



**GREEN  
CLIMATE  
FUND**

**Meeting of the Board**  
4 – 6 April 2017  
Songdo, Incheon, Republic of Korea  
Provisional agenda item 11(e)

**GCF/B.16/07**

**14 March 2017**

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# Consideration of funding proposals

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## **Summary**

This document presents the funding proposals for the Board's consideration at its sixteenth meeting. It also presents an overview of the 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. As at 31 January 2017, the GCF pipeline is comprised of 50 funding proposals which request a total GCF funding of USD 3.5 billion to support projects and programmes totalling USD 14.3 billion, when taking co-financing into account.<sup>1</sup> Of the 50 funding proposals, 9 proposals have gone through the four stages of the proposal review and approval process and are being submitted to the Board for consideration at its sixteenth meeting.<sup>2</sup> These 9 proposals request USD 855 million of GCF funding, supporting projects and programmes with a total value of USD 2.9 billion. Table 1 presents the list of the 9 proposals. The numbering of the funding proposals continues from the 35 proposals approved at previous Board meetings.<sup>3</sup>

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

No.	Project name	Accredited entity	Country	Thematic window	Public/private	GCF funding (million USD) <sup>a</sup>
FP 038	GEEREF NeXt	EIB	Barbados, Comoros, Cote d'Ivoire, DR Congo, Equatorial Guinea, Kenya, Madagascar, Mauritius, South Africa, Togo, Uganda, Papua New Guinea, Georgia, Bahamas, Belize, Dominica, Dominican Republic, Guatemala, Haiti, Saint Vincent and the Grenadines, Suriname, Jordan, Saint Kitts and Nevis, Chile	Mitigation	Private	265
FP 039	GCF-EBRD Egypt renewable energy financing framework	EBRD	Egypt	Mitigation	Private	154.7
FP 040	Tajikistan: scaling up hydropower sector climate resilience	EBRD	Tajikistan	Cross-cutting	Public	50
FP 041	Simiyu climate resilience project	KfW	Tanzania	Adaptation	Public	109.6 <sup>b</sup>
FP 042	Irrigation development and adaptation of irrigated agriculture to climate change in semi-arid Morocco	AFD	Morocco	Adaptation	Public	21.3 <sup>b</sup>
FP 043	The Saïss water conservation project	EBRD	Morocco	Adaptation	Public	34.1 <sup>b</sup>
FP 044	Tina river hydropower development project	WB	Solomon Islands	Cross-cutting	Public	86
FP 045	Ground water recharge and solar micro irrigation to ensure food security	NABARD	India	Adaptation	Public	34.4

<sup>1</sup> For detailed information regarding the GCF pipeline, see document GCF/B.16/Inf.06 titled "Status of the GCF portfolio: pipeline and approved projects".

<sup>2</sup> The four stages are: (1) funding proposal receipt and completeness check; (2) review by the Secretariat; (3) independent assessment by the independent Technical Advisory Panel; and (4) submission to the Board.

<sup>3</sup> 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.



No.	Project name	Accredited entity	Country	Thematic window	Public/private	GCF funding (million USD) <sup>a</sup>
	and enhance resilience in vulnerable tribal areas of Odisha					
FP 046	Responding to the increasing risk of drought: building gender-responsive resilience of the most vulnerable communities	UNDP	Ethiopia	Cross-cutting	Public	99.6
<b>Total GCF funding requested</b>						<b>854.8</b>

*Abbreviations:* AFD = Agence Française de Développement, EBRD = European Bank for Reconstruction and Development, EIB = European Investment Bank, KfW = KfW Bankengruppe, NABARD = National Bank for Agriculture and Rural Development, UNDP = United Nations Development Programme, WB = World Bank.

<sup>a</sup> 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.

<sup>b</sup> The requested GCF amount is in euros and is converted into United States dollars at the United Nations operational rate of exchange as at 1 February 2017 (USD/EUR=0.937).

2. Of the 9 funding proposals submitted for the Board's consideration, 7 are public-sector proposals requesting GCF funding of USD 435 million and 2 are private-sector proposals requesting GCF funding of USD 420 million. Moreover, 1 of the 9 proposals was submitted by a direct access entity, requesting USD 34 million of GCF funding.

