

**GREEN
CLIMATE
FUND**

Meeting of the Board
30 September – 2 October 2017
Cairo, Arab Republic of Egypt
Provisional agenda item 14(g)

GCF/B.18/04/Rev.01

28 September 2017

Consideration of funding proposals

Summary

This document presents the funding proposals to the Board for consideration at its eighteenth meeting. It also presents an overview of the projected GCF portfolio and a brief guide to the funding proposal packages.

I. Overview of funding proposals for consideration

1.1 Funding proposals submitted for consideration by the Board

1. For the eighteenth meeting of the Board, a total of 13 funding proposals are presented to the Board for its consideration. These 13 proposals request USD 460 million of GCF funding, supporting projects and programmes with a total value of USD 1.8 billion. Table 1 presents the list of the 13 proposals. The numbering of the funding proposals continues from the 43 proposals approved at previous Board meetings.¹

Table 1. List of funding proposals submitted for consideration by the Board at its eighteenth meeting

| No. | Project name | Accredited entity | Country | Thematic window | Public/private | GCF funding (million USD) ^a |
|------------------------------------|--|-------------------|------------------------|-----------------|----------------|--|
| FP046 | Renewable Energy Program #1 - Solar | XacBank | Mongolia | Mitigation | Private | 9.5 |
| FP047 | GCF-EBRD Kazakhstan Renewables Framework | EBRD | Kazakhstan | Mitigation | Private | 110.0 |
| FP048 | Climate-Smart Agriculture (CSA) Risk Sharing Facility for MSMEs | IDB | Guatemala and Mexico | Crosscutting | Private | 20.0 |
| FP049 | Building the climate resilience of food insecure smallholder farmers through integrated management of climate risks (the R4 Rural Resilience Initiative) | WFP | Senegal | Adaptation | Public | 10.0 |
| FP050 | Bhutan for Life (BfL) | WWF | Bhutan | Crosscutting | Public | 26.6 |
| FP051 | Scaling-up investment in low-carbon public buildings | UNDP | Bosnia and Herzegovina | Mitigation | Public | 17.3 |
| FP052 | Sustainable and climate resilient connectivity for Nauru | ADB | Nauru | Crosscutting | Public | 26.9 |
| FP053 | Enhancing climate change adaptation in the north coast and Nile Delta regions in Egypt | UNDP | Egypt | Adaptation | Public | 31.4 |
| FP054 | Implementation project of the integral management plan of the Lujan River Basin | CAF | Argentina | Adaptation | Public | 58.5 |
| FP055 | Poverty, Reforestation, Energy and Climate Change (PROEZA Project) | FAO | Paraguay | Crosscutting | Public | 44.5 |
| FP056 | Scaling up climate resilient water management practices for vulnerable communities in La Mojana | UNDP | Colombia | Adaptation | Public | 38.5 |
| FP057 | Climate Action for Rural Development: community-based adaptation and mitigation in Argentina | UCAR | Argentina | Crosscutting | Public | 22.1 |
| FP058 | Responding to the increasing risk of drought: building gender-responsive resilience of the most vulnerable communities | MOFEC | Ethiopia | Adaptation | Public | 45.0 |
| Total GCF funding requested | | | | | | 460.3 |

¹ Note that final documentation for proposal FP031 was not submitted by the accredited entity in time for submission to the Board for consideration at its fifteenth meeting; and FP032 was withdrawn by the accredited entity during the fifteenth meeting of the Board.

Abbreviations: ADB = Asian Development Bank, CAF = Corporación Andina de Fomento, EBRD = European Bank for Reconstruction and Development, FAO = Food and Agriculture Organization of the United Nations, IDB = Inter-American Development Bank, MOFEC = Ministry of Finance and Economic Cooperation of the Federal Democratic Republic of Ethiopia, MSMEs = micro-, small-, medium-sized enterprises, UCAR = Unidad Para el Cambio Rural (Unit for Rural Change, UCAR), UNDP = United Nations Development Programme, WFP = World Food Programme, WWF = World Wildlife Fund.

