



**GREEN  
CLIMATE  
FUND**

**Meeting of the Board**  
8 – 10 March 2016  
Songdo, Incheon, Republic of Korea  
Provisional agenda item 8 (b)

**GCF/B.12/04/Rev.01**

4 March 2016

---

# Guidance from the Conference of Parties: Proposal from the Co-Chairs

---

## **Summary**

This document contains a proposal from the Co-Chairs on the guidance from the Conference of Parties.

# Guidance from the Conference of Parties: Co-Chairs' proposal

## Proposal from the Co-Chairs

### I. Introduction

1. This document contains a proposal from the Co-Chairs of the Board in relation to the guidance from the twenty-first meeting of the Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change to the Green Climate Fund (the Fund).
2. The Governing Instrument of the Fund provides for arrangements to be concluded between the COP and Fund, consistent with Article 11 of the Convention, to ensure that the Fund is accountable to and functions under the guidance of the COP.
3. The Governing Instrument further provides that in order to ensure accountability to the COP, pursuant to Article 11, paragraph 3, the Board will:
  - (a) Receive guidance from the COP, including on matters related to policies, programme priorities and eligibility criteria, and matters related thereto;
  - (b) Take appropriate action in response to the guidance received;
  - (c) Submit annual reports to the COP for its consideration and receive further guidance.
4. COP21 provided further guidance to the Fund in the following decisions:
  - (a) Decision 4/CP.21 - National adaptation plans;
  - (b) Decision 7/CP.21 - Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund;
  - (c) Decision 8/CP.21 - Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility;
  - (d) Decision 13/CP.21 - Linkages between the Technology Mechanism and the Financial Mechanism of the Convention;
  - (e) Decision 16/CP.21 - Alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests; and
  - (f) Decision 19/CP.21 - Extension of the mandate of the Least Developed Countries Expert Group.
5. This proposal provides an explanation from the Co-Chair as to how this guidance is taken up in the 2016 Work Plan. It further provides a draft decision for the Board on matters requiring further consideration. Following the adoption of the decision, the Work Plan will be amended to reflect these mandates.
6. Co-Chairs' understand that matters related to the Paris Agreement will be covered in discussions on the Strategic Plan.

**Table 1: Summary of Guidance from the twenty-first meeting of the Conference of the Parties to the UN Framework Convention on Climate Change**

COP Guidance	2016 Work Plan	Decisions for B.12
<b>Decision 7/CP.21: Report of the Green Climate Fund</b>		
Also welcomes the establishment of a project preparation facility that will be targeted to small-scale activities and direct access entities, and requests the Board of the Green Climate Fund to consider lessons learned from other relevant facilities (Paragraph 6)	Include under Country Programming and the implementation of the readiness and preparatory support programmes at B.12 – B.15, and Review of the Project Preparation Facility at B.14	<ul style="list-style-type: none"> <li>• Guidance on the Project Preparation Facility</li> </ul>
Urges Parties that made pledges under the initial resource mobilization process of the Green Climate Fund but have not yet confirmed them to the Green Climate Fund through fully executed contribution arrangements or agreements to do so as a matter of high priority (Paragraph 8).	Standing Agenda item on the Status of Initial Resource Mobilization Process (B12 – B.15)	<ul style="list-style-type: none"> <li>• Pro forma decision on matters related to the execution of contributions agreements/arrangements.</li> <li>• Loan Agreements with France and Canada</li> </ul>
Reiterates the invitation for financial inputs from a variety of sources, public and private, including alternative sources, throughout the initial resource mobilization process (Paragraph 9).	Matters related to contributions from philanthropic and other actions, scheduled for B.14	<ul style="list-style-type: none"> <li>• No decision</li> </ul>
Requests the Board of the Green Climate Fund to agree on the arrangements for the first formal replenishment process of the Green Climate Fund as soon as feasible (Paragraph 10).	Scheduled for B.12. Informal session at B.13 and expected conclusions no later than B.14	<ul style="list-style-type: none"> <li>• Procedural decision mandating the co-chairs to consult on the design of the replenishment process.</li> </ul>
Requests the Board of the Green Climate Fund to ensure that the revised funding proposal template and concept note template are designed to facilitate the application process (Paragraph 13).	Progress report for B.12, and conclusion of the review of the initial approvals processes at B.13	<ul style="list-style-type: none"> <li>• Pending outcomes of the small group and co-chairs consultations</li> </ul>

