.5
FP014	GCF Support to Climate Adaptation and Mitigation Program For the Aral Sea Basin (CAMP4ASB)	WB	Tajikistan, Uzbekistan	Asia-Pacific	Adaptation	Public	International	19	Grant	63.8
FP015	Tuvalu Coastal Adaptation Project (TCAP)	UNDP	Tuvalu	Asia-Pacific	Adaptation	Public	International	36	Grant	38.9
FP016	Strengthening the Resilience of Smallholder Farmers in the Dry Zone to Climate Variability and Extreme Events through an Integrated Approach to Water Management	UNDP	Sri Lanka	Asia Pacific	Adaptation	Public	International	38.1	Grant	52.1
FP017	Climate Action and Solar Energy Development Programme in the Tarapacá Region in Chile	CAF	Chile	LAC	Mitigation	Public	Direct	49	Loan	265
FP018	Scaling-up of Glacial Lake Outburst Flood (GLOF) risk reduction in Northern Pakistan	UNDP	Pakistan	Asia-Pacific	Adaptation	Public	International	37	Grant	37.5
FP019	Priming Financial and Land-Use Planning Instruments to Reduce Emissions from Deforestation	UNDP	Ecuador	LAC	Mitigation	Public	International	41.2	Grant	84

Approved no.	Project Name	Accredited Entity	Country/ Region	Region	Mitigation / Adaptation / Cross-cutting	Public/ private	Access modality	Total GCF funding	Financial instrument	Total project value
FP020	Sustainable Energy Facility for the Eastern Caribbean	IDB	Dominica, Grenada, Saint Kitts and Nevis, Saint Lucia, and Saint Vincent and the Grenadines	LAC	Mitigation	Public	International	80.0	Grant, loan	528.6
FP021	Senegal Integrated Urban Flood Management Project	AFD	Senegal	Africa	Adaptation	Public	International	16.7	Grant	79.2
FP022	Development of arganiculture orchards in degraded environment (DARED)	ADA Morocco	Morocco	Africa	Cross-cutting	Public	Direct	39.3	Grant	49.3
FP023	Climate Resilient Agriculture in three of the Vulnerable Extreme northern crop growing regions (CRAVE)	EIF	Namibia	Africa	Adaptation	Public	Direct	9.5	Grant	10
FP024	Empower to Adapt: Creating Climate Change Resilient Livelihoods through Community-Based Natural Resource Management in Namibia	EIF	Namibia	Africa	Adaptation	Public	Direct	10	Grant	10
FP025	Sustainable Energy Financing Facilities (SEFF)	EBRD	Armenia, Egypt, Georgia, Jordan, Moldova, Mongolia, Morocco, Serbia, Tajikistan and Tunisia	EE, Asia, Africa	Cross-cutting	Private	International	378	Loan, grant	1,419

Approved no.	Project Name	Accredited Entity	Country/ Region	Region	Mitigation / Adaptation / Cross-cutting	Public/ private	Access modality	Total GCF funding	Financial instrument	Total project value
FP026	Sustainable Landscapes in Eastern Madagascar	CI/EIB	Madagascar	Africa	Cross-cutting	Private	International	53.5	Equity, grant	69.8
FP027	Universal Access to Renewable Energy Programme (UGEAP)	DB	Benin, Kenya, Namibia, Nigeria and Tanzania	Africa	Mitigation	Private	International	80	Equity	300
FP030	Catalyzing private investment in sustainable energy in Argentina - Part 1	IDB	Argentina	LAC	Mitigation	Private	International	133	Loan, grant	653
FP029	SCF Capital Solutions	DBSA	South Africa	Africa	Cross-cutting	Private	Direct	12.2	Equity	34.2
FP028	Business loan programme for GHG emissions reduction	XacBank	Mongolia	Asia Pacific	Mitigation	Private	Direct	20	Loan, grant	60
FP033	Accelerating the transformational shift to a low-carbon economy in the Republic of Mauritius	UNDP	Mauritius	Africa	Mitigation	Public	International	28.2	Grant	191.4
FP034	Building Resilient Communities and Ecosystems through Restoration of Wetlands and Associated Catchments in Uganda	UNDP	Uganda	Africa	Adaptation	Public	International	24.1	Grant	44.3
FP035	Climate Information Services for Resilient Development in Vanuatu (Van CIS RDP)	SPREP	Vanuatu	Asia-Pacific	Adaptation	Public	Direct	23	Grant	26.6



Approved no.	Project Name	Accredited Entity	Country/ Region	Region	Mitigation / Adaptation / Cross-cutting	Public/ private	Access modality	Total GCF funding	Financial instrument	Total project value
FP036	Pacific Islands Renewable Energy Investment Program	ADB	Cook Islands	Asia-Pacific	Cross-cutting	Public	International	17	Grant	26
FP037	Integrated Flood Management to Enhance Climate Resilience of the Vaisigano River Catchment in Samoa	UNDP	Samoa	Asia-Pacific	Adaptation	Public	International	57.7	Grant	65.7
FP038	Global energy efficiency and renewable energy fund (GEEREF) Next	EIB	Bahamas, Barbados, Belize, Brazil, Chile, Comoros, Costa Rica, Cote d'Ivoire, Democratic Republic of Congo, Dominica, Dominican Republic, Equatorial Guinea, Georgia, Grenada, Guatemala, Guyana, Haiti, Jordan, Kenya, Madagascar , Mauritius, Mexico, Papua New Guinea, Saint Kitts	Multiple	Mitigation	Private	International	265	Equity, grant	765

Approved no.	Project Name	Accredited Entity	Country/ Region	Region	Mitigation / Adaptation / Cross-cutting	Public/ private	Access modality	Total GCF funding	Financial instrument	Total project value
			and Nevis, Saint Vincent and the Grenadines, South Africa, Suriname, Togo, Uganda							
FP039	GCF-EBRD Egypt renewable energy financing network	EBRD	Egypt	Africa	Mitigation	Private	International	154.7	Loan, grant	1,007
FP040	Tajikistan: Scaling Up Hydropower Sector Climate Resilience	EBRD	Tajikistan	Asia-Pacific	Cross-cutting	Public	International	50	Grant, loan	133
FP041	Simiyu climate resilient development programme	KfW	Tanzania	Africa	Adaptation	Public	International	102.7 (EUR)	Grant	143.4 (EUR)
FP042	Irrigation development and adaptation of irrigated agriculture to climate change in semi-arid Morocco	AFD	Morocco	Africa	Adaptation	Public	International	20 (EUR)	Grant	56 (EUR)
FP043	The Saïss Water Conservation Project	EBRD	Morocco	Africa	Adaptation	Public	International	31.97 (EUR)	Grant	174.7 (EUR)
FP044	Tina River Hydropower Development Project	WB	Solomon islands	Asia-Pacific	Cross-cutting	Public	International	86	Grant, loan	234
FP045	Ground water recharge and solar micro irrigation to ensure food security and enhance resilience in vulnerable tribal areas of Odisha	NABARD	India	Asia-Pacific	Adaptation	Public	Direct	34.4	Grant	166.3

*Abbreviations:* EE = Eastern Europe, LAC = Latin America and the Caribbean, LDCs = least developed countries, SIDS = small island developing States, tbd = to be determined.

<sup>a</sup> The individual funding amounts are rounded to the nearest tenth.



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## **Annex IX: Audited financial statements 2016/Statements of financial position and of comprehensive income**

*[Audited financial statements 2016/Statements of financial position and of comprehensive income to be inserted here, once taken note of by the Board at B.17]*

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