^a The individual funding amounts are rounded to the nearest tenth therefore the total may not be the exact sum of these numbers due to rounding.

2. Of the 13 funding proposals submitted for the Board’s consideration, 10 are public-sector proposals requesting GCF funding of USD 321 million and 3 are private-sector proposals, requesting GCF funding of USD 140 million.

3. The geographical distribution of the 13 funding proposals is presented in table 2 below.

Table 2. Geographical distribution of the funding proposals submitted to the Board for consideration at its eighteenth meeting

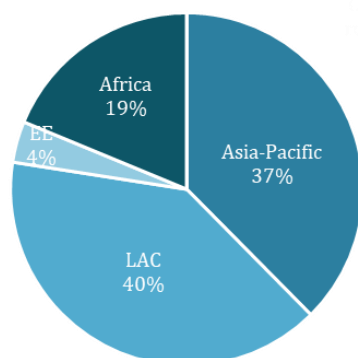
| | Requested GCF amount ^a (millions of United States dollars) |
|---------------------------------|--|
| Africa | 86.4 |
| Asia-Pacific | 173.0 |
| Latin America and the Caribbean | 183.6 |
| Eastern Europe | 17.3 |
| Total | 460.3 |

^a The individual funding amounts are rounded to the nearest tenth therefore the total may not be the exact sum of these numbers due to rounding.

4. Of the 13 funding proposals for consideration, 5 target the least developed countries, small island developing States and African States, totalling USD 140 million, and account for 30 per cent of the total requested GCF funding amount.

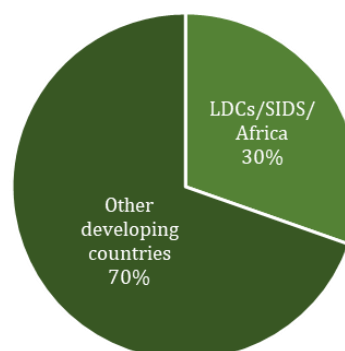
5. The geographical and thematic distribution as well as the distribution by financial instrument of the 13 funding proposals are presented in figures 1–4 below.

Figure 1. Regional distribution of the requested amount of GCF funding (percentage)



Abbreviations:
EE = Eastern Europe, LAC = Latin America and the Caribbean

Figure 2. Regional distribution of the requested amount of GCF funding (percentage)



Abbreviations:
LDCs = least developed countries, SIDS = Small island developing States

Figure 3. Total requested GCF amount by financial instrument (percentage)

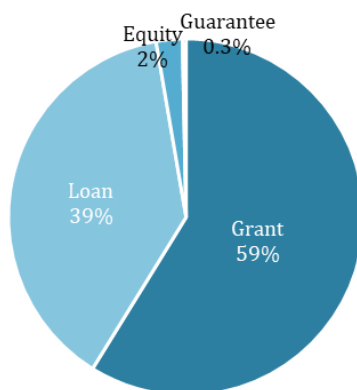
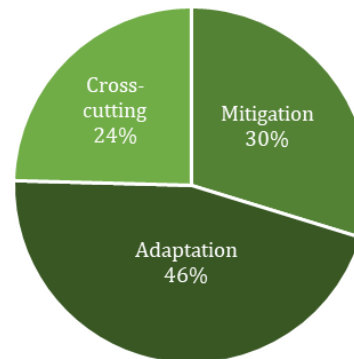


Figure 4. Total requested GCF amount by theme (percentage)



1.2 Projected portfolio composition

6. If the 13 funding proposals presented at its eighteenth meeting are approved by the Board, the aggregated portfolio would be comprised of 56 projects and programmes, with a total GCF funding amount of USD 2.7 billion and a total value of USD 9.1 billion, when taking co-financing into account. The geographical distribution of the 56 projects or programmes is presented in table 3 below.

