

Green Climate Fund

Report of the Green Climate
Fund to the Conference of the
Parties and Guidance to the
Green Climate Fund

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Agenda item 13

Report of the Green Climate Fund to the Conference of the Parties and Guidance to the Green Climate Fund

I. Introduction

1. This document presents the decision adopted by the eighteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 18) “Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund”. The Board is invited to consider and take appropriate action in response to the guidance received.

2. The document also presents other decisions adopted by COP 18 along with conclusions and recommendations of the thirty-seventh session of the Subsidiary Body for Implementation (SBI 37) that are relevant to the work of the Green Climate Fund. A brief explanation of discussions and/or their outcomes is presented in the Annex for each agenda item. This is complemented with references at the end of each section to the official documents that are publicly available on the UNFCCC web site.

3. In sum, the decisions of COP 18 presented in the Annex concern the following agenda items of COP 18:

- (a) Agenda item 4: Report of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention;
- (b) Agenda item 9(a): Report of the Technology Executive Committee;
- (c) Agenda item 9(b): Matters relating to the Climate Technology Centre and Network: selection of the host and constitution of the advisory board;
- (d) Agenda item 11(b): Report of the Standing Committee;
- (e) Agenda item 15: Article 6 of the Convention;
- (f) Decision on the Review of the financial mechanism (from agenda item 6(a) of the SBI);
- (g) Decision on national adaptation plans (from agenda item 9 (a) and (b) of the SBI);
- (h) Decision on the prototype of the registry (from agenda item 5 (a) of the SBI).

4. In addition, the Annex presents conclusions of SBI 37 under the agenda item 15(a): Capacity-building under the Convention.

II. Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund

5. With regard to the “Report of the Green Climate Fund to the COP and guidance to the Green Climate Fund”, the COP welcomed the nomination of the Board and emphasized the important role of the Fund in the climate finance architecture. It also noted with appreciation the progress of the Board in operationalizing the Fund, the prompt set-up of the Interim Secretariat of the Fund, and the establishment of the Financial Intermediary Fund for the Green Climate Fund by the World Bank. It took note with appreciation of the first annual report of the

Board, endorsed the consensus decision of the Board to select Songdo, Incheon City, Republic of Korea as the host of the Fund and expressed its appreciation to the governments that made contributions and pledges to the administrative budget of the Fund. Additionally, the COP decided to provide initial guidance to the Fund at COP 19.

6. The COP also requested the Board to:

- (a) Conclude, together with the Republic of Korea, in accordance with decision 3/CP.17, annex, paragraphs 7 and 8, the legal and administrative arrangements for hosting the Fund, and to ensure that juridical personality and legal capacity are conferred to the Fund, and that the necessary privileges and immunities are granted to the Fund and its officials in an expedited manner;
- (b) Develop a transparent no-objection procedure to be conducted through national designated authorities referred to in paragraph 46 of the Governing Instrument and to determine this procedure prior to approval of funding proposals by the Fund;
- (c) Balance the allocation of the resources of the Fund between adaptation and mitigation activities;
- (d) Secure funding for the Fund, taking into account paragraphs 29 and 30 of the Governing Instrument, to facilitate its expeditious operationalization, and to establish the necessary policies and procedures to enable an early and adequate replenishment process;
- (e) Establish the independent Secretariat of the Fund in an expedited manner as soon as possible, in accordance with paragraph 19 of the Governing Instrument;
- (f) Select the Trustee of the Fund through an open, transparent and competitive bidding process in a timely manner to ensure that there is no discontinuity in trustee services;
- (g) 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;
- (h) Continue to include in its report to the COP the specific steps that it has undertaken to implement the requests contained in the decision "Report of the Green Climate Fund to the COP and guidance to the Green Climate Fund", as well as information on the status of financial contributions for the administrative budget of the Fund, including the administrative costs of the Board of the Fund and its Interim Secretariat;
- (i) Expeditiously implement its 2013 work plan, with a view to making the Fund operational as soon as possible, which will enable an early and adequate replenishment process;
- (j) Make available its annual reports to the COP as early as possible and no later than 12 weeks prior to a session of the COP.

7. Parties were invited to submit to the secretariat annually, and no later than 10 weeks prior to the subsequent session of the COP, their views and recommendations in writing on the elements to be taken into account in developing guidance to the operating entities of the financial mechanism.

8. The advance unedited COP decision text can be found at the following link:

http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cop18_report_gcf.pdf

Annex: Decisions adopted by COP 18 and conclusions of SBI 37

I. COP agenda item 4: Report of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention

The COP adopted the decision on the outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention. The relevant elements of this decision are as follows:

- (a) *Enhanced action on technology development and transfer to support action on mitigation and adaptation:* the COP agreed to further elaborate, at COP 20, the linkages between the Technology Mechanism and the financial mechanism of the Convention, taking into consideration the recommendations of the Green Climate Fund Board, developed in accordance with decision 3/CP.17, paragraph 17, and of the Technology Executive Committee, developed in accordance with decision 4/CP.17, paragraph 6;
- (b) *Enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation:* the COP reiterated that a significant share of new multilateral funding for adaptation should flow through the Green Climate Fund, as well as the request to the Green Climate Fund Board to balance the allocation of its resources between adaptation and mitigation activities; the Board was requested to expeditiously implement its 2013 work plan, with a view to making the Green Climate Fund operational as soon as possible to enable an early and adequate replenishment process.

The advance unedited COP decision text can be found at the following link:

http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cop18_agreed_outcome.pdf

II. COP agenda item 9(a): Report of the Technology Executive Committee

In its decision on the report of the Technology Executive Committee (TEC), the TEC was encouraged to continue to consult relevant institutional arrangements under the Convention, including the Green Climate Fund Board, and to initiate consultations with the advisory board of the Climate Technology Centre and Network as soon as it is established, in order to seek their views on and coordinate the proposed modalities of the TEC on linkages with other relevant institutional arrangements under the Convention.

The advance unedited COP decision text can be found at the following link:

http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cop18_report_tec.pdf

III. COP agenda item 9(b): Matters relating to the Climate Technology Centre and Network: selection of the host and constitution of the advisory board

In its decision on the arrangements to make the Climate Technology Centre and Network fully operational, the COP decided that the constitution of the Advisory Board of the Climate Technology Centre and Network (CTCN) will also include one of the Co-Chairs, or a member designated by the Co-Chairs, of the Green Climate Fund Board in his/her official capacity as a Green Climate Fund representative.

The advance unedited COP decision text can be found at the following link:

http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cop18_ctcn.pdf

IV. COP agenda item 11(b): Report of the Standing Committee

In its decision on the report of the Standing Committee (SC), the COP took note of the recommendations regarding the guidance to the operating entities of the financial mechanism. In said recommendations, contained in FCCC/CP/2012/4, the SC stated that, beginning in 2013, it will assume the role of providing to the COP draft guidance for the operating entities of the financial mechanism as per decision 2/CP.17, paragraph 121(c), based on, inter alia, the annual reports submitted by the operating entities and submissions of views from Parties on elements to be taken into account in developing the guidance.

The advance unedited COP decision text can be found at the following link:

http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cop18_standing_committee.pdf

V. COP agenda item 15: Article 6 of the Convention

In its decision on the Doha work programme on Article 6 of the Convention, the COP invited multilateral and bilateral institutions and organizations, including the operating entities of the financial mechanism of the Convention, as appropriate, to provide financial resources to support the activities relating to the implementation of Article 6 of the Convention.

The advance unedited COP decision text can be found at the following link:

http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cop18_article6.pdf

VI. COP decision on the review of the financial mechanism

The COP adopted a decision, initiating the fifth review of the financial mechanism, in accordance with the criteria contained in the guidelines annexed to decisions 3/CP.4 and 6/CP.13 and further guidelines that may be developed; the Standing Committee was requested by the COP, taking into account existing guidelines and recent developments within the financial mechanism, drawing upon information from, inter alia, fast-start finance, the work of the Green Climate Fund, the initial review of the Adaptation Fund and the work programme on long-term finance, to further amend the guidelines for the review of the financial mechanism, and to provide draft updated guidelines for consideration and adoption by COP 19; the fifth review of the financial mechanism will be finalized by COP 20; the SCF will provide periodic updates on the status of its work relating to the fifth review to the SBI for its consideration, beginning at SBI 38.

The advance unedited COP decision text can be found at the following link:

http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cop18_review_fin_mech.pdf

VII. COP decision on national adaptation plans (NAPs)

The COP adopted a decision on NAPs. In this decision, the COP recalled decision 3/CP.17 on launching the Green Climate Fund. It also recognized that the Green Climate Fund will support developing countries in pursuing project-based and programmatic approaches in accordance with climate change strategies and plans¹, such as national adaptation programmes of action (NAPAs), NAPs and other related activities. Furthermore, the operating entities of the financial mechanism were invited, as appropriate, to take this decision into account when providing financial and technical support to developing country Parties in responding to decision 5/CP.17.

The advance unedited COP decision text can be found at the following link:

http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cop18_naps.pdf

¹ Decision 3/CP.17, annex, paragraph 36.

VIII. COP decision on the prototype of the registry

The COP adopted a decision on the prototype of the registry, in which it reiterated its invitation to the entities entrusted with the operation of the financial mechanism, including the Global Environment Facility (GEF) and the Green Climate Fund, to submit, as appropriate, information on financial, technology and capacity-building support available and/or provided for the preparation and/or implementation of nationally appropriate mitigation actions, in accordance with decision 2/CP.17, paragraph 48. The UNFCCC secretariat was requested to provide information on the operation of the registry to COP 19 in order to inform the discussions on the financial mechanism, in accordance with decision 2/CP.17, paragraph 52(b), as well as to engage with the Parties and entities referred to in decision 2/CP.17, paragraph 48, to facilitate the provision of information on support.

The advance unedited COP decision text can be found at the following link:

http://unfccc.int/files/meetings/doha_nov_2012/decisions/application/pdf/cmp8_prototype.pdf

IX. SBI 37 conclusions on agenda item 15(a): Capacity-building under the Convention

In its conclusions, the SBI encouraged representatives of the operating entities of the financial mechanism to participate fully in subsequent meetings of the Durban Forum and to integrate information gained and produced, as appropriate. The SBI agreed to continue its consideration of this agenda sub-item at SBI 38, with a view to recommending a draft decision for adoption to COP 19; based on this, no immediate action is currently requested under this agenda item.

The conclusions of the SBI are contained in document FCCC/SBI/2012/L.42, which can be found at the following link: <http://unfccc.int/resource/docs/2012/sbi/eng/l42.pdf>.
