



**GREEN  
CLIMATE  
FUND**

**Meeting of the Board**  
13 – 15 December 2016  
Apia, Samoa  
Provisional agenda item 16(e)

**GCF/B.15/13**

**5 December 2016**

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# Consideration of funding proposals

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## **Summary**

This document presents the funding proposals for the Board's consideration at its fifteenth meeting. It also presents an overview of the GCF portfolio and a brief guide to the funding proposal packages.

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## I. Overview of funding proposals for consideration

### 1.1 Funding proposals submitted for consideration by the Board

1. As at 31 October 2016, the GCF pipeline is comprised of 46 funding proposals which request a total GCF funding of USD 3.2 billion to support projects and programmes totalling USD 10.2 billion, when taking co-financing into account.<sup>1</sup> Of the 46 funding proposals, 9 proposals have gone through the four stages of the proposal review and approval process and are being submitted to the Board for consideration at its fifteenth meeting.<sup>2</sup> These 9 proposals request USD 387.5 million of GCF funding, supporting projects and programmes with a total value of USD 1.2 billion. Table 1 presents the list of the 9 proposals. The numbering of the funding proposals continues from the 27 proposals approved at previous Board meetings.<sup>3</sup>

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

| No.                                | Project name  | Accredited entity | Country  | Thematic window | Public/private | GCF funding (million USD) <sup>a</sup> |
|------------------------------------|---|-------------------|--|-----------------|----------------|--|
| FP 028                             | Business Loan Programme for GHG Emissions Reduction   | XacBank           | Mongolia   | Mitigation      | Private        | 20                                     |
| FP 029                             | SCF Capital Solutions   | DBSA              | South Africa   | Cross-cutting   | Private        | 12.2                                   |
| FP 030                             | Catalyzing Private Investment in Sustainable Energy in Argentina – Part 1                           | IDB               | Argentina  | Mitigation      | Private        | 133                                    |
| FP 032                             | Enhancing Women and Girls Adaptive Capacity to Climate Change in Bangladesh                         | UNDP              | Bangladesh   | Adaptation      | Public         | 67.2                                   |
| FP 033                             | Accelerating the Transformational Shift to a Low-Carbon Economy in the Republic of Mauritius        | UNDP              | Mauritius  | Mitigation      | Public         | 28.2                                   |
| FP 034                             | Building Resilient Communities, Wetlands Ecosystems and Associated Catchments in Uganda             | UNDP              | Uganda   | Adaptation      | Public         | 24.1                                   |
| FP 035                             | Climate Information Services for Resilient Development in Vanuatu (Van CIS RDP)                     | SPREP             | Vanuatu  | Adaptation      | Public         | 23                                     |
| FP 036                             | Pacific Islands Renewable Energy Investment Program   | ADB               | Cook Islands, Marshall Islands, Micronesia (Federated States of), Nauru, Papua New Guinea, Samoa and Tonga | Cross-cutting   | Public         | 22                                     |
| FP 037                             | Integrated Flood Management to Enhance Climate Resilience of the Vaisigano River Catchment in Samoa | UNDP              | Samoa  | Adaptation      | Public         | 57.7                                   |
| <b>Total GCF funding requested</b> |   |                   |  |                 |                | <b>387.5</b>                           |

*Abbreviations:* ADB = Asian Development Bank, DBSA = Development Bank of Southern Africa, IDB = Inter-American Development Bank, SPREP = Secretariat of the Pacific Regional Environment Programme, UNDP = United Nations Development Programme, XacBank = XacBank LLC.

<sup>1</sup> For detailed information regarding the GCF pipeline, see document GCF/B.15/Inf.10 titled “Status of the Fund’s portfolio: pipeline and approved projects”.

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

<sup>3</sup> Note final documentation for proposal FP031 was not submitted by the Accredited Entity in time for submission to the Board for consideration at its fifteenth meeting.

<sup>a</sup>The individual funding amounts are rounded to the nearest tenth therefore the total may not be the exact sum of these numbers due to rounding.