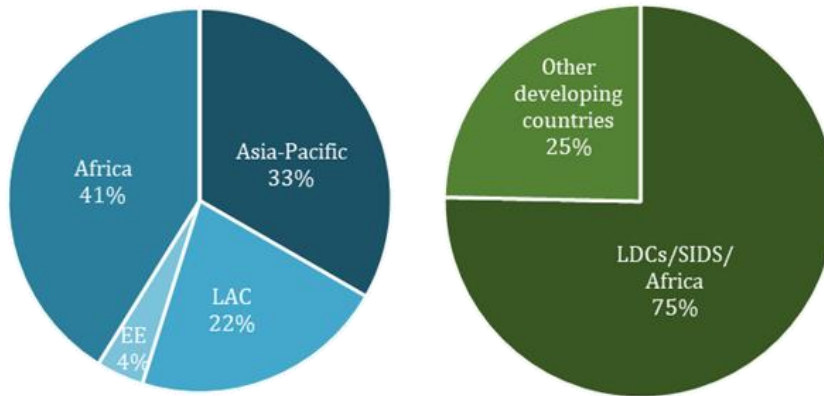
Table 3. Geographical distribution of the projected portfolio

| | Requested GCF amount (millions of United States dollars) |
|---------------------------------|---|
| Africa | 1,110.9 |
| Asia-Pacific | 899.2 |
| Latin America and the Caribbean | 581.7 |
| Eastern Europe | 108.5 |
| Total | 2,700.3 |

7. Of the 56 funding proposals in the projected portfolio, 36 projects and programmes target the least developed countries, small island developing States and African States totalling USD 2 billion, and account for 75 per cent of the total requested GCF funding amount.

8. The geographical and thematic distributions as well as the distribution by financial instrument of the projected portfolio are presented in figures 5–7 below.

**Figure 5. Regional distribution of the portfolio
(GCF funding in percentage)**



Abbreviations:

EE = Eastern Europe, LAC = Latin America and the Caribbean, LDCs = least developed countries, SIDS = small islands developing states

Figure 6. Breakdown of portfolio by financial instrument (GCF funding in percentage)

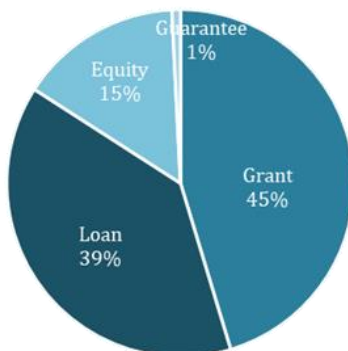
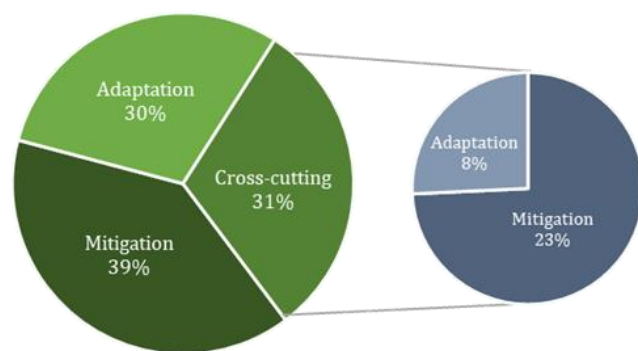


Figure 7. Breakdown of portfolio by theme (GCF funding in percentage)



** The "cross-cutting" category is broken down into adaptation and mitigation based on the attribution of GCF funding amounts to respective adaptation and mitigation activities presented in the funding proposals.*

II. Funding proposal package guide

9. Thirteen funding proposal packages are presented as individual addenda (see document GCF/B.18/04/Add.01-16)² containing three parts:

- Part A. The funding proposal,³ as submitted by the accredited entity (AE);
- Part B. The no-objection letter, as issued by the national designated authority; and
- Part C. The environmental and social report disclosure document.

10. The following additional 9 addenda are also provided to supplement the 13 funding proposal packages referred to in paragraph 9 above:

² Addenda GCF/B.18/04/Add.10, 14-16 were made with revisions due to the change of their status and material.

