



**GREEN
CLIMATE
FUND**

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Report on the activities of the Secretariat

Summary

This report is intended to inform the Board of the Green Climate Fund (GCF) on the main activities undertaken by the Secretariat from July to early October 2015.

* The agenda item number will be determined when the final sequence of items in the provisional agenda is confirmed by the Co-Chairs.

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I. Introduction

1. This report is intended to inform the Board of the Green Climate Fund (GCF) main activities undertaken by the Secretariat from July to early October 2015.
2. The report provides concise summaries of the overall activities of the Secretariat. Detailed information on certain core activities is provided in the respective documents, referenced throughout the report.

II. Activities during the reporting period

2.1 Readiness programme and country dialogue

3. As at 8 October 2015, a total of 136 nominations from national designated authorities (NDAs) and focal points had been received by the Secretariat. Of these, more than 80 countries have expressed their interest in receiving readiness support. The Secretariat is providing ongoing support to the countries to develop readiness proposals. As a result, 23 readiness proposals have been submitted, 17 of which the Secretariat has approved, with almost USD 4.6 million committed from the readiness and preparatory support programme (hereinafter referred to as the readiness programme). In the meantime, the review of readiness proposals received is ongoing.
4. During the reporting period, the Secretariat organized three regional workshops, which have helped to ensure strong country dialogue and multi-stakeholder engagement with countries in the Asia-Pacific region, Africa and the Middle East, and Latin America and the Caribbean. The workshops aided in increasing awareness of GCF activities and provided NDAs with an opportunity to engage directly with the Secretariat, direct access entities and the private sector. Furthermore, the Secretariat organized four NDA visits to the GCF headquarters where representatives from Antigua and Barbuda, Fiji, Pakistan and Viet Nam discussed their strategic priorities with the GCF.
5. A more comprehensive overview of the progress made in implementing the readiness programme can be found in document GCF/B.11/06 titled “Readiness programme implementation (progress report)”.
6. In relation to funding project and programme development, the Secretariat engaged with NDAs and focal points at the early stages of the development of funding proposals. During the reporting period, the Secretariat received 17 concept notes and funding proposals directly from NDAs and focal points. The Secretariat also received 44 no-objection letters to funding proposals submitted by accredited entities, 37 of which were submitted for proposed projects in the public sector, and seven for projects in the private sector. At least 22 in-depth conversations were held regarding concept notes and funding proposals with country NDAs and focal points.

2.2 Accreditation

7. Following the accreditation of an additional 13 entities during the tenth meeting of the Board (B.10), the total number of accredited entities with the GCF has increased to 20. Of these, nine are direct access entities. Furthermore, discussions on the implementation of legal arrangements with the accredited entities have been initiated and the Secretariat is currently in consultations with those entities on the accreditation master agreement (AMA).
8. Accreditation applications continue to be received through the Online Accreditation System (OAS). A total of 125 requests for an OAS account have been received and a total of 80

applications for accreditation to the GCF have been submitted, including the 20 entities already accredited, from national, regional and international public and private sector entities, representing different regions.¹ The Secretariat has worked diligently to make progress with regard to the assessment of the entities to expedite their review from stage I to stage II. During the reporting period, the Secretariat and the independent Accreditation Panel completed the assessment of nine entities and shall provide their recommendations for the consideration of the Board at its eleventh meeting (B.11).

9. The Secretariat continues to provide information and guidance relating to the GCF accreditation framework to interested stakeholders. Furthermore, support to direct access entities has been ongoing. In this regard, the Secretariat organized a workshop on the environmental and social safeguards and the gender policy of the GCF to direct access accredited entities and other accredited entities that had related conditions to their accreditation from 1 to 4 September 2015 at the GCF headquarters. In addition, the Secretariat has, since the inception of the accreditation process, provided in-kind support to 36 potential direct access entities in 30 countries in Africa, the Asia-Pacific region and Latin America and the Caribbean. The institutional gap assessment of the fiduciary standards, environmental and social safeguards, and gender policy of seven direct access entities nominated by the NDAs and focal points is under way, six of which are expected to be completed by the end of October 2015.

2.3 Funding approval process and portfolio development

10. Since B.10, work has progressed significantly to help the Board achieve its aim to start taking decisions on project and programme proposals no later than at its third meeting in 2015.

2.3.1 Further development of operational guidance

11. The Secretariat has continued to update informational guidance in the Operations Manual on the GCF website, building on the experience from the initial review of funding proposals and concept notes. The Board decisions taken at B.10 on operational policies have also been incorporated into the Operations Manual. A Concept Note User's Guide has been developed and published on the GCF website under the Appraisal Toolkit.² Additionally, the templates for the concept note and funding proposal have been updated to better serve the needs of stakeholders.