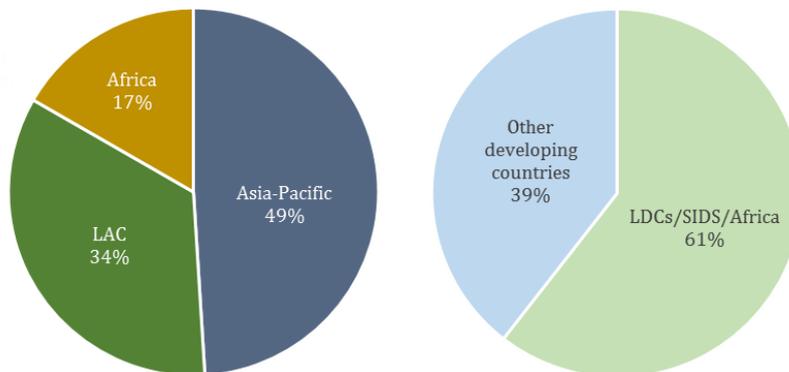
2. Of the 9 funding proposals submitted for the Board’s consideration, 6 are public-sector proposals requesting GCF funding of USD 222 million and 3 are private-sector proposals requesting GCF funding of USD 165 million.
3. Three of the 9 proposals were submitted by direct access entities, requesting USD 55 million of GCF funding. Of these, two are private-sector projects requesting USD 32.2 million, which have been developed from the concept notes shortlisted under the first micro-, small- and medium-sized enterprise pilot programme.
4. The geographical distribution of the 9 funding proposals is presented in table 2 below.

**Table 2. Geographical distribution of the funding proposals submitted to the Board for consideration at its fifteenth meeting**

|                                 | <b>Requested GCF amount</b><br>(millions of United States dollars) |
|---------------------------------|--|
| Africa                          | 64.6   |
| Asia-Pacific                    | 189.9  |
| Latin America and the Caribbean | 133.0  |
| <b>Total</b>                    | <b>387.5</b>   |

5. Of the 9 funding proposals for consideration, 7 target the least developed countries, small island developing States and African States, totalling USD 234 million, and account for 61 per cent of the total requested GCF funding amount.
6. The geographical and thematic distribution as well as the distribution by financial instrument of the 9 funding proposals are presented in figures 1–3 below.

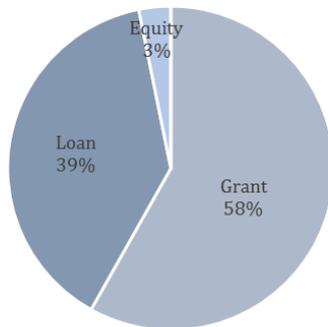
**Figure 1. Regional distribution of the requested amount of GCF funding (%)**



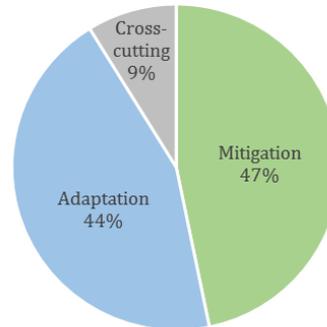
*Abbreviations:*

*LAC = Latin America and the Caribbean; LDCs = least developed countries; SIDS = small islands developing states*

**Figure 2. Total requested GCF amount by financial instrument (%)**



**Figure 3. Total requested GCF amount by theme (%)**



## 1.2 Projected portfolio composition

7. If the 9 funding proposals presented at its fifteenth meeting are approved by the Board, the aggregated portfolio would comprise 36 projects and programmes, with a total GCF funding amount of USD 1.6 billion and total value of USD 5 billion, when taking co-financing into account. The geographical distribution of the 36 projects or programmes is presented in table 3 below.<sup>4</sup>