3. The geographical distribution of the 9 funding proposals is presented in table 2 below.

**Table 2. Geographical distribution of the funding proposals submitted to the Board for consideration at its sixteenth meeting<sup>4</sup>**

	Requested GCF amount <sup>a</sup> (millions of United States dollars)
Africa	529.8
Asia-Pacific	192.4
Latin America and the Caribbean	121.5
Eastern Europe	11.0
Total	<b>854.8</b>

<sup>a</sup> 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.

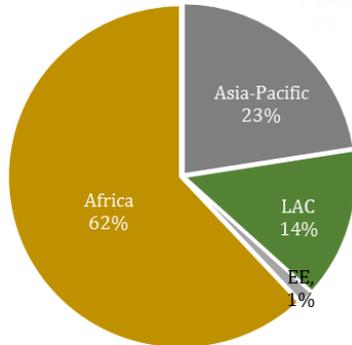
4. Of the 9 funding proposals for consideration, 7 target the least developed countries, small island developing States and African States, totalling USD 654 million, and account for 76 per cent of the total requested GCF funding amount.

5. The geographical and thematic distribution as well as the distribution by financial instrument of the 9 funding proposals are presented in figures 1–4 below.

<sup>4</sup> For the funding proposal that targets multiple regions, a country allocation according to the number of countries is used for regional breakdown.

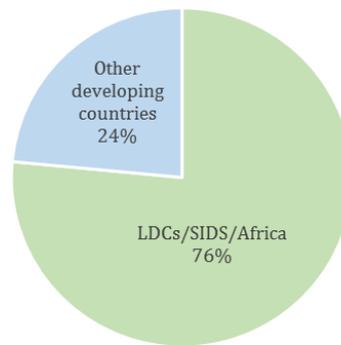


Figure 1. Regional distribution of the requested amount of GCF funding (percentage)



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

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

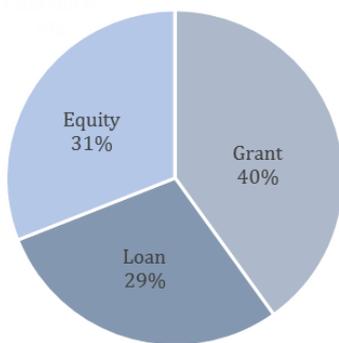
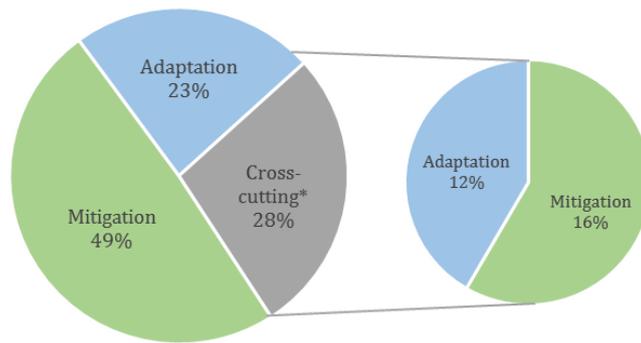


Figure 4. Total requested GCF amount by theme (percentage)



\* 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.

## 1.2 Projected portfolio composition

6. If the 9 funding proposals presented at its sixteenth meeting are approved by the Board, the aggregated portfolio would be comprised of 44 projects and programmes, with a total GCF funding amount of USD 2.3 billion and a total value of USD 7.5 billion, when taking co-financing into account. The geographical distribution of the 44 projects or programmes is presented in table 3 below.

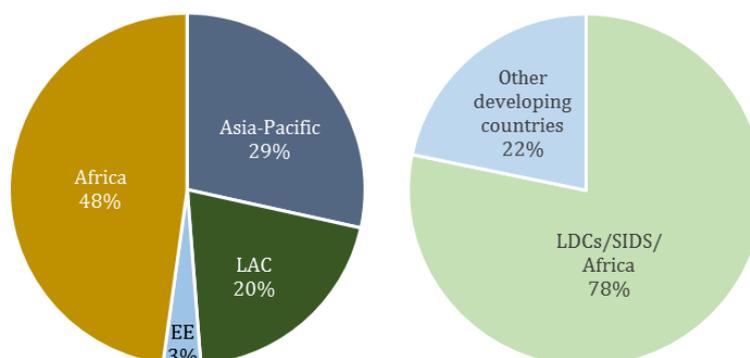
**Table 3. Geographical distribution of the projected portfolio<sup>5</sup>**

