



**GREEN
CLIMATE
FUND**

Meeting of the Board
13 – 15 December 2016
Apia, Samoa
Provisional agenda item 5(a)

GCF/B.15/02

12 December 2016

Report on the activities of the Co-Chairs

Summary

This report informs the Board on the main activities undertaken by the Co-Chairs from late October to early December 2016.

I. Introduction

1. This report informs the Board of the main activities undertaken by the Co-Chairs from late June to early October 2016.

II. Activities during the reporting period

2.1 Work of the Co-Chairs between the fourteenth and fifteenth meetings of the Board

2. The Co-Chairs agreed with the Executive Director ad interim (ED ai) of the GCF Secretariat, Mr. Javier Manzanares on a set of performance criteria and measurement procedures. The agreement includes expectations of monthly reports from the ED ai, which are shared with the Board, and regular teleconferences during the reporting period to discuss the progress of the Secretariat's work, including in relation to the mandates from the fourteenth meeting of the Board (B.14), and preparations for the fifteenth meeting of the Board (B.15). The Co-Chairs were also in contact with the incoming Executive Director, Mr. Howard Bamsey, who was selected by the Board at B.14. The Co-Chairs have been discussing the terms of Mr. Bamsey's contract including start date. The Co-Chairs proposed a decision in-between meetings on 23 November 2016 regarding remuneration for Mr. Bamsey, which will be made public in line with B.14/04.

3. The Co-Chairs' advisers, on behalf of the Co-Chairs, have conducted weekly teleconferences with Secretariat officials from all line areas during the reporting period in order to provide guidance on the Secretariat's work, including the preparations for B.15. The Co-Chairs' advisers participated in a mission to the Secretariat at the end of August to discuss the preparations for B.15.

4. In the reporting period, the Co-Chairs have held a series of consultations with their respective constituencies, to apprise them of the progress of the Secretariat's work, and to seek views on issues.

5. In the reporting period, the Co-Chairs have also organized regular telephone calls with members of committees and panels to keep them informed on the progress of their respective areas of work.

6. In their report to B.14, the Co-Chairs informed the Board that they had requested to the Secretariat to review the implementation of the Headquarters Agreement. The review was undertaken by Office of the General Counsel and is available to members on a limited distribution basis. The review presented a comprehensive assessment of the how each of the provisions of the HQA have been implemented and highlighted only two areas requiring further attention, namely: visas for developing country Board, and Alternate members and their advisers; and diplomatic privileges and immunities for certain IS levels of the Secretariat. The Co-Chairs have been informed that the Government of the Republic of Korea and the Secretariat established a process to streamline and expedite the application for and issuance of multiple-entry visas for Board members and alternate Board members. The new process will be presented to the Board at B.15. In addition to the Note Verbale (OEN-3046), the Government of the Republic of Korea decided at the request of the Secretariat to expand the provision of multiple-entry visas to advisers of both Board members and alternate Board members. To initiate the process, the Secretariat will request the copy of each applicant's passport with the location of Embassy/consulate to submit the multiple-entry visa. Upon receipt of this information, a note will be issued by the Secretariat to the applicant requesting the Ministry of Foreign Affairs to process the application. At this stage, no additional document is required. The applicant only needs to submit the original copy of the note received from the Secretariat along

with the filled application form and the passport at the Embassy/ consulate specified in the note. It was recommended by the Government to submit the application a minimum 3 week prior to first entry into Korea.

7. For advisers, an additional certifying step is required. Each relevant Board member and alternate Board member need to send a letter to the Secretariat formally advising the Secretariat of the names of his/her advisers (sample letter will be provided).

8. The Government stressed that should a Board member or alternate Board member be replaced, the Secretariat needs to inform the Government of the outgoing and incoming member to invalidate the multiple-entry visa of the outgoing member. Furthermore, it is the Board and alternate Board member's responsibility to ensure to notify any replacement in their advisers to the Secretariat which will inform the Government. The Korean Government communicated that holders of invalidated multiple-entry visas will not be permitted to enter the country.

2.2 Fifteenth meeting of the Board

9. In preparation for B.15, which will take place in Apia, Samoa, from 13 to 15 December 2016, the Co-Chairs worked to finalize the provisional agenda. The provisional agenda was circulated to the Board on 14 November 2016 and made available as document GCF/B.15/Drf.01 on the GCF website.

10. The Co-Chairs have been working closely with the Secretariat to update the 2016 Work Plan of the Board so that it accurately reflects the decisions taken at B.14 and have also worked on the 2017 Work Plan of the Board. The Co-Chairs and the Secretariat have also been working to ensure that the items in the Work Plan will facilitate the Board's work on achieving the elements of the initial Strategic Plan of the GCF.