**Table 3. Geographical distribution of the projected portfolio**

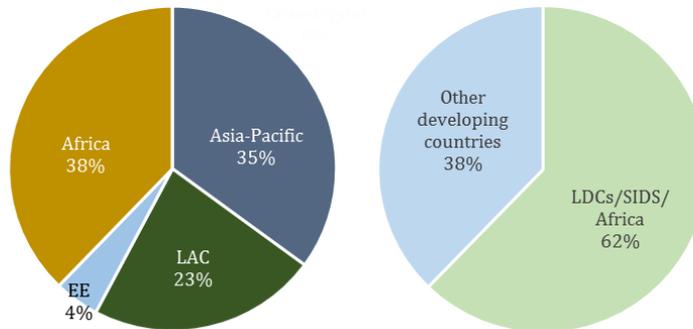
|                             | <b>Requested GCF amount</b><br>(millions of United States dollars) |
|-----------------------------|--|
| Africa                      | 588.6  |
| Asia-Pacific                | 546.2  |
| Latin America and Caribbean | 353.1  |
| Eastern Europe              | 69.1   |
| <b>Total</b>                | <b>1,557.0</b>   |

8. Of the 36 funding proposals in the projected portfolio, 24 projects and programmes target the least developed countries, small island developing States and African States totalling USD 969 million, and account for 62 per cent of the total requested GCF funding amount.

9. The geographical and thematic distribution as well as the distribution by financial instrument of the projected portfolio are presented in figures 4–6 below.

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

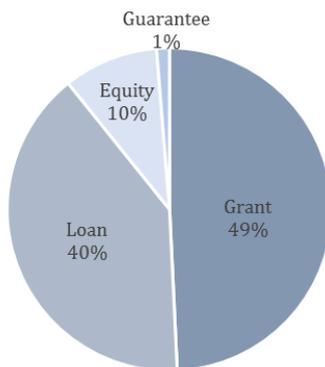
**Figure 4. Regional distribution of the projected portfolio (GCF funding in %)**



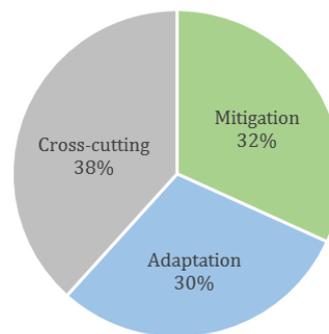
Abbreviations:

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

**Figure 5. Breakdown of projected portfolio by financial instrument (GCF funding in %)**



**Figure 6. Breakdown of projected portfolio by theme (GCF funding in %)**



## II. Funding proposal package guide

10. Nine funding proposal packages are presented as individual addenda (see document GCF/B.15/13/Add.01, 02/Rev.01, 03 and 05-10) containing three parts:

- (a) Part A. The funding proposal,<sup>5</sup> as submitted by the accredited entity (AE);
- (b) Part B. The no-objection letter, as issued by the national designated authority; and
- (c) Part C. The environmental and social report disclosure document.

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

- (a) Document GCF/B.15/13/Add.11–13/Rev.01: the funding proposal packages for FP 028–030, including the full funding proposals, term sheets and the Secretariat’s assessments<sup>6</sup>;
- (b) Document GCF/B.15/13/Add.15: the list of proposed conditions and recommendations. The Board is requested to review the proposed conditions and recommendations which it may choose to adopt in full or in part, for inclusion in the draft decision (see annex I);

<sup>5</sup> Due to the confidentiality of the private-sector proposals, funding proposal summary packages are presented.

<sup>6</sup> For confidentiality purposes, these addenda are made available on a secure website.

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- (c) Document GCF/B.15/13/Add.16/Rev.01: the independent Technical Advisory Panel's assessments;
  - (d) Document GCF/B.15/13/Add.17: the Secretariat's assessments for FP 032–037;
  - (e) Document GCF/B.15/13/Add.18: the term sheets for FP 032–037 setting out, in summary form, the key terms and conditions relating to the proposed funded activity;
  - (f) Document GCF/B.15/13/Add.19: the response of the AE to the independent Technical Advisory Panel's assessments; and
  - (g) Document GCF/B.15/13/Add.20: the gender assessments and action plans.
12. Due to the deliberative nature of this information, documents GCF/B.15/13/Add.15, 17 and 18 are made available in limited distribution.
13. On the basis of the information and assessments presented, the Board is requested to arrive at a decision for each funding proposal. Pursuant to decision B.07/03, the Board has three decision options:
- (a) To approve the funding proposal;
  - (b) To provide an approval that is conditional on modifications to project or programme design or that is subject to the availability of funding; or
  - (c) To reject the funding proposal.
14. Once the decision is made, it will be recorded by the Secretariat and communicated to the Interim Trustee. The Secretariat will also inform the AE and national designated authority or focal point of the decision and the next steps (decision B.07/03).

