



**GREEN
CLIMATE
FUND**

Meeting of the Board
8 – 10 March 2016
Songdo, Republic of Korea
Provisional Agenda Item 2

GCF/B.12/Inf.10
7 March 2015

Annotations to the provisional agenda

Summary

This document contains annotations to the provisional agenda as contained in document GCF/B.12/01/Drf.02.

Agenda item 1: Opening of the meeting

1. The twelfth meeting of the Board (B.12) will be opened by the Co-Chairs on Tuesday, 8 March 2016 at 9:00 a.m.

Agenda item 2: Adoption of the agenda and organization of work

2. **Background:** The provisional agenda as determined and confirmed by the Co-Chairs was circulated to the Board and posted on the GCF website as document GCF/B.12/01/Drf.01 on 12 February 2015. An updated provisional agenda, also determined and confirmed by the Co-Chairs, was later circulated on 27 February 2015 as document GCF/B.12/01/Drf.02.
3. **Action:** In accordance with paragraph 20 of the Rules of Procedure of the Board, the Board is invited to adopt the provisional agenda as contained in document GCF/B.12/01/Drf.02 titled "Provisional agenda", and the organization of work as contained in the document.

<i>GCF/B.12/01/Drf.02</i>	<i>Provisional agenda</i>
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Agenda item 3: Adoption of the report of the eleventh Board meeting

4. **Background:** A draft report of the eleventh meeting of the Board (B.11), which took place in Livingstone, Zambia, from 2 to 5 November 2015, was transmitted to the Board as document GCF/B.11/25/Drf.01 titled "Report of the eleventh meeting of the Board, 2–5 November 2015" on 19 February 2016 for a 10-day review period. No comments were received from the Board and the report was re-transmitted to the Board on 1 March 2015 as document GCF/B.11/25 with a view to it being adopted at B.12.
5. **Action:** The Board is invited to adopt the report of B.11 as contained in document GCF/B.11/25.

<i>GCF/B.11/25</i>	<i>Report of the eleventh meeting of the Board, 2–5 November 2015</i>
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Agenda item 4: Decisions taken between the eleventh and twelfth meeting of the Board

6. **Background:** Document GCF/B.12/Inf.04 titled "Decisions proposed and approved in between the eleventh and twelfth meetings of the Board" is intended to inform the Board on the decisions proposed and approved between B.11 and B.12.
7. **Action:** The Board is invited to take note of the information provided in document GCF/B.12/Inf.04.

<i>GCF/B.12/Inf.04</i>	<i>Decisions proposed and approved in between the eleventh and twelfth meetings of the Board</i>
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Agenda item 5: Report on the activities of the Co-Chairs

8. **Background:** Document GCF/B.12/Inf.01 titled “Report on activities of the Co-Chairs” provides information on the main activities undertaken by the Co-Chairs from early November 2015 to early March 2016.

9. **Action:** The Board is invited to take note of the information provided in document GCF/B.12/Inf.01.

GCF/B.12/Inf.01

Report on activities of the Co-Chairs

Agenda item 6: Report on the activities of the Secretariat

10. **Background:** The “Report on the activities of the Secretariat”, as provided in document GCF/B.12/Inf.02, is intended to inform the Board on the activities carried out by the Secretariat over recent months, particularly from November 2015 to February 2016, including the activities related to: (a) the implementation of mandates outlined in previous decisions of the Board; and (b) portfolio development; readiness and preparatory support; accreditation; legal, financial and administrative support; resource mobilization; communications and outreach; and support to the Board.

11. **Action:** The Board is invited to take note of the information provided in document GCF/B.12/Inf.02.

GCF/B.12/Inf.02

Report on the activities of the Secretariat

Agenda item 7: Reports from committees, panels and groups

- (a) **Ethics and Audit Committee**
- (b) **Risk Management Committee**
- (c) **Investment Committee**
- (d) **Accreditation Committee**
- (e) **Private Sector Advisory Group**
- (f) **Ad Hoc Appointments Committee**
- (g) **Accreditation Panel**
- (h) **Independent Technical Advisory Panel**

12. **Background:** Document GCF/B.12/02 titled “Reports from committees, panels and groups of the Board of the Green Climate Fund” contains the reports on activities of the following committees and panels of the Board, covering the reporting period from November 2015 to mid-February 2016:

- (a) Accreditation Panel;
- (b) Ad Hoc Appointments Committee;
- (c) Risk Management Committee;
- (d) Independent Technical Advisory Panel; and
- (e) Investment Committee.