2.3.2 Operationalization of the independent Technical Advisory Panel

12. The Secretariat has been interacting with the independent Technical Advisory Panel (TAP) members and progressed in establishing consultancy contracts. In parallel, the Secretariat has organized conference calls to brief the TAP members on the overall proposal review process and its timeline, introducing them to operational guidelines, policies and procedures of the GCF, in particular the investment framework and the proposal approval process. In addition, the Secretariat has facilitated the nomination of the Chair of the TAP.

13. In accordance with Board decision B.09/10, the Secretariat has made progress towards the selection of the two remaining members of the TAP, with due consideration of the United Nations Framework Convention on Climate Change (UNFCCC) roster of experts. The call for experts was published on the GCF website on 25 September 2015. The Secretariat has been in contact with the UNFCCC, which agreed to circulate the call for experts among 15 roster members.

¹ As at 30 September 2015.

² See <http://www.gcfund.org/fileadmin/00_customer/documents/Operations/GCF_Concept_Note_User_Guide.pdf>.

14. The TAP is operational and has reviewed the first set of funding proposals. The TAP members convened at the GCF headquarters from 22 to 26 September 2015. They discussed details of projects and programmes, exchanged views and formed an assessment of the proposals' performance against the investment criteria.

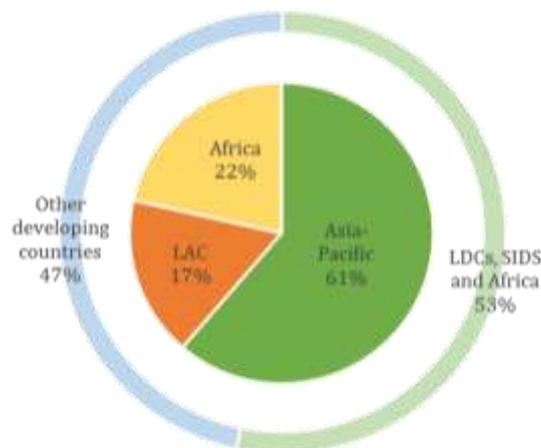
2.3.3 Public sector portfolio development

15. Since B.10, the Secretariat has received and reviewed 29 concept notes for public sector and public-private partnerships submitted from accredited entities and NDAs. The concept notes requested USD 983 million of GCF funding to support projects and programmes amounting in total to USD 2.2 billion.

16. The geographical distribution of the submitted concept notes is as follows: 5 concept notes relate to projects or programmes in Africa, requesting USD 211 million of GCF funding; 11 relate to projects or programmes in the Asia-Pacific region, requesting USD 602 million; and 13 relate to projects or programmes in Latin America and the Caribbean, requesting USD 169 million. Of the 29 concept notes, 20 originate from the least developed countries (LDCs), small island developing States (SIDS) and African States, requesting USD 524 million of GCF funding.

17. Figure 1 shows the total requested amount of GCF funding by region (in percentage terms), as well as the requested GCF funding from LDCs, SIDS and African States relative to other developing countries.

Figure 1. Regional distribution of the requested amount of GCF funding in concept notes (%)



Abbreviations: LAC = Latin America and the Caribbean, LDCs = the least developed countries, SIDS = small island developing States.

18. The Secretariat has been working closely with accredited entities and NDAs to provide feedback and recommendations on concept notes, and to assist them with the GCF proposal approval process. In particular, the Secretariat has been actively engaging with the entities accredited to the GCF through the direct access modality, to assist them in the development of concept notes, and in moving towards the preparation of high-quality funding proposals.

19. In addition to the concept notes, the Secretariat has received 29 funding proposals from the public sector, requesting USD 1 billion of GCF funding. Of the 29 funding proposals, 23 were developed from the concept notes previously submitted to the GCF.

20. For detailed information regarding the status of funding proposals and the review process, please see document GCF/B.11/04 titled "Consideration of funding proposals".

2.4 Private Sector Facility

21. The Private Sector Facility (PSF) has been in contact with 27 private sector entities and public sector entities that engage with the private sector, that could potentially become accredited to the GCF. Of these, 19 entities are in the process of considering or are already undertaking applications for accreditation.

22. The PSF has, in addition, worked with accredited entities and NDAs to review eight funding proposals. Not all funding proposals were presented for Board approval as they required:

- (a) Further due diligence on the project or programme proposed; and/or
- (b) Further review of specific terms and conditions.

23. Table 1 below provides an overview of PSF funding proposals and concept notes received as at 8 October 2015.

Table 1. Overview of PSF funding proposals and concept notes (as at 8 October 2015)

Projects	Impact			Geography	
	Cross-cutting	Adaptation	Mitigation	SIDS/LDCs/ African States	Other developing countries
Funding proposals	8	2	0	6	2
Concept notes	6	0	1	5	4

Abbreviations: LDCs = the least developed countries, SIDS = small island developing States.

24. The PSF, as recommended by the Private Sector Advisory Group, sought to retain the services of an external firm to design, launch and manage the request for proposal (RFP) programmes for micro-, small- and medium-sized enterprises (MSMEs) and for mobilizing funding at scale. The PSF accordingly launched, on two occasions, the RFPs to retain such firms. No bids were received after the first RFP. The PSF relaunched the process and, as at 8 October 2015, only one firm had submitted a bid.