## Annex I: Draft decision of the Board

The Board, having considered document GCF/B.15/13 titled “Consideration of funding proposals”:

- (a) Takes note of the following funding proposals:
- (i) Funding proposal 028 titled “Business Loan Programme for GHG Emissions Reduction” by XacBank LLC, as contained in document GCF/B.15/13/Add.11/Rev.01;
  - (ii) Funding proposal 029 titled “SCF Capital Solutions” by the Development Bank of Southern Africa, as contained in document GCF/B.15/13/Add.12/Rev.01;
  - (iii) Funding proposal 030 titled “Catalyzing Private Investment in Sustainable Energy in Argentina – Part 1” by the Inter-American Development Bank, as contained in document GCF/B.15/13/Add./Rev.01;
  - (iv) Funding proposal 032 titled “Enhancing Women and Girls Adaptive Capacity to Climate Change in Bangladesh” by the United Nations Development Programme, as contained in document GCF/B.15/13/Add.05 and 18;
  - (v) Funding proposal 033 titled “Accelerating the Transformational Shift to a Low-Carbon Economy in the Republic of Mauritius” by the United Nations Development Programme, as contained in document GCF/B.15/13/Add.06 and 18;
  - (vi) Funding proposal 034 titled “Building Resilient Communities, Wetlands Ecosystems and Associated Catchments in Uganda ” by the United Nations Development Programme, as contained in document GCF/B.15/13/Add.07 and 18;
  - (vii) Funding proposal 035 titled “Climate Information Services for Resilient Development in Vanuatu (Van CIS RDP)” by the Secretariat of the Pacific Regional Environment Programme, as contained in document GCF/B.15/13/Add.08 and 18;
  - (viii) Funding proposal 036 titled “Pacific Islands Renewable Energy Investment Program” by the Asian Development Bank, as contained in document GCF/B.15/13/Add.09 and 18; and
  - (ix) Funding proposal 037 titled “Integrated Flood Management to Enhance Climate Resilience of the Vaisigano River Catchment in Samoa” by the United Nations Development Programme, as contained in document GCF/B.15/13/Add.10 and 18;
- (b) Approves funding proposal 028 for the amount of USD 20,000,000, submitted by XacBank LLC, subject to the conditions set out in document GCF/B.15/13/Add.15 and in the respective term sheet set out in document GCF/B.15/13/Add.11/Rev.01;
- (c) Also approves funding proposal 029 for the amount of USD 12,222,222, submitted by the Development Bank of Southern Africa, subject to the conditions set out in document GCF/B.15/13/Add.15 and in the respective term sheet set out in document GCF/B.15/13/Add.12/Rev.01;
- (d) Further approves funding proposal 030 for the amount of up to USD 133,000,000, submitted by the Inter-American Development Bank, subject to the conditions set out in document GCF/B.15/13/Add.15 and in the respective term sheet set out in document GCF/B.15/13/Add.13/Rev.01;
- (e) Also approves funding proposal 032 for the amount of USD 67,220,000, submitted by the United Nations Development Programme, subject to the conditions set out in document

- GCF/B.15/13/Add.15 and in the respective term sheet set out in document GCF/B.15/13/Add.18;
- (f) Further approves funding proposal 033 for the amount of USD 28,210,000, submitted by the United Nations Development Programme, subject to the conditions set out in document GCF/B.15/13/Add.15 and in the respective term sheet set out in document GCF/B.15/13/Add.18;
- (g) Approves funding proposal 034 for the amount of USD 24,140,000, submitted by the United