³ Due to the confidentiality of the private-sector proposals, funding proposal summary packages are presented.

- (a) Document GCF/B.18/04/Add.17-19: the funding proposal packages for FP 046-048, including the full funding proposals, term sheets and the Secretariat's assessments;⁴
- (b) Document GCF/B.18/04/Add.20/Rev.01: the Secretariat's assessments of FP 049-058;
- (c) Document GCF/B.18/04/Add.21/Rev.01: the independent Technical Advisory Panel's assessments of FP 046-058;
- (d) Document GCF/B.18/04/Add.22/Rev.01: the list of proposed conditions and recommendations for FP 046-058. The Board is requested to review the proposed conditions and recommendations, which it may choose to adopt in full or in part, for inclusion in the draft decision (see annex I);
- (e) Document GCF/B.18/04/Add.23: the term sheets for FP 049-058 setting out, in summary form, the key terms and conditions relating to the proposed funded activity;
- (f) Document GCF/B.18/04/Add.24/Rev.01: the response of the AE to the independent Technical Advisory Panel's assessments of FP 046-058; and
- (g) Document GCF/B.18/04/Add.25/Rev.01: the gender assessments and action plans for FP 046-058.

11. Due to the deliberative nature of their information, documents GCF/B.18/04/Add.22/Rev.01 and 23 are made available in limited distribution.

12. On the basis of the information and assessments presented, the Board is requested to arrive at a decision for each funding proposal. Pursuant to decision B.17/09, the Board has three decision options:

- (a) To approve the funding proposal;
- (b) To provide an approval that is conditional on modifications to project or programme design or that is subject to the availability of funding; or
- (c) To reject the funding proposal.

13. Once the decision is made, it will be recorded by the Secretariat and communicated to the Interim Trustee. The Secretariat will also inform the AE and the national designated authority (NDA) or focal point (FP) of the decision and the next steps. In case of rejection, the Secretariat will inform the NDA/FP that they may request reconsideration of the funding decision via the independent Redress Mechanism.⁵

⁴ For confidentiality purposes, these addenda are made available on a secure website.

⁵ Decision B.17/09.

Annex: Draft decision of the Board

The Board, having considered document GCF/B.18/04/Rev.01 titled “Consideration of funding proposals”:

- (a) Takes note of the following funding proposals:
- (i) Funding proposal 046 titled “Renewable Energy Program #1-Solar”, by XacBank LLC, as contained in document GCF/B.18/04/Add.17;
 - (ii) Funding proposal 047 titled “GCF-EBRD Kazakhstan Renewables Framework”, by the European Bank for Reconstruction and Development, as contained in document GCF/B.18/04/Add.18/Rev.01;
 - (iii) Funding proposal 048 titled “Climate-Smart Agriculture (CSA) Risk Sharing Facility”, by the Inter-American Development Bank, as contained in document GCF/B.18/04/Add.19/Rev.01;
 - (iv) Funding proposal 049 titled “Building the climate resilience of food insecure smallholder farmers through integrated management of climate risks (the R4 Rural Resilience Initiative)” by the World Food Programme, as contained in document GCF/B.18/04/Add.04 and 23;
 - (v) Funding proposal 050 titled “Bhutan for Life (BfL)” by the World Wildlife Fund Inc., as contained in document GCF/B.18/04/Add.05 and 23;
 - (vi) Funding proposal 051 titled “Scaling-up investment in low-carbon public buildings” by the United Nations Development Programme, as contained in document GCF/B.18/04/Add.06 and 23;
 - (vii) Funding proposal 052 titled “Sustainable and climate resilient connectivity for Nauru” by the Asian Development Bank, as contained in document GCF/B.18/04/Add.07 and 23;
 - (viii) Funding proposal 053 titled “Enhancing climate change adaptation in the north coast and Nile Delta regions in Egypt” by the United Nations Development Programme, as contained in document GCF/B.18/04/Add.08 and 23;
 - (ix) Funding proposal 054 titled “Implementation project of the integral management plan of the Lujan River Basin” by the Corporación Andina de Fomento, as contained in document GCF/B.18/04/Add.09 and 23;
 - (x) Funding proposal 055 titled “Poverty, Reforestation, Energy and Climate Change (PROEZA Project)” by the Food and Agriculture Organization of the United Nations, as contained in document GCF/B.18/04/Add.10/Rev.01 and 23;
 - (xi) Funding proposal 056 titled “Scaling up climate resilient water management practices for vulnerable communities in La Mojana” by the United Nations Development Programme, as contained in document GCF/B.18/04/Add.11 and 23;
 - (xii) Funding proposal 057 titled “Climate Action for Rural Development: community-based adaptation and mitigation in Argentina” by the Unidad Para el Cambio Rural (Unit for Rural Change, UCAR), as contained in document GCF/B.18/04/Add.12 and 23;
 - (xiii) Funding proposal 058 titled “Responding to the increasing risk of drought: building gender-responsive resilience of the most vulnerable communities” by the Ministry of Finance and Economic Cooperation of the Federal Democratic Republic of Ethiopia, as contained in document GCF/B.18/04/Add.13 and 23;