11. The Co-Chairs have been engaging closely with the Board's committees on the agenda items for B.15 to keep abreast of progress, including with the Accreditation Committee, the Risk Management Committee, and the Budget Committee.

12. The Co-Chairs have been working with the Secretariat and the Board to determine how best to conclude work on developing some indicators in the Fund's performance measurement framework. Discussions are ongoing.

13. The Co-Chairs have been in close consultation with the Secretariat on the conclusion of AMAs between the Fund and a range of international organisations.

14. The Co-Chairs were also in contact with interim Trustee regarding the investment of the GCF's trust fund assets and have asked the interim Trustee to brief the Board at B.15, in response to questions raised at B.14.

15. The Co-Chairs have been in close consultation with the Secretariat to seek regular updates and to address considerations relating to the conclusion of Accreditation Master Agreements between the Fund and accredited entities.

16. In response to a request from the CSO Active Observers and from a Board member, and in recognition of the delay in consideration of the review of the observer process and the additional costs of travelling to B.15 in Apia, the Co-Chairs asked the Executive Director of the Secretariat, on an exceptional basis, to provide support to the developing country Active Observers to attend B.15. This exceptional request will not influence the recommendations in the review of the observer process, to be considered in 2017, which will inter alia consider the matter of support for observer participation.

2.3 Documents and draft decisions between meetings

17. In accordance with the Rules of Procedure of the Board, the Co-Chairs identified the items to be addressed between B.14 and B.15, as per document GCF/B.15/Inf.02 “Decisions taken between the fourteenth and fifteenth meetings of the Board”.

2.4 Engagement with the United Nations Framework Convention on Climate Change and its thematic bodies

2.4.1 Addendum to the Fifth Report of the GCF to the Conference of the Parties to the United Nations Framework Convention on Climate Change

18. In accordance with decision B.13/09, the Co-Chairs, assisted by the Secretariat, issued and submitted to the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat an addendum to the fifth report of the GCF to the Conference of the Parties (COP) to the UNFCCC on 3 November 2016.¹

2.4.2 Participation in the twenty-second session of the UNFCCC COP

19. The Co-Chairs participated in the twenty-second session of the UNFCCC COP (COP21) held in Marrakech, Morocco from 7 November to 18 November 2016. Mr. Zaheer Fakir, developing country Co-Chair, presented the fifth report of the GCF to the COP on 9 November.

20. The Co-Chairs participated in various events that took place during COP22, including:

- (a) **Annual Meeting with the UNFCCC Thematic Bodies:** In accordance with decision B.13/11, Co-Chairs facilitated a meeting with representatives from the various UNFCCC thematic bodies on 10 November. The meeting included representatives from the Adaptation Committee, the Least Developed Countries Expert Group, the Executive Committee of the Warsaw International Mechanism on Loss and Damage, the Standing Committee on Finance, the Technology Mechanism (Technology Executive Committee and the Climate Technology Centre and Network), and the subsidiary bodies. Participants exchanged ideas on how to enhance coordination, including through the sharing of information and lessons learned, participation in meetings, joint workshops, and the use of their joint expertise to assist developing countries across different sectors and at varying scales.
- (b) **Consultations with NDAs/FP and Accredited Entities:** The Co-Chairs held roundtable consultations with NDAs/FPs and AEs on how to simplify the proposal process and templates. The consultations also touched on how the Secretariat and ITAP can more effectively engage with NDAs, FPs, AEs and other stakeholders, and issues related to increased transparency, further clarity and guidance. Multiple NDAs and focal points spoke to their experience with the GCF, and several interventions highlighting a desire for better communication and engagement with the Secretariat. During the sessions with AEs, several interventions emphasized the need for greater clarity on the expected timelines at each step of the proposal review process.
- (c) **Bilaterals with NDAs/FP:** Mr. Fakir met with a large number of NDAs/FP present in Marrakech to discuss issues related to the readiness programmes, accessing the Fund’s resources, and general communication and coordination matters between the Secretariat and countries.
- (d) **Bilaterals with Accredited Entities:** Co-Chairs met with a number of Accredited Entities, including several direct access entities, to discuss matters related to the approvals process, accessing GCF resources, and proposal pipelines.

¹ See <<http://unfccc.int/resource/docs/2016/cop22/eng/07r01a01.pdf>>.