25. The PSF also organized conference calls with private sector organizations and civil society organizations (CSOs) to discuss the RFPs for investment in MSMEs and for mobilizing funding at scale.

26. Furthermore, the PSF worked with other Secretariat divisions to design and develop the online funding proposal system that will be used to receive and review funding proposals.

2.5 Legal affairs

27. A diverse range of legal affairs are being addressed by the Office of the General Counsel (OGC) to support the GCF in all its areas of operation, covering both institutional and operational matters.

2.5.1 Institutional matters

28. The OGC is working on a diverse set of policies and procedures, including:

- (a) Policies on ethics and conflicts of interest in accordance with decision B.09/03;
- (b) Decision-making procedures;
- (c) The information disclosure policy;

- (d) Diverse administrative, procurement and human resources matters;
 - (e) Implementation of the Headquarters Agreement;
 - (f) Trademark and domain name issues;
 - (g) Support to the Secretary to the Board on various institutional matters, such as Board appointments;
 - (h) Contribution agreements and/or arrangements; and
 - (i) Interim 'know your customer' norms, anti-money laundering standards and a countering the financing of terrorism framework and practice.
29. All draft Board decisions undergo legal review in order to enhance their compatibility with the Governing Instrument for the GCF and previous Board decisions.
30. The OGC acts as Secretary to the Ethics and Audit Committee and to the Appointment Committee.
31. The OGC performs various compliance tasks under the administrative guidelines on human resources and consultancy contracts, primarily relating to conflicts of interest.
32. Implementation of the Headquarters Agreement with the Republic of Korea requires regular attention from the OGC on various matters. There is an ongoing discussion with the host country of the GCF on the issuance of diplomatic visas to GCF staff in accordance with the Headquarters Agreement. Two years since the inauguration of the GCF headquarters, it is becoming urgent to reach a successful resolution of the issue concerning the interpretation of the P5 level equivalent. The Secretariat is of the view that staff at the level of IS5 and above should be entitled to an A1 diplomatic visa. The Ministry of Foreign Affairs and the Ministry of Justice of the Republic of Korea are yet to conclude this pending matter.

2.5.2 Operational matters

33. The OGC reviews all agreements and all other documents with legal implications that are proposed for signature by the GCF (other than human resources contracts). These include agreements with suppliers and service providers. The OGC will be developing standard contracts for suppliers and service providers to be entered into at the last stage of the procurement process.
34. A template grant agreement has been developed, which is being used as part of the readiness programme and includes provisions on the prevention of prohibited practices (such as fraud, corruption, money laundering and terrorist financing).³ All proposals for funding under the readiness programme are reviewed by the OGC.
35. The resources required for the review and assessment of concept notes and funding proposals – the second-level due diligence mandated by the Board in decision B.07/03, as well as customary legal due diligence on counterparties and structures – are increasing. The majority of the resources of the OGC are currently dedicated to this task.
36. The OGC is continuing to interact with the legal departments of a number of stakeholders, including the secretariat of the UNFCCC, the United Nations, United Nations agencies and accredited entities, to discuss a variety of issues relating to governance and operational matters.

³ See
<http://www.gcfund.org/fileadmin/00_customer/documents/Key_documents/Grant_agreement_template.pdf>.

2.5.3 Accreditation master agreements

37. In addition, legal support in connection with the accreditation process is provided by the OGC. For the finalization of stage III of the accreditation process, a template AMA has been developed, which is currently being discussed with each accredited entity (see also document GCF/B.11/Inf. 09 titled “Report on the implementation of legal and formal arrangements with accredited entities”).

38. This process involves a significant amount of work and time due to several interlinked factors. The AMA is an extension of the policies of the GCF, which are being implemented for the first time by all Parties, and a key instrument to operationalize the accreditation model of the GCF which differs to a certain extent from the model used by other global funds. The evolving nature of the policies of the GCF and the absence of a detailed internal procedural manual has required a significant effort to develop the AMA. Additionally, accredited entities are not yet familiar with the policies and frameworks of the GCF and with the obligations and responsibilities that these imply for them. Therefore, the negotiation process requires the collective effort of different units of the accredited entity and various internal approvals in order to proceed.

39. The discussion with the first group of accredited entities (both national and international access, as well as public and private sector entities) shows that their expectations regarding their engagement with the GCF and their role in projects to be funded by it, were initially not fully aligned with those of the GCF. For example, the approach of the GCF to have an active monitoring role in project implementation and to require greater accountability from the accredited entities is novel to many entities. International access entities feel uncomfortable about the GCF closely monitoring their performance. Larger entities, such as multilateral development banks, also encounter internal policy constraints that limit or delay their agreement to the text of the AMA.

40. However, all the accredited entities appear to be committed to signing the AMA and are taking a constructive approach. Consistent with the fit-for-purpose approach of the GCF to accreditation, the draft AMA seeks to reflect the particular conditions and standards for which each entity was accredited. The discussions, although time-consuming, constitute a steep learning process for both the Secretariat and the accredited entities. It is expected that once the first AMAs have been signed, the process with further accredited entities will be much more streamlined.

2.6 Risk management

41. The Office of Risk Management, under the guidance of the Risk Management Committee, has been implementing the risk appetite methodology in line with decision B.10/08. The risk register and the simulation scenarios to be used in setting the risk appetite of the GCF have been completed. Additionally, two analytical tools – a cash flow model and a simulation model – were developed and have now been integrated into the GCF risk and financial management processes.

42. The Office of Risk Management has also been involved in the process of second-level due diligence of each of the funding proposals reviewed by the GCF. This process involves two aspects:

- (a) Reviewing the risks and mitigation procedures identified by the accredited entity in the funding proposal and ensuring their completeness (risks to the project/programme); and
- (b) Using the risk categories adopted at B.10, assessing the risks to the GCF arising from each funding proposal.

2.7 Support services

2.7.1 Resource mobilization activities

43. As at 5 October 2015, 27 countries had signed contribution agreements and/or arrangements since the 2014 GCF Pledging Conference, bringing the total to approximately USD 5.83 billion equivalent.

44. The Secretariat is working expeditiously with the remaining contributors, notably Canada, Finland, France, Italy, Spain, Switzerland and the United States of America, to convert all pledges into actual contributions. Further details on resource mobilization activities are contained in document GCF/B.11/Inf.05 titled “Status of the Initial Resource Mobilization”.

2.7.2 Finance

45. The external audit of the 2014 financial statements of the GCF (see document GCF/B.11/21 titled “The financial statements of the Green Climate Fund for the year ended 31 December 2014 and Green Climate Fund Annual Report 2014/15”) was undertaken by the external auditors Grant Thornton during May 2015. The financial statements have been prepared in accordance with the International Financial Reporting Standards and have been reviewed by the Ethics and Audit Committee. The external auditors will issue an unqualified audit opinion on the financial statements.

46. The GCF 2016–2018 administrative budget (see document GCF/B.11/12 titled “Administrative budget for 2016–2018”) has been prepared for consideration by the Board at B.11.

2.7.3 Human resources⁴

47. Despite the considerable challenges in attracting appropriately qualified experts, the Secretariat has continued to strengthen its human resources. Of the 56 approved positions, 46 were filled. However, following the resignation of three staff members, there are currently 13 vacant positions. It is expected that the number of vacancies will be reduced as several recruitment processes will be finalized in the weeks in the run-up to B.11. To tackle the heavy workload and to deliver work under tight deadlines, GCF staff members are supported by 30 full-time consultants based in Songdo, Republic of Korea, 32 part-time consultants working remotely, and one secondee from Incheon Metropolitan City, Republic of Korea, in addition to 11 interns who receive training but have also become an effective source of assistance to the core staff.

48. Work on updating the administrative guidelines on human resources has been proposed and submitted to the Board in document GCF/B.11/19 titled “Updated administrative guidelines on human resources” for approval. The proposed amendments to the updated guidelines are based on feedback received from Board members, the Secretariat’s experience in implementation of the guidelines and the update to the salary structure of the Asian Development Bank.

2.7.4 Retirement plan

49. The Secretariat is well advanced in terms of the process of identifying a provider of a defined contribution retirement scheme for its staff members. The plan is designed to provide staff with a flexible retirement vehicle which benefits from long-term stability, investment

⁴ Status update provided as at 8 October 2015.

protection and solid administrative and information support. The Secretariat has established a shortlist of two out of five potential providers of the service.

2.7.5 Information and communications technology

50. The Secretariat has outsourced two Internet-based systems for use, starting from the fourth quarter of 2015, to enable the efficient handling of all future readiness support requests and project and programme proposals. The solution, which is also aimed at facilitating a secure review of the funding proposals, will provide only Board members with full access to funding proposal documents. Only individuals who have a password will have access to the secure site.

2.8 Support to the Board

51. In addition to following through with the implementation of decisions taken by the Board at B.10 and other previous meetings, the Secretariat has, inter alia, provided the following support to the Board.

2.8.1 Preparations for the eleventh meeting of the Board

52. The Secretariat is working in close collaboration with the Government of Zambia to host a successful B.11 in Livingstone, Zambia. A memorandum of understanding is being finalized with the host Government to agree on relevant arrangements to conduct the meeting and to ensure adequate legal protection for participants.

53. A notification on the date and venue of B.11 was sent to the Board and to active observers, and was posted on the GCF website on 22 September 2015. The notification was also issued to accredited observer organizations and to Parties and Observer States to the UNFCCC through UNFCCC focal points copying NDAs and focal points to the GCF on the same day.

54. The provisional agenda for the meeting was circulated to the Board and made available on the GCF website on 2 October 2015.

55. Substantive preparations, in particular in relation to the preparation of documentation for consideration by the Board at B.11, have also been undertaken.

2.8.2 Support to the Co-Chairs of the Board

56. The Secretariat conducted regular teleconference calls with the Co-Chairs of the Board to address relevant matters to advance the work of the GCF. Through these meetings, the Secretariat actively reported to, and sought guidance from, the Co-Chairs on substantive and operational activities of the Secretariat, including in relation to preparations for B.11.

57. The Secretariat also supported the Co-Chairs to enhance collaboration with other thematic bodies under the UNFCCC as guided by the Conference of the Parties (COP). These bodies include the Board of the Adaptation Committee; the Chair and Vice-Chair of the Technology Executive Committee; and the Advisory Board of the Climate Technology Centre and Network. Additional information on this collaboration is available in document GCF/B.11/Inf.02 titled "Report on activities of the Co-Chairs".

58. In accordance with decision B.10/18, the Secretariat also supported the Co-Chairs in the update of the Fourth Report of the GCF to the COP, taking into consideration inputs by Board members and incorporating the outcomes from B.10. The Secretariat submitted the report on behalf of the Board Co-Chairs to the UNFCCC secretariat 12 weeks in advance of the twenty-first session of the COP (COP 21), as mandated by the COP at its twentieth session.

2.8.3 Support to Board committees and panels

59. The Secretariat has provided support to Board committees and panels in the implementation of Board decisions and in the production of deliverables to be presented to the Board as follows:

(a) Accreditation Committee

60. The Secretariat provided support to the Accreditation Committee, which held three virtual meetings during the reporting period to discuss topics related to the accreditation framework and other accreditation-related matters. Several accreditation-related documents will be considered by the Board at B.11, namely:

- (i) “Consideration of accreditation proposals” (document GCF/B.11/03);
- (ii) “Initial monitoring and accountability framework for accredited entities” (document GCF/B.11/05); and
- (iii) “Strategy on accreditation (progress report)” (document GCF/B.11/Inf.08).

(b) Accreditation Panel

61. The Secretariat provided support to the Accreditation Panel during the accreditation review process and in preparation of document GCF/B.11/03. Six virtual meetings were held during the reporting period and the Accreditation Panel met in person from 7 to 11 September 2015 in Songdo, Republic of Korea, to finalize its recommendations, for consideration by the Board at B.11.

(c) Appointments Committee

56. The Secretariat provided support to the Appointments Committee, which worked on the matters related to the appointment of the heads of the accountability units, as mandated by the Board. The related documents are to be considered by the Board in between B.10 and B.11 and at B.11, namely:

- (i) “Appointment of the recruitment firm for the selection of the heads of the accountability units: recommendation of the Appointment Committee” (document GCF/BM-2015/12);
- (ii) “Comparison of salary levels for comparable positions at other specialized global funds for the heads of the accountability units” (document GCF/B.11/13); and
- (iii) “Establishment of the Appointment Committee as a standing Board committee” (document GCF/B.11/09).

(d) Investment Committee

57. Since B.10, the Investment Committee has overseen the operationalization of the TAP. The Investment Committee has also made progress on the recruitment of the two remaining independent TAP members.

58. In line with Board decision B.10/09, the Secretariat has contacted the UNFCCC regarding the roster of experts. The UNFCCC secretariat has agreed to circulate the call for experts among the experts in the roster. Further, the GCF Secretariat prepared a call for experts based on the previous call and on the Board guidance. After the Investment Committee’s review and no-objection, the call was posted on the GCF website and circulated among the UNFCCC roster of experts through the UNFCCC secretariat. The recruitment process is ongoing.

(e) Risk Management Committee

59. The Secretariat has supported the Risk Management Committee, whose activities are concentrated on the implementation of the risk management framework and the risk appetite

methodology, including the development of the risk register and a technical note on scenario simulation. The Committee had a formal session in addition to several informal briefings to guide the Secretariat's work, which is reflected in the "Initial risk management framework: implementation progress and risk register" presented to the Board as document GCF/B.11/07.

(f) **Technical Advisory Panel**

60. The Secretariat established consultancy contracts for the initial members of the TAP and organized conference calls to brief them on relevant policy frameworks of the GCF, particularly the investment framework. The Secretariat convened and provided support to the TAP during its meeting held in Songdo, Republic of Korea, from 22 to 26 September 2015, where it prepared assessment findings of funding proposals against the investment criteria.

2.9 Participation of observers

2.9.1 Accreditation of observer organizations

61. The Secretariat opened the eighth round of applications for accreditation of observer organizations to the GCF on 25 August 2015. The Secretariat reviewed the applications and sent a summary with recommendations to the Board to grant applicants observer status. The proposed decision was transmitted to the Board on 25 September for approval on a no-objection basis by 16 October. The Secretariat will accordingly update the GCF website with the updated list of accredited observer organizations on approval of the applications.