13. Other committees, panels and groups may report orally to the Board during B.12.

14. **Action:** The Board is invited to take note of the information provided in document GCF/B.12/02 and any other information provided in oral reports from other committees, panels and groups.

GCF/B.12/02

Reports from committees, panels and groups of the Board of the Green Climate Fund

Agenda item 8: 2016 Work Plan of the Board

- (a) **2016 Work Plan of the Board**
- (b) **Guidance from the Conference of the Parties: Proposal from the Co-Chairs**
- (c) **Matters outstanding from previous Board meetings: Proposal from the Co-Chairs**

15. **Background:** Document GCF/B.12/03/Rev.01 titled “2016 work plan of the Board: proposal from the Co-Chairs” contains the proposal of the Co-Chairs for the work plan of the Board for 2016. It takes into consideration the discussions at the informal Board dialogue held in Cape Town, South Africa, from 2 to 4 February 2016, and comments received from Board members. A draft 2016 work plan was shared with the Board for comment on 12 February 2016.

16. In addition to the work plan, the Co-Chairs have submitted two complementary proposals:

- (a) Document GCF/B.12/04/Rev.01 titled “Guidance from the Conference of Parties: proposal from the Co-Chairs” which contains the proposal of the Co-Chairs for addressing guidance to the GCF from the Conference of the Parties to the United Nations Framework Convention on Climate Change at its twenty first session.
- (b) Document GCF/B.12/05/Rev.01 titled “Matters outstanding from previous Board meetings: proposal from the Co-Chairs” contains the proposal of the Co-Chairs for addressing a number of outstanding agenda items that the Board has been unable to address or resolve to date.

17. **Action:** The Board is invited to:

- (a) Adopt the draft decision presented in annex I to document GCF/B.12/03/Rev.01, approving the work plan of the Board for 2016, as set out in annex II to document GCF/B.12/03/Rev.01, and requesting the Co-Chairs to update the 2016 work plan following each meeting of the Board;
- (b) Also adopt the draft decision presented in annex I to document GCF/B.12/04/Rev.01 on addressing guidance from the Conference of the Parties; and
- (c) Further adopt the draft decision presented in annexes I to XI to document GCF/B.12/05/Rev.01 on matters outstanding from previous Board meetings.

GCF/B.12/03/ Rev.01

2016 work plan of the Board: proposal from the Co-Chairs

GCF/B.12/04/Rev.01

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

GCF/B.12/05/Rev.01

Matters outstanding from previous Board meetings: proposal from the Co-Chairs

Agenda item 9: Performance Review of the Executive Director

18. **Background:** This agenda item stems from decision B.11/06 where the Board decided “on the need to undertake and conclude a review of the performance of the Executive Director by the first meeting of the Board in 2016”.
19. **Action:** The ad hoc group on the performance review of the Executive Director will advise the Board on the action that it is invited to undertake.

Agenda item 10: Strategic Plan for the Green Climate Fund

20. **Background:** At B.11, the Board noted the need to set out a strategic plan for the GCF in order to further operationalize the Governing Instrument for the GCF and to guide the GCF (decision B.11/03). In addition, the Board decided to establish an ad hoc group of Board/Alternate members to oversee and guide the presentation of a draft strategic plan for the GCF for consideration and adoption by the Board at B.12.
21. The ad hoc group held six virtual meetings and two in-person meetings in January and February 2016. It based its deliberations on elements of convergence within the Board in decision B.11/03, paragraph (c), and 24 submissions received by the Secretariat.
22. Document GCF/B.12/06 titled “Report on the development of the draft strategic plan for the Green Climate Fund: submission from the ad hoc group of Board/Alternate members” is the submission from the ad hoc group of Board/Alternate members on the strategic plan for the Green Climate Fund.
23. **Action:** The Board is invited to adopt the strategic plan contained in document GCF/B.12/06 as the strategic plan of the Green Climate Fund.

