

3.1. Board Decisions on Investment Framework

10th meeting of the Board

DECISION B.10/17

The Board, having reviewed document GCF/B.10/04 Applying Scale in the Assessment of Funding Proposals, and recalling decision B.09/05:

- (a) Decides that in applying the scaling pilot, the proposal size is defined as:*
- (i) Micro proposals: up to and including US\$ 10 million in total project size;*
 - (ii) Small proposals: above US\$ 10 million and up to and including US\$ 50 million in total project size;*
 - (iii) Medium proposals: above US\$ 50 million and up to and including US\$ 250 million in total project size; and*
 - (iv) Large proposals: above US\$ 250 million in total project size;*
- (b) Also decides that the scaling pilot will apply to all medium and large proposals;*
- (c) Further decides that in monitoring the effectiveness of the scaling pilot, mitigation proposals will only be compared with mitigation proposals and adaptation proposals will only be compared with adaptation proposals;*
- (d) Decides to recognize country needs and circumstances while applying the scaling pilot, in line with decision B.09/05, paragraph (g); and*
- (e) Requests the Secretariat to review the scaling pilot on an annual basis and to communicate its findings to the Investment Committee and to the Board.*

9th meeting of the Board

DECISION B.09/05

Taking into account the need to provide information required by national designated authorities (NDAs) and focal points, institutions and organizations that may be considering projects and programmes for possible funding from the Fund, and to provide predictability to the process of how the proposals might be reviewed;

The Board, having reviewed document GCF/B.09/07 Further Development of the Initial Investment Framework: Sub-Criteria and Methodology:

- (a) Notes the Board's agreement to keep under review the initial investment framework and to take action as necessary, in particular with respect to the criterion on needs of the recipient countries in the investment guidelines in decision B.07/06, paragraph (e);*
- (b) Adopts the initial activity-specific sub-criteria and indicative assessment factors contained in [Annex III](#), which take into account the Fund's initial investment framework, the Fund's initial result areas and initial results management framework, and other relevant decisions, with the understanding that national and sector-wide sub-criteria can be used only at the discretion of the recipient countries;;*
- (c) Decides to use indicative minimum benchmarks, in accordance with investment policies as decided by the Board, to ensure that projects and programmes demonstrate the maximum potential for a paradigm shift towards low-carbon and climate-resilient sustainable development;*
- (d) Requests the Secretariat to present for consideration by the Board at its thirteenth meeting indicative minimum benchmarks in order to:*
- (i) Encourage ambition, and;*

- (ii) Take into account the needs of those developing countries particularly vulnerable to the adverse effects of climate change, in particular the least developed countries (LDCs), small island developing States (SIDS), and African States, according to project size, mitigation/adaptation, and local and sector circumstances;*
- (e) Also requests the Secretariat and the independent Technical Advisory Panel (iTAP) in the application of the indicative minimum benchmarks to be flexible and take into account country circumstances and country ownership;*
- (f) Decides to use a scale of low/medium/high in order to assess the relative expected performance of a subset of projects and programmes based on the initial investment criteria. The Investment Committee will recommend to the Board to which subset of proposals this will apply. In the event that the Board is unable to agree an appropriate subset of proposals by its tenth meeting, the scaling pilot will automatically apply to all medium and large projects;*
- (g) Requests the Secretariat and iTAP in the application of the assessment scale to take into account the needs of those developing countries particularly vulnerable to the adverse effects of climate change, in particular LDCs, SIDS and African States; and*
- (h) Also requests the Secretariat in the development of the operations manual and appraisal toolkit to include guidance to accredited entities and NDAs on the application of the proposal approval process, including indicative minimum benchmarks and assessment scale. The inputs of NDAs will be taken into consideration in the development of the guidance.*

7th meeting of the Board

DECISION B.07/06

The Board, having reviewed document GCF/B.07/06 Investment Framework:

- (a) Adopts the initial investment framework of the Fund, as contained in [Annex XIV](#);*
- (b) Decides that the Fund's initial investment framework will reflect the Fund's theme/activity-based resource allocation system as laid out in decision B.05/05;*
- (c) Requests the Investment Committee to submit the following for consideration to the eighth Board meeting, with technical support from the Secretariat and other stakeholders and taking into consideration recommendations from the Private Sector Advisory Group, before the Fund approves funding proposals:*
 - (i) Definitions for activity-specific sub-criteria and a set of activity-specific indicators, taking into account the Fund's initial investment framework, the Fund's initial result areas and initial results management framework, and decisions B.05/05, B.06/07 and B.05/03 as well as subsequent decisions on additional result areas for adaptation;*
 - (ii) Minimum benchmarks for each criterion, taking into account the best practices of other institutions;*
 - (iii) Identification and comparison of methodologies, that enable the Secretariat to assess the relative quality and innovativeness of comparable proposals in comparable circumstances, including through a survey, for the application of the sub-criteria mentioned in paragraph (c) (i) above in the selection of proposals;*
- (d) Requests the Secretariat to prepare a document for the eighth Board meeting that considers the additional support, expert advice and/or additional structures that are*



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required to facilitate the work of the Secretariat in the assessment of proposals against the activity-specific criteria and the work of the Investment Committee;

(e) Decides to keep under review the initial investment framework and to take action as necessary in particular with respect to the criterion on needs of the recipient countries in the investment guidelines.