2.9.2 Consultations with observers

62. A conference call was held with active observers regarding the agenda for B.11 and the GCF information disclosure policy on 19 August 2015.

63. Consultations were also held with the active observers in the development of document GCF/B.11/Inf.07 titled "Strategic plan for the Green Climate Fund (Progress report)".

III. Cross-cutting matters

3.1 Strategic plan progress report

64. In the implementation of decision B.10/14, the Secretariat has compiled a progress report on the strategic plan for the GCF. Inputs received from the Board formed the basis for the report. The process also entailed research on a variety of funds in the climate and health sectors in order to provide the Board with lessons that can be learned from such funds and reviewing options for the strategic direction of the GCF. Consultations on the draft Board document with the active observers of both the CSOs and private sector organizations and NDAs were also conducted. Document GCF/B.11/Inf.07 is presented for consideration by the Board at B.11.

3.2 Call for public inputs and stakeholder engagement

65. As requested by the Board, the Secretariat published calls for public inputs in relation to the matters listed below during the reporting period:

- (a) Call for inputs to the monitoring and accountability framework for accreditation entities, published on 30 July 2015; and
- (b) Call for inputs to the GCF information disclosure policy, published on 27 August 2015.

66. In addition, the Country Programming Division of the Secretariat held three virtual meetings with the CSO Advisory Group and arranged telephone calls with CSOs to discuss their participation in GCF regional workshops.

3.3 Engagement with the United Nations Framework Convention on Climate Change, its thematic bodies and other climate-relevant funds

67. In its guidance to the GCF at its twentieth session, the COP requested the GCF “to enhance its collaboration with existing funds under the Convention and other climate relevant funds in order to enhance the complementarity and coherence of policies and programming at the national level” (COP decision 7/CP.20, para. 16). The COP also requested the Board, “when deciding its policies and programme priorities, to consider the information and lessons learned through engagement with other relevant bodies under the Convention, and other relevant international institutions” (COP decision 7/CP.20, para. 15). Collaboration with such bodies is ongoing, and this section reports on how the GCF has taken the COP guidance into consideration.

68. The GCF has engaged with the following bodies during the reporting period:

- (a) The Standing Committee on Finance;
- (b) The Adaptation Committee;
- (c) The Technology Executive Committee;
- (d) The Climate Technology Centre and Network; and
- (e) The Ad Hoc Working Group on the Durban Platform for Enhanced Action.

3.3.1 Participation in meetings and events

69. The GCF has participated in meetings and events of the UNFCCC, its relevant thematic bodies and other climate-relevant institutions, and has benefited from the exchange of information through this form of engagement. Participation in the meetings and events of these bodies was as follows:

- (a) The Co-Chair of the Board, Mr. Henrik Harboe, attended the eleventh meeting of the Technology Executive Committee via a teleconference (10 September 2015), supported by the Secretariat.

70. Representatives of the Secretariat also participated in the following events:

- (a) The UNFCCC African Regional Workshop on Nationally Appropriate Mitigation Actions (17–19 August 2015, Kigali, Rwanda);
- (b) The UNFCCC Ad Hoc Working Group on the Durban Platform for Enhanced Action (31 August–4 September 2015, Bonn, Germany);
- (c) The eleventh meeting of the Technology Executive Committee (7–11 September 2015, Bonn, Germany);
- (d) The Third Forum of the Standing Committee on Finance (Enhancing coherence and coordination of forest financing) (8–9 September 2015, Durban, South Africa); and
- (e) The 6th Advisory Board Meeting of the Climate Technology Centre and Network (14–16 September 2015, Copenhagen, Denmark).

3.3.2 Consideration of information and lessons learned through engagement with other bodies

71. In accordance with COP decision 7/CP.20, paragraph 15, the GCF has promoted engagement with the UNFCCC thematic bodies by conducting expert consultations and applying findings and lessons learned from previous experiences of relevant institutions in the development of the GCF policy documents.

72. An example of such consideration during the reporting period was in the development of the strategic plan progress report. The process involved reviewing the lessons learned from the operation of other funds and drawing therefrom (in addition to inputs received from Board members) in proposing options for the strategic direction of the GCF.

73. The GCF has also taken into consideration events of the UNFCCC thematic bodies and climate-relevant funds in the organization of its own meetings and events to avoid overlaps.

3.4 External relations and communications

74. Interest in the GCF is increasing significantly. A wide range of stakeholders has approached the GCF to solicit the participation of the Executive Director in speaking or public outreach activities, across all regions. More than 200 requests have been received by the Secretariat over the course of the approximately three-month reporting period to request some type of involvement of the GCF, including from international organizations and their respective sub-bodies, CSOs, universities and research institutes, private sector partners and media. Requests are being responded to formally, in many cases by means of official correspondence.

75. Secretariat activities in support of media outreach have been stepped up in order to advance the profile and image of the GCF in the international community during the decisive months before COP 21. The Executive Director has given approximately 30 interviews to key media outlets in anglophone and francophone countries. Interviews are usually shared with the stakeholders of the GCF and through social media.

76. Wherever possible, the GCF has attempted to increase its visibility in other international forums by linking its cross-cutting subject to partners who work on other sustainable development goals. GCF communications, messaging and outreach supported the participation of the Executive Director in the Ministers of Environment Meeting of European Union Member States (the largest contributor to the GCF), in the Financing for Development Conference in Addis Ababa (a platform for international finance institutions) and in the World Water Week (an investment forum to promote the mandate of the GCF and present its most recent progress), among others.

77. These external relations activities have been complemented by additional outreach efforts that are targeted at positioning the GCF within the climate finance landscape, the multilateral institutional sector and the global public mind (e.g. briefing to European Union Ministers of Finance via Bruegel, a think tank). The Executive Director and senior management have received an increasing number of visitors to the GCF headquarters to showcase the work of the GCF first hand, including to ministerial and corporate delegations, more than 50 of which have visited the GCF during the past three months.

78. Further communication activities included the development of a new website, as well as the production of GCF publications. Additional key priority areas for the period included the advancement of the GCF brand and visual identity, as well as the development of marketing materials.

IV. Bilateral agreements on privileges and immunities

79. This section of the report responds to decision B.10/12, paragraph (c), which “requests the Secretariat to report at each meeting of the Board as part of the Secretariat’s activities on any agreements or other appropriate arrangements [relating to bilateral privileges and immunities] which have been concluded or implemented”.

80. In decision B.10/12, the Board approved reference provisions for incorporation into bilateral agreements on the privileges and immunities of the GCF and authorized the Executive Director to “negotiate and sign, or otherwise develop, taking account of the draft provisions...and the domestic legal and policy frameworks of countries, agreements or other appropriate arrangements with countries on the privileges and immunities of the Green Climate Fund”.

81. In line with this decision, the Secretariat is actively pursuing discussions with developed and developing countries, based on the reference provisions and some proposed additions. Action is being taken to contact, prior to B.11, at least 15 developed country Parties and 30 developing country Parties.

82. The approval requirements for such an agreement vary. In some countries, parliamentary approval for the conclusion of agreements on the privileges and immunities of the GCF is required, while in others such agreements can be concluded by government. Moreover, some countries have specific constraints and concerns regarding such agreements, which are carefully considered by the Secretariat during the negotiations of bilateral agreements, taking account of the specific circumstances of each country. Overall, the agreements focus only on the core requirements that are essential for the effective performance of the functions of the GCF and the operationalization of its activities.

83. Decision B.10/12 “further requests the Secretariat to incorporate in the report to the Conference of the Parties to the United Nations Framework Convention on Climate Change a section on the status of the Fund’s existing privileges and immunities with regard to its operational activities, starting at its twenty-first session and thereafter biennially, consistent with decision 7/CP.20, paragraph 22”. The “Biennial report on the privileges and immunities of the Green Climate Fund” report is included in the annex to this document. This status report is intended to be included in the addendum to the “Fourth Report of the Green Climate Fund to the Conference of Parties to the United Nations Framework Convention on Climate Change” which will be issued and submitted to the UNFCCC secretariat after B.11 and before COP 21, in line with decision B.10/18. paragraph (b).

Annex: Biennial report on the privileges and immunities of the Green Climate Fund

I. Background

1. In 2011, the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) provided in COP decision 1/CP.16, paragraph 102, for the establishment of the Green Climate Fund (GCF):

“to be designated as an operating entity of the Financial Mechanism of the Convention under Article 11, with arrangements to be concluded between the Conference of the Parties and the Green Climate Fund to ensure that it is accountable to and functions under the guidance of the Conference of the Parties, to support projects, programmes, policies and other activities in developing country Parties using thematic funding windows;”

2. The Governing Instrument for the GCF was approved at the seventeenth session of the COP by COP decision 3/CP.17. Paragraphs 7 and 8 of the Governing Instrument read, respectively, as follows:

“7. In order to operate effectively internationally, the Fund will possess juridical personality and will have such legal capacity as is necessary for the exercise of its functions and the protection of its interests.

8. The Fund will enjoy such privileges and immunities as are necessary for the fulfilment of its purposes. The officials of the Fund will similarly enjoy such privileges and immunities as are necessary for the independent exercise of their official functions in connection with the Fund.”

3. Currently, the GCF is not institutionally linked to the United Nations Secretariat, nor can it be classified as a specialized agency of the United Nations. Thus, the Convention on the Privileges and Immunities of the United Nations and the Convention on the Privileges and Immunities of the Specialized Agencies do not apply to the GCF. Hence, alternative arrangements need to be made, consistent with paragraphs 7 and 8 of the Governing Instrument, to ensure that the GCF and the persons associated with it are covered by privileges and immunities. The GCF sought to do so by pursuing two options, namely: (i) an institutional linkage between the GCF and the United Nations;¹ and (ii) bilateral agreements with country Parties to the Convention on the privileges and immunities of the GCF.

II. Guidance of the Conference of the Parties

4. Paragraphs 20, 21 and 22 of COP decision 7/CP.20 titled “Report of the Green Climate Fund and guidance to the Green Climate Fund” provide:

“The Conference of the Parties...

20. *Takes note* of Green Climate Fund Board decision B.08/24 on the institutional linkage between the United Nations and the Green Climate Fund, and requests the Board of the Green Climate Fund to continue further deliberations on privileges and immunities, and to report on this matter to the

¹ For further details, see document GCF/B.08/39 titled “Options for an institutional linkage between the United Nations and the Fund” and decision B.08/24.

Conference of the Parties at its twenty-first session (November–December 2015);

21. *Urges* developing country Parties to enter into bilateral agreements with the Green Climate Fund based on the template to be approved by the Board of the Green Climate Fund, in order to provide privileges and immunities for the Fund, in accordance with Green Climate Fund Board decision B.08/24, paragraph (b);

22. *Requests* the Board of the Green Climate Fund to report biennially to the Conference of the Parties on the status of existing privileges and immunities with regard to its operational activities, starting at the twenty-first session of the Conference of the Parties;”

III. Board decision

5. Consistent with the COP guidance, the Board, having reviewed document GCF/B.10/12 titled “Template for the Bilateral Agreement on Privileges and Immunities”, at its tenth meeting in Songdo, Republic of Korea, in July 2015, adopted decision B.10/12 which:

- (a) “Authorizes the Executive Director to negotiate and sign, or otherwise develop, taking account of the draft provisions set out in Annex XXV hereto and the domestic legal and policy frameworks of countries, agreements or other appropriate arrangements with countries on the privileges and immunities of the Green Climate Fund (the Fund);
- (b) Also authorizes the Executive Director to develop additional arrangements to elaborate on the privileges and immunities negotiated or otherwise developed by the Fund and country Parties to address privileges, immunities or exemptions for:
 - (i) Conferences or other international meetings of the Fund;
 - (ii) Country or regional offices of the Fund, or any permanent presence in a country;
 - (iii) Resolution of disputes regarding the application of privileges and immunities of the Fund; and
 - (iv) Any other privileges, immunities, or exemptions that the country and the Fund may agree as necessary to protect the Fund and persons associated with the Fund;
- (c) Requests the Secretariat to report at each meeting of the Board as part of the Secretariat’s activities on any agreements or other appropriate arrangements which have been concluded or implemented;
- (e) Further requests the Secretariat to incorporate in the report to the Conference of the Parties to the United Nations Framework Convention on Climate Change a section on the status of the Fund’s existing privileges and immunities with regard to its operational activities, starting at its twenty-first session and thereafter biennially, consistent with decision 7/CP.20, paragraph 22.”

6. Annex XXV, referred to in decision B.10/12, contains reference provisions approved by the Board for incorporation in bilateral agreements with country Parties to the Convention. These are not comprehensive and may be, as authorized by the Board, supplemented by additional arrangements and provisions to be developed.

IV. Bilateral agreements on the privileges and immunities of the Green Climate Fund

7. In line with decision B.10/12, the Secretariat is actively pursuing discussions with developed and developing countries, based on the reference provisions and some proposed additions, to ensure that the GCF and the persons associated with it are covered by privileges and immunities. Action is being taken to contact for that purpose, prior to the eleventh meeting of the Board in November 2015, at least 15 developed country Parties and 30 developing country Parties.

8. The approval requirements for agreements on privileges and immunities vary. In some countries, parliamentary approval for the conclusion of agreements on the privileges and immunities of the GCF is required, while in others such agreements can be concluded by government. Moreover, some countries have specific constraints and concerns regarding such agreements, which are carefully considered by the Secretariat during the negotiations of bilateral agreements, taking account of the specific circumstances of each country. Overall, the agreements focus only on the core requirements that are essential for the effective performance of the functions of the GCF and the operationalization of its activities.

V. Institutional linkage

9. As regards institutional linkage, the Board, as mandated by the COP, undertook further deliberations on privileges and immunities. As already indicated in the Fourth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change,² the Board considers it desirable to further pursue consideration of an institutional linkage between the United Nations and the GCF, which might either entail that the Convention on the Privileges and Immunities of the United Nations would become applicable to the staff of the GCF, or, alternatively, with a more limited scope and purpose, that the staff of the GCF may make use of the United Nations laissez-passer. The GCF further considers it desirable that a detailed study regarding this matter be carried out by the UNFCCC secretariat. To this end, the GCF recommends that the COP request the UNFCCC secretariat to prepare a technical paper to explore various options for an institutional linkage between the United Nations and the GCF, including those mentioned above, for consideration by the COP at its twenty-second session.

² Document GCF/B.10/08, paragraph 25.