GCF/B.12/06

Report on the development of the Draft Strategic Plan for the Green Climate Fund: submission from the ad hoc group of Board/Alternate members

Agenda item 11: Strategy on accreditation

24. **Background:** This agenda item stems from decision B.10/06, paragraph (r), which requested “the Accreditation Committee with the support of the Secretariat to work on a strategy on accreditation for consideration by the Board at its eleventh meeting”.
25. **Action:** The Accreditation Committee will advise on the action that the Board is invited to undertake.

Agenda item 12: Process for the Appointment of the Executive Director

26. **Action:** The Co-Chairs will introduce and lead the Board discussions on this agenda item.

Agenda item 13: Funding proposals and matters related to the proposal approval process; including status of the Fund's pipeline and the Project Preparation Facility

- (a) **Update on the status of the Fund's pipeline**
- (b) **Progress report on the review of the project approval process**
- (c) **Project Preparation Facility**
27. **Background:** Three documents relating to this agenda item were transmitted to the Board as follows:
- (a) Document GCF/B.12/Inf.08 titled "Status of the Fund's portfolio: pipeline and approved projects" provides an update of the portfolio of the GCF, including pipeline of projects and programmes and the eight funding proposals approved at B.11.
- (b) Document GCF/B.12/Inf.05 titled "Review of the initial proposal approval process (progress report)" provides an update on the progress made on the review of the initial proposal approval process as mandated by decision B.11/11.
28. **Action:** The Board is invited to take note of the information provided in documents GCF/B.12/Inf.08 and GCF/B.12/Inf.05.

<i>GCF/B.12/Inf.08</i>	<i>Status of the Fund's portfolio: pipeline and approved projects</i>
<i>GCF/B.12/Inf.05</i>	<i>Review of the initial proposal approval process (progress report)</i>

Agenda item 14: Communications Strategy of the Fund

29. **Background:** The Board, through decision B.04/14, requested the Secretariat, under the guidance of the Co-Chairs, to develop a communications strategy with the assistance of a consultant or consultants, on the basis of the terms of reference contained in annex II to decision B.04/14 (annex II to document GCF/B.04/17). The document GCF/B.12/Inf.03 titled "Communications strategy of the Green Climate Fund" responds to this request.
30. **Action:** The Board is invited to take note of the information provided in document GCF/B.12/Inf.03.

<i>GCF/B.12/Inf.03</i>	<i>Communications strategy of the Green Climate Fund</i>
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Agenda item 15: Status of resources and staffing of the Secretariat

- (a) **Status of resources**
31. **Background:** Document GCF/B.12/Inf.09 titled "Green Climate Fund Trust Fund financial report as of 31 December 2015" was prepared by the World Bank in its capacity as the Interim Trustee of the GCF. It encompasses financial information as at 31 December 2015.
32. **Action:** The Board is invited to take note of the information provided in document GCF/B.12/Inf.09.

<i>GCF/B.12/Inf.09</i>	<i>Green Climate Fund Trust Fund financial report as of 31 December 2015</i>
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(b) **Staffing of the Secretariat**

33. **Background:** Document GCF/B.12/15 titled “Revised administrative budget and staffing of the Secretariat for 2016” builds on document GCF/B.11/11 titled “Annual update of structure and staffing of the Secretariat” and document GCF/B.11/12 titled “Updated administrative guidelines on human resources” for 2016-2018, considered by the Board at B.11.
34. **Action:** The Board is invited to adopt the draft decision presented in annex I to document GCF/B.12/15.