	Requested GCF amount (millions of United States dollars)
Africa	1,118.4
Asia-Pacific	666.4
Latin America and Caribbean	474.6
Eastern Europe	80.2
<b>Total</b>	<b>2,339.6</b>

7. Of the 44 funding proposals in the projected portfolio, 30 projects and programmes target the least developed countries, small island developing States and African States totalling USD 1.8 billion, and account for 78 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.

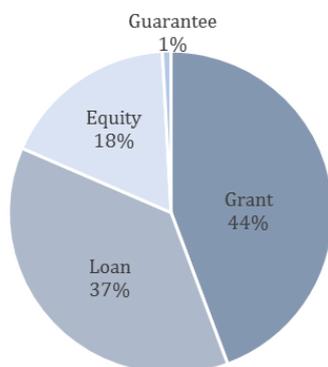
**Figure 5. Regional distribution of the projected portfolio (GCF funding in percentage)**



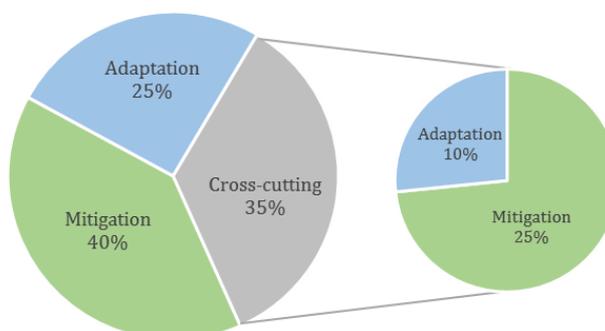
*Abbreviations:*

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

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



**Figure 7. Breakdown of projected 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.

<sup>5</sup> For the funding proposal that targets multiple regions, a country allocation according to the number of countries is used for regional breakdown.

## II. Funding proposal package guide

9. Nine funding proposal packages are presented as individual addenda (see document GCF/B.16/07/Add.01 – 9) containing three parts:

- (a) Part A. The funding proposal,<sup>6</sup> as submitted by the accredited entity (AE);
- (b) Part B. The no-objection letter, as issued by the national designated authority; and
- (c) Part C. The environmental and social report disclosure document.

10. The following additional 8 addenda are also provided to supplement the 9 funding proposal packages referred to in paragraph 9 above:

- (a) Document GCF/B.16/07/Add.10 – 11: the funding proposal packages for FP 038–39, including the full funding proposals, term sheets and the Secretariat’s assessments;<sup>7</sup>
- (b) Document GCF/B.16/07/Add.12: the list of proposed conditions and recommendations. 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);
- (c) Document GCF/B.16/07/Add.13: the independent Technical Advisory Panel’s assessments of FP 038 – 046;
- (d) Document GCF/B.16/07/Add.14: the Secretariat’s assessments of FP 040–046;
- (e) Document GCF/B.16/07/Add.15: the term sheets for FP 040–046 setting out, in summary form, the key terms and conditions relating to the proposed funded activity;
- (f) Document GCF/B.16/07/Add.16: the response of the AE to the independent Technical Advisory Panel’s assessments of FP 038 – 046; and
- (g) Document GCF/B.16/07/Add.17: the gender assessments and action plans for FP 038–046.

11. Due to the deliberative nature of their information, documents GCF/B.16/07/Add.12, 14 and 15 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.07/03, 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 or focal point of the decision and the next steps.<sup>8</sup>

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<sup>6</sup> Due to the confidentiality of the private-sector proposals, funding proposal summary packages are presented.

<sup>7</sup> For confidentiality purposes, these addenda are made available on a secure website.

<sup>8</sup> Decision B.07/03.