- (e) **GCF Side Event:** The GCF hosted a side event on 11 November entitled “Progress in supporting low-emissions and climate resilient development pathways”. Co-Chairs provided introductory remarks highlighting progress made by the GCF over the previous 12 months, including on funding proposal approvals, readiness and accreditation, and upcoming priorities for the Board. More than 300 participants attended the side event, which also included speakers from accredited entities (Namibia’s Environmental Investment Fund, the Inter-American Development Bank), and Morocco’s Minister for the Environment, H.E. Ms. Hakim El Haite. Co-Chairs also participated in a forty-minute question and answer session at the end of the event.
- (f) **Global Climate Finance Action Summit:** Co-Chairs participated in a private sector Global Climate Finance Action Summit on 12 November. Mr. Ewen McDonald, developed country Co-Chair, spoke at the opening session of the Summit alongside representatives from the Global Environment Facility, Deutsche Bank, JP Morgan, the European Investment Bank. Mr. McDonald highlighting the GCF’s efforts to crowd in private sector climate investment, including through its private sector portfolio, and risk policies. Mr. Fakir participated in a panel session on mobilizing private sector finance for adaptation projects in Africa.
- (g) **High-level event on advancing National Adaptation Plans:** Mr. Fakir participated in a high-level event convened by COP22 President, H.E. Salaheddine Mezouar, on progress in advancing National Adaptation Plans (NAPs) on 14 November. Mr. Fakir used the event to announce the approval of the GCF’s first readiness programme grants supporting the development of NAPs in Liberia and Nepal.
- (h) **Global Environment Facility Side Event:** Mr. McDonald represented Co-Chairs at a GEF side event on 14 November entitled “Implementing the Paris Agreement”. Mr. McDonald highlighted the Fund’s work to enhance complementarity and coherence with other climate finance delivery channels, including through the annual dialogue scheduled to commence in 2017 and B.16.
- (i) **Civil Society Organizations Side Event:** Co-Chairs participated in a side event organized by civil society on 15 November entitled “The Green Climate Fund Today: Progress and Challenges”. Co-Chairs highlighted progress made by the GCF to date, including the information disclosure policy adopted at B.12.
- (j) **GCF Side Event:** The GCF hosted a second side event on 16 November entitled “The GCF and Implementing the Paris Agreement”. Co-Chairs opened the event by outlining the strategic role of the GCF in the international climate finance landscape, and how it is supporting countries to implement their Paris Agreement commitments, and how it is working to mobilize funds at scale. The event also featured presentations by H.E. Mr. Enele Sapoaga, Prime Minister of Tuvalu, CAF (Development Bank of Latin America) and the Inter-American Development Bank on proposals they have had approved by the GCF Board.
- (k) **Second High-Level Ministerial Dialogue on Climate Finance:** Mr. McDonald spoke on behalf of Co-Chairs at the Second High-Level Ministerial Dialogue on Climate Finance on 16 November.
- (l) **Consultations with the Indigenous Peoples’ Caucus:** Mr. McDonald conducted consultations with representatives of the International Indigenous Peoples’ Forum on Climate Change GCF Working Group. The Working Group advocated for the GCF to improve its engagement and consideration of Indigenous people, including through the adoption of fund-wide Indigenous Peoples policy, and the creation of an active observer seat for a representative of Indigenous Peoples.
21. Co-Chairs also participated in a range of other bilaterals in the margins of COP22, including with Ms. Naoko Ishi, CEO and Chairperson of the Global Environment Facility.

22. At the invitation of the COP President, the Co-Chairs attended a meeting during COP22 in Marrakech with the COP Presidency and Turkey in relation to Turkey's eligibility to access support from the GCF and the CTCN under the Paris Agreement. As per Article 11, paragraph 3(b), of the Convention and paragraph 6(a) of the Governing Instrument, guidance on matters relating to eligibility to receive GCF resources fall within the mandate of the COP. The meeting was convened by the COP Presidency in the context of the consultations it was undertaking in relation to the matter of country Parties whose special circumstances have been recognized by the Convention, particularly in the context of eligibility to receive support under the Convention and related agreements. These consultations were not concluded at COP22 and, accordingly, the COP did not take a decision on this matter. The consultations will continue during 2017 and the matter could be taken up by the Board following the outcome of such consultations.

Annex I: Draft decisions of the Board

The Board, having reviewed document GCF/B.15/02 “Report on the activities of the Co-Chairs”:

- (a) *Requests* the Secretariat to prepare for consideration by the Board, at its seventeenth meeting, a fund-wide Indigenous Peoples Policy; and
 - (b) *Invites* submissions from the Board, and Alternate members and observer organizations in relation to the development of the GCF Indigenous Peoples Policy.
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