GCF/B.12/15

Revised administrative budget and staffing of the Secretariat for 2016

Agenda item 16: Status of the initial resource mobilization process

(a) **Status of the initial resource mobilization**

35. **Background:** Document GCF/B.12/14 titled “Status of the Initial Resource Mobilization process” provides an update for the Board on the Initial Resource Mobilization process, including the status of signing for contribution agreements/arrangements; the current commitment authority highlighting the current cash and promissory notes available; and the forecast of available resources for commitment and disbursement. The document also proposes a decision for consideration by the Board on the endorsement of contributions pledged within the Initial Resource Mobilization period to be paid up to and including 2020; and on the endorsement of certain conditions requested by Spain in its contribution agreement.
36. **Action:** The Board is invited to adopt the draft decision presented in annex I to the document.

GCF/B.12/14

Status of the Initial Resource Mobilization process

(b) **Loan Agreements**

37. **Background:** Document GCF/B.12/12 titled “Status of the Initial Resource Mobilization process: loan agreement/arrangement” proposes a decision by the Board to confirm the terms of the loan arrangement entered into with the Government of Canada and the loan agreement entered into with Agence française de développement, acting on behalf of and at the risk of the French Government.
38. **Action:** The Board is invited to adopt the draft decision presented in annex I to document GCF/B.12/12.

GCF/B.12/12

Status of the Initial Resource Mobilization process: loan agreement/arrangement

Agenda item 17: Consideration of Accreditation Proposals

39. **Background:** Document GCF/B.12/07 titled “Consideration of accreditation proposals” presents accreditation proposals based on the applications received up to 31 January 2016 for consideration by the Board. In addition, it provides a follow-up on Board decisions in relation to

accreditation, an update on the accreditation process, the status of applications, and the status of accredited entities addressing accreditation conditions.

40. In accordance with decision B.10/06, paragraph (p), limited distribution addenda to document GCF/B.12/07 (Add.1 to Add.3) present additional information on the matter.

41. **Action:** The Board is invited to adopt the draft decision presented in annex I to the document GCF/B.12/07.

<i>GCF/B.12/07</i>	<i>Consideration of accreditation proposals</i>
<i>GCF/B.12/07/Add.1</i>	<i>Consideration of accreditation proposals – Addendum</i>
<i>GCF/B.12/07/Add.2</i>	<i>Consideration of accreditation proposals – Addendum</i>
<i>GCF/B.12/07/Add.3</i>	<i>Consideration of accreditation proposals – Addendum</i>

Agenda item 18: Legal and formal arrangements with Accredited Entities

(a) Accreditation Master Agreements

(b) Readiness Grant Agreement

42. **Background:** The Board, in decision B.09/08, called for the GCF to enter into agreements or other arrangements with entities upon their accreditation by the Board, taking into account certain considerations endorsed by the Board in relation to the form, structure and content of such agreements or arrangements. The decision further authorized the Executive Director (or his/her designee), on behalf of the GCF, to negotiate and agree on the terms and conditions of such agreements with accredited entities, reflecting the scope of the accreditation, and to enter into such agreements.

43. Document GCF/B.12/23 (limited distribution) was issued for consideration by the Board on this matter.

44. **Action:** The Board is invited to adopt the draft decision presented in annex I to the document.

<i>GCF/B.12/23 (Limited distribution)</i>	<i>Accreditation master agreement</i>
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Agenda item 19: Country programming, and the implementation of readiness and preparatory support

(a) Readiness and Preparatory Support

(b) Country Programming Guidelines

45. **Background:** The Board, at its sixth meeting, requested the Executive Director to report to the Board twice a year on activities undertaken under the Readiness and Preparatory Support Programme, including joint activities with existing initiatives, and on the progress of committing and disbursing available funds (decision B.06/11).

46. Document GCF/B.12/Inf.06 titled “Progress and outlook report of the Readiness and Preparatory Support Programme” gives an overview of the progress made with the programme since its inception and specific results obtained since October 2015, including country ownership activities and the Project Preparation Facility.

47. **Action:** The Board is requested to take note of the information provided in document GCF/B.12/Inf.06.

GCF/B.12/Inf.06

Progress and outlook report of the Readiness and Preparatory Support Programme

Agenda item 20: Further development of indicators in the performance management framework

48. **Background:** The Board, in decision B.08/07, paragraph (b), requested the Secretariat to further develop the indicators marked as “noted, but further refinement needed” in the performance measurement frameworks (PMFs).