<p>Also requests the Board of the Green Climate Fund to adopt a simplified process for approval of proposals for certain activities, in particular for small-scale activities, as soon as possible in 2016, to reduce complexities and costs involved in project proposal development (Paragraph 14).</p>	<p>Schedule for B.12 under the Co-Chairs proposals, and expected conclusions no later than B.13</p>	<ul style="list-style-type: none"> <li>• Procedural decision mandating the co-chairs to consult and report back and conclude matter at B.13</li> </ul>
<p>Urges the Board of the Green Climate Fund to streamline the accreditation modalities and to seek a balance of diversity in accredited entities (Paragraph 16).</p>	<p>Strategy on Accreditation for consideration at B.12. Further actions pending adoption of the Strategy</p>	<ul style="list-style-type: none"> <li>• Decision on Strategy on Accreditation</li> </ul>
<p>Takes note of the progress achieved to date in the implementation of the readiness and preparatory support programme of the Green Climate Fund and stresses the importance of improving the approval process and timely disbursement of readiness resources to facilitate readiness programme implementation pursuant to Green Climate Fund Board decision B.11/04 (Paragraph 17).</p>	<p>Review of the readiness process, review of the readiness allocation, country programming guidelines, matters related to the Readiness Grant Agreement and the independent evaluation of the readiness programmes</p>	<ul style="list-style-type: none"> <li>• Decision related to the Review of the readiness process</li> <li>• Decision related to the review of the readiness allocation</li> <li>• Decision related to the country programming guidelines</li> <li>• Decisions related to matters related to the Readiness Grant Agreements</li> </ul>
<p>Requests the Board of the Green Climate Fund to prioritize the development of its initial risk management framework (Paragraph 18).</p>	<p>Adoption of initial risk appetite at B.12. Further work to be added to the Work Plan as appropriate.</p>	<ul style="list-style-type: none"> <li>• Adoption of initial risk appetite at B.12</li> </ul>
<p>Also requests the Board of the Green Climate Fund to enhance transparency and stakeholder engagement (Paragraph 19).</p>	<p>Comprehensive Informal Disclosure Policy at B.12 Comprehensive review of active observers at B.12, B.13 and B.15</p>	<ul style="list-style-type: none"> <li>• Decision adopting the Comprehensive Informal Disclosure Policy</li> <li>• Procedural decision on the comprehensive review of active observers</li> </ul>
<p>Urges the Board of the Green Climate Fund to operationalize the Independent Evaluation Unit, Independent Redress Mechanism and Independent Integrity Unit as a matter of urgency and to make public the</p>	<p>Appoint Heads of Units and agree matters related to the interim redress arrangements at B.13</p>	<ul style="list-style-type: none"> <li>• Decision to defer adoption of the performance evaluation for the Heads of the Accountability units until B.13</li> </ul>

<p>procedures Parties and affected individuals should follow when seeking redress until the Independent Redress Mechanism is operationalized (Paragraph 20).</p>		
<p>Invites the Board of the Green Climate Fund to take into account in its programmatic priorities the Cancun Adaptation Framework, in particular the principles referred to in decision 1/CP.16, paragraph 12, and the activities referred to in decision 1/CP.16, paragraph 14 (Paragraph 21).</p>	<p>Co-Chairs proposal on Guidance from the Conference of the Parties at B.12</p>	<ul style="list-style-type: none"> <li>• Procedural decision requesting new work by the Secretariat</li> </ul>
<p>Also invites the Board of the Green Climate Fund, in line with paragraph 38 of the governing instrument of the Green Climate Fund, to consider ways to provide support, pursuant to the modalities of the Green Climate Fund, for facilitating access to environmentally sound technologies in developing country Parties, and for undertaking collaborative research and development for enabling developing country Parties to enhance their mitigation and adaptation action (Paragraph 22).</p>	<p>Co-Chairs proposal on Guidance from the Conference of the Parties at B.12<sup>1</sup></p>	<ul style="list-style-type: none"> <li>• Procedural decision requesting new work by the Secretariat</li> </ul>
<p>Urges the Board of the Green Climate Fund to operationalize results-based payments for activities referred to in decision 1/CP.16, paragraph 70, consistent with decision 9/CP.19, and in accordance with Green Climate Fund Board decision B.08/08 (Paragraph 23).</p>	<p>Co-Chairs proposal on Guidance from the Conference of the Parties at B.12</p>	<ul style="list-style-type: none"> <li>• Procedural decision requesting new work by the Secretariat</li> </ul>
<p>Encourages the Board of the Green Climate Fund to consider the mobilization of private sector finance to progress the Green Climate Fund's forestry-related result areas (Paragraph 24).</p>	<p>Co-Chairs proposal on Guidance from the Conference of the Parties at B.12</p>	<ul style="list-style-type: none"> <li>• Procedural decision requesting new work by the Secretariat</li> </ul>

<sup>1</sup> This would also include follow-up in relation to Decision B/CP.21, paragraph 4, which states "Welcomes the efforts to date of the Global Environment Facility to engage with the Green Climate Fund and encourages both entities to further articulate and build on the complementarity of their policies and programmes within the Financial Mechanism of the Convention." It will also consider elements related to Decision 1/CMP.11, paragraph 4 Report of the Adaptation Fund Board.