## Annex: Draft decision of the Board

The Board, having considered document GCF/B.16/07 titled “Consideration of funding proposals”:

- (a) Takes note of the following funding proposals:
- (i) Funding proposal 038 titled “GEEREF NeXt” by the European Investment Bank, as contained in document GCF/B.16/07/Add.10;
  - (ii) Funding proposal 039 titled “GCF-EBRD Egypt renewable energy financing framework” by the European Bank for Reconstruction and Development, as contained in document GCF/B.16/07/Add.11;
  - (iii) Funding proposal 040 titled “Tajikistan: scaling up hydropower sector climate resilience” by the European Bank for Reconstruction and Development, as contained in document GCF/B.16/07/Add.01 and 15;
  - (iv) Funding proposal 041 titled “Simiyu climate resilience project” by the KfW Bankengruppe, as contained in document GCF/B.16/07/Add.02 and 15;
  - (v) Funding proposal 042 titled “Irrigation development and adaptation of irrigated agriculture to climate change in semi-arid Morocco” by Agence Française de Développement, as contained in document GCF/B.16/07/Add.03 and 15;
  - (vi) Funding proposal 043 titled “The Saïss water conservation project” by the European Bank for Reconstruction and Development, as contained in document GCF/B.16/07/Add.04 and 15;
  - (vii) Funding proposal 044 titled “Tina river hydropower development project” by the World Bank, as contained in document GCF/B.16/07/Add.05 and 15; and
  - (viii) Funding proposal 045 titled “Ground water recharge and solar micro irrigation to ensure food security and enhance resilience in vulnerable tribal areas of Odisha” by the National Bank for Agriculture and Rural Development, as contained in document GCF/B.16/07/Add.06 and 15;
  - (ix) Funding proposal 046 titled “Responding to the increasing risk of drought: building gender-responsive resilience of the most vulnerable communities” by the United Nations Development Programme, as contained in document GCF/B.16/07/Add.07 and 15;
- (b) Approves funding proposal 038 for the amount of USD 265,000,000, submitted by the European Investment Bank, subject to the conditions set out in document GCF/B.16/07/Add.12 and in the term sheet set out in document GCF/B.16/07/Add.10;
- (c) Also approves funding proposal 039 for the amount of USD 154,700,000, submitted by the European Bank for Reconstruction and Development, subject to the conditions set out in document GCF/B.16/07/Add.12 and in the term sheet set out in document GCF/B.16/07/Add.11;
- (d) Further approves funding proposal 040 for the amount of USD 50,000,000, submitted by the European Bank for Reconstruction and Development, subject to the conditions set out in document GCF/B.16/07/Add.12 and in the respective term sheet set out in document GCF/B.16/07/Add.15;
- (e) Approves funding proposal 041 for the amount of EUR 102,700,000, submitted by the KfW Bankengruppe, subject to the conditions set out in document GCF/B.16/07/Add.12 and in the respective term sheet set out in document GCF/B.16/07/Add.15;
- (f) Also approves funding proposal 042 for the amount of EUR 20,000,000, submitted by Agence Française de Développement, subject to the conditions set out in document

GCF/B.16/07/Add.12 and in the respective term sheet set out in document GCF/B.16/07/Add.15;

- (g) Further approves funding proposal 043 for the amount of EUR 31,970,000, submitted by the European Bank for Reconstruction and Development, subject to the conditions set out in document GCF/B.16/07/Add.12 and in the respective term sheet set out in document GCF/B.16/07/Add.15;
  - (h) Approves funding proposal 044 for the amount of USD 86,000,000, submitted by the World Bank, subject to the conditions set out in document GCF/B.16/07/Add.12 and in the respective term sheet set out in document GCF/B.16/07/Add.15;
  - (i) Also approves funding proposal 045 for the amount of USD 34,357,000, submitted by the National Bank for Agriculture and Rural Development, subject to the conditions set out in document GCF/B.16/07/Add.12 and in the respective term sheet set out in document GCF/B.16/07/Add.15;
  - (j) Further approves funding proposal 046 for the amount of USD 99,648,411, submitted by the United Nations Development Programme, subject to the conditions set out in document GCF/B.16/07/Add.12 and in the respective term sheet set out in document GCF/B.16/07/Add.15;
  - (k) Reaffirms that pursuant to annex VII to decision B.07/03, 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
  - (l) 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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