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- (b) Approves funding proposal 046 for the amount of USD 9,527,896, submitted by the XacBank LLC, subject to the conditions set out in document GCF/B.18/04/Add.20/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.17;
- (c) Also approves funding proposal 047 for the amount of USD 110,000,000, submitted by the European Bank for Reconstruction and Development, subject to the conditions set out in document GCF/B.18/04/Add.20/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.18/Rev.01;
- (d) Further approves funding proposal 048 for the amount of USD 20,000,000, submitted by the Inter-American Development Bank, subject to the conditions set out in document GCF/B.18/04/Add.20/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.19/Rev.01;
- (e) Approves funding proposal 049 for the amount of USD 9,983,521, submitted by the World Food Programme, subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;
- (f) Also approves funding proposal 050 for the amount of USD 26,557,354, submitted by the World Wildlife Fund Inc., subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;
- (g) Further approves funding proposal 051 for the amount of USD 17,346,000, submitted by United Nations Development Programme, subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;
- (h) Approves funding proposal 052 for the amount of USD 26,910,000, submitted by the Asian Development Bank, subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;
- (i) Also approves funding proposal 053 for the amount of USD 31,385,000, submitted by the United Nations Development Programme, subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;
- (j) Further approves funding proposal 054 for the amount of USD 58,528,147, submitted by the Corporación Andina de Fomento, subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;
- (k) Approves funding proposal 055 for the amount of USD 44,489,682, submitted by the Food and Agriculture Organization of the United Nations, subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;
- (l) Also approves funding proposal 056 for the amount of USD 38,496,000, submitted by the United Nations Development Programme, subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;
- (m) Further approves funding proposal 057 for the amount USD 22,055,875, submitted by the Unidad Para el Cambio Rural (Unit for Rural Change, UCAR), subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;

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- (n) Approves funding proposal 058 for the amount of USD 45,002,759, submitted by the Ministry of Finance and Economic Cooperation of the Federal Democratic Republic of Ethiopia, subject to the conditions set out in document GCF/B.18/04/Add.22/Rev.01 and in the respective term sheet set out in document GCF/B.18/04/Add.23;
- (o) Reaffirms that pursuant to annex IV to decision B.17/09, the Executive Director or his designee is authorized to negotiate and enter into legal agreements on behalf of the GCF with accredited entities and other parties involved in respect of funding proposals approved by the Board, taking into account any condition approved by the Board in this decision and in the decision accrediting the relevant accredited entity; and
- (p) Authorizes the Secretariat to disburse fees for each funded project/programme approved by the Board as per the disbursement schedule to be agreed in the funded activity agreement in accordance with the interim policy on fees for accredited entities adopted by the Board pursuant to decision B.11/10.
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