49. Document GCF/B.12/13 titled “Further development of indicators in the performance measurement frameworks” provides information and updates in response to the request of the Board. It presents the revision of some indicators of the GCF mitigation and adaptation performance measurement frameworks as requested by decision B.08/07. It also presents an initial evaluation policy and an initial results management framework for the Readiness and Preparatory Support Programme.

50. **Action:** The Board is invited to:

- (a) Consider the information provided in document GCF/B.12/13; and
- (b) Adopt the draft decision presented in annex I to the document.

GCF/B.12/13

Further development of indicators in the performance measurement frameworks

Agenda item 21: Initial risk appetite of the Fund

51. **Background:** Pursuant to decision B.10/08, the Board adopted the GCF risk dashboard and requested the Secretariat, in consultation with the Risk Management Committee, to prepare a detailed risk register and to apply the risk appetite methodology of the GCF to assist the Board in the process of establishing priorities, targets, tolerances and limits for the different categories and subcategories of the risk dashboard.

52. Document GCF/B.12/17 titled “Initial risk management framework: risk register, risk appetite update and initial risk guidelines for credit and investment” presents three key elements of the overall risk management framework: (a) a detailed risk register; (b) an update on the process of risk appetite setting and other elements of the risk management framework; and (c) initial risk guidelines for credit and investments.

53. **Action:** The Board is invited to:

- (a) Take note the progress made in developing the risk appetite of the GCF; and

- (b) Adopt the proposed risk register and initial risk guidelines for credit and investment as outlined in annexes II and V to the document, respectively.

GCF/B.12/17

Initial risk management framework: risk register, risk appetite update and initial risk guidelines for credit and investment

Agenda item 22: Comprehensive Information Disclosure Policy of the Fund

54. **Background:** This agenda item follows decision B.05/15, paragraph (b), where the Board requested the Secretariat to develop a comprehensive draft information disclosure policy, based on the negative list approach described in section 3.3 of document GCF/B.04/10 titled “Information disclosure, including webcasting”.

55. This item is currently under consideration by the Ethics and Audit Committee and no corresponding document has been issued as yet.

Agenda item 23: Term of Board Membership

56. **Background:** Pursuant to decision B.10/16, paragraph (b), the Board requested the Secretariat to further consider the possibility of aligning the term of Board membership to the calendar year and to report back to the Board at B.12. Document GCF/B.12/25 titled “Term of Board membership” responds to this request and presents a draft decision to align the terms of office for members of the Board and alternate members of the Board, the Co-Chairs and active observers to the calendar year.

57. **Action:** The Board having considered the document GCF/B.12/25 is invited to adopt the draft decision presented in annex I to the document.

GCF/B.12/25

Term of Board Membership

Agenda item 24: Establishment of the Budget Committee of the Board

58. **Background:** The Board, in decision B.11/08, decided to establish a Budget Committee as a standing committee of the Board in accordance with paragraph 30 of the Rules of Procedure and requested the Secretariat to present terms of reference of the Committee for consideration by the Board at B.12. Document GCF/B.12/26 titled “Establishment of a Budget Committee of the Board” contains the draft terms of reference of the Budget Committee.

59. **Action:** The Board is invited to:

- (a) Consider the information provided in document GCF/B.12/26; and
(b) Adopt the draft decision presented in annex I to the document.

GCF/B.12/26

Establishment of a Budget Committee of the Board

Agenda item 25: Interim Trustee review and other trustee matters

60. **Background:** Following on from decision B.08/22, document GCF/B.12/18 titled “Trustee arrangements, including the review of the Interim Trustee and the initiation of a process to select the Trustee of the Green Climate Fund” presents an update on the steps towards selecting a Permanent Trustee and proposes a draft decision for consideration by the Board on the terms of reference of the selection process for the review of the Interim Trustee.
61. **Action:** Having reviewed document GCF/B.12/18, the Board is invited to adopt the draft decision presented in annex I to the document.