<p>Requests the Board of the Green Climate Fund to take into account decision 16/CP.21, in particular paragraph 6, referring to support for alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests, as appropriate, in its funding decisions (Paragraph 25).</p>	<p>Co-Chairs proposal on Guidance from the Conference of the Parties at B.12</p>	<ul style="list-style-type: none"> <li>• Procedural decision requesting new work by the Secretariat<sup>2</sup></li> </ul>
<p>Encourages the Board of the Green Climate Fund to improve complementarity and coherence with other institutions per paragraphs 33 and 34 of the governing instrument of the Green Climate Fund, including by engaging with relevant bodies of the Convention, such as the Standing Committee on Finance (Paragraph 26).</p>	<p>Initial scheduling for B.12, with a first substantive discussion at B.14.</p>	<ul style="list-style-type: none"> <li>• Procedural decision requesting new work by the Secretariat</li> </ul>
<p>Urges the Board of the Green Climate Fund to develop appropriate mechanisms to support the fund through appropriate expert and technical advice, including from thematic bodies, as appropriate (Paragraph 27).</p>	<p>Consideration by the Board at B.13</p>	
<p><b>Decision 4/CP.21: National adaptation plans</b></p>		
<p>Invites the Green Climate Fund, as an operating entity of the Financial Mechanism, in accordance with paragraphs 36 and 40 of its governing instrument, 5 to consider how to improve access to financial support for the process to formulate and implement national adaptation plans (Paragraph 6).</p>	<p>Included under country programming and the implementation of the readiness and preparatory support programme.<sup>3</sup></p>	<ul style="list-style-type: none"> <li>• Proposed decision on readiness support resources for voluntary adaptation planning at B.12</li> </ul>

<sup>2</sup> This work will also consider relevant paragraphs of Decision 16/CP.21 Alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests.

<sup>3</sup> This would also include consideration of future inputs, including those listed in Decision 19/CP.21 *Extension of the mandate of the Least Developed Countries Expert Group* Also decides that the Least Developed Countries Expert Group should be mandated to provide technical guidance and advice on: (c) Accessing funding from the Green Climate Fund for the process to formulate and implement national adaptation plans in collaboration with the Green Climate Fund secretariat (Paragraph 2).

<b>Decision 13/CP.21: Linkages between the Technology Mechanism and the Financial Mechanism of the Convention</b>		
Invites the Board of the Green Climate Fund to provide its recommendations, in accordance with decision 1/CP.18, paragraph 62, for consideration by the Conference of the Parties at its twenty-second session (Paragraph 4)	Included under the agenda item on relationship with the UNFCCC thematic bodies scheduled for B.13	<ul style="list-style-type: none"> <li>• The Board may wish to consider this at B.12</li> </ul>
Recognizes the importance of and the need for defined, mutually beneficial and functional linkages between the Technology Mechanism and the Financial Mechanism through its operating entities, the Global Environment Facility and the Green Climate Fund (Paragraph 5)	Included under the agenda item on relationship with the UNFCCC thematic bodies scheduled for B.13	
Requests the Technology Executive Committee, the Climate Technology Centre and Network and the operating entities of the Financial Mechanism to continue to consult on and further elaborate, including through an in-session workshop at the forty-fourth sessions of the subsidiary bodies (May 2016), the linkages between the Technology Mechanism and the Financial Mechanism (Paragraph 8)	Included under the agenda item on relationship with the UNFCCC thematic bodies scheduled for B.13	<ul style="list-style-type: none"> <li>• The Board may wish to consider this at B.12</li> </ul>

## Annex I: Co-Chairs' Draft Decisions on Guidance from the COP

The Board,

- (a) Requests the Secretariat to prepare a document for consideration by the Board at its thirteenth session that outlines the Fund's approach for ensuring complementarity and coherence with other institutions in accordance with Paragraph 33 and 34 of the Governing Instrument of the Fund and relevant COP guidance;
- (b) Also requests the Secretariat to prepare a document for consideration by the Board at its fourteenth session that outlines ways to provide support pursuant to the existing Fund modalities, for facilitating access to environmentally sound technologies in developing countries, and for undertaking collaborative research and development for enabling developing countries to enhance their mitigation and adaptation action;
- (c) Further requests the Secretariat to present a document for consideration by the board at its thirteenth session on how the Fund may wish to support the the Cancun Adaptation Framework<sup>1</sup> and relevant adaptation planning articles of the Paris Agreement<sup>2</sup>;
- (d) Also requests the Secretariat to provide a document for consideration by Board at its fourteenth meeting, regarding the operationalization of results-based payments<sup>3</sup> and support for alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests;<sup>4</sup>and
- (e) Invites the Private Sector Advisory Group to make recommendations on the mobilization of private sector finance to progress the Fund's forestry-related result areas for consideration by the Board at its fifteenth meeting in 2016.

---

<sup>1</sup> In particular, the principles referred to in decision 1/CP.16, paragraph 12, and the activities referred to in decision 1/CP.16, paragraph 14.

<sup>2</sup> In particular, Article 7, paragraph 9.

<sup>3</sup> As referred to in decision 1/CP.16, paragraph 70, consistent with decision 9/CP.19, and in accordance with decision B.08/08.

<sup>4</sup> In particular, decision 16/CP.21, paragraph 6.