GCF/B.12/18

Trustee arrangements, including the Review of the Interim Trustee and the initiation of a process to select the Trustee of the Green Climate Fund

Agenda item 26: Outstanding elements related to the Fund’s fiduciary standards

62. **Background:** The Board, by decision B.10/06, paragraph (n), requested the Secretariat “to present relevant policies addressing fraud, corruption and other prohibited practices, and policies addressing anti-money laundering and countering the financing of terrorism issues, taking into account relevant Board decisions and international best practices and standards for inclusion in the Fund’s fiduciary principles and standards adopted in decision B.07/02, for consideration by the Board no later than its eleventh meeting”. In response, document GCF/B.11/18 titled “Policies addressing fraud, corruption and other prohibited practices, and policies addressing anti-money laundering and countering the financing of terrorism (status update)” was produced on 18 October 2015.
63. **Action:** Matters related to this agenda item are under consultation.

Agenda item 27: Administrative matters

(a) Update on the Administrative Guidelines on Procurement

64. **Background:** Document GCF/B.12/19 titled “Extension of approval period for the Administrative guidelines on procurement” presents a request for the Board to approve an extension of the Guidelines on procurement to facilitate additional work to be done by the Procurement Specialist and the Office of the General Counsel.
65. **Action:** The Board is invited to adopt the draft decision presented in annex I to the document.

GCF/B.12/19

Extension of approval period for the Administrative guidelines on procurement

(b) Information Note on the Administrative Guidelines on Human Resources

66. **Background:** Upon consideration of the Updated administrative guidelines on human resources (GCF/B.11/19), the Board requested its members to provide written suggestions for possible changes to the guidelines by 15 December 2015. This document is therefore a compilation of suggestions received from members of the Board and the Secretariat’s comments for consideration by the Board. Based on the guidance received at B.12, the Updated

administrative guidelines on human resources will be presented to the Board for consideration at its thirteenth meeting.

67. **Action:** The Board is invited to take note of the suggested changes to the Administrative guidelines on human resources.

GCF/B.12/20

Information note on the Administrative guidelines on human resources

(c) **Status of the GCF Administrative Tribunal**

68. **Background:** Document GCF/B.12.21 titled “Administrative Tribunal of the Green Climate Fund (status update)” proposes options for the establishment of an administrative tribunal, an independent judicial forum of last resort to serve the GCF, for the resolution of employment cases and disputes. It forms part of the Grievance procedures of the Fund.

69. **Action:** The Board is invited to adopt the draft decision presented in annex I to the document.

GCF/B.12/21

Administrative Tribunal of the Green Climate Fund (status update)

(d) **Report on the execution of the administrative budget and unaudited financial statements for 2015**

70. **Background:** Document GCF/B.12/Inf.07 titled “Report on the execution of the administrative budget and unaudited financial statements 2015” presents a review of the 2015 administrative budget of the GCF. It is based on actual expenditures relating to activities of the Board and the Secretariat for the period from 1 January to 31 December 2015, and on estimated expenditures for the Interim Trustee. Please note that these numbers are unaudited. The document also introduces the unaudited financial statements of the GCF as at 31 December 2015.

71. **Action:** The Board is invited to note the figures in the administrative budget and the unaudited financial statements for 2015.

GCF/B.12/Inf.07

Report on the execution of the administrative budget and unaudited financial statements 2015

Agenda item 28: Dates of the following meeting of the Board

72. **Background:** Document GCF/B.12/27 titled “Date and venue of the following meeting of the Board” proposes the date and venue of the thirteenth meeting of the Board.

73. **Action:** The Board is invited to adopt the draft decision presented in annex I to the document.

Agenda item 29: Other matters

74. Any other matters that the Board may wish to consider as indicated at the adoption of the agenda of B.12 will be taken up under this agenda item.

Agenda item 30: Report of the meeting

75. **Action:** As per paragraph 13 of the Rules of Procedure, before the end of the meeting, the Co-Chairs will present a draft report of the meeting containing the decisions of the meeting, for consideration and approval by the Board.

Agenda item 31: Close of the meeting

76. B.12 is scheduled to be closed on Thursday, 10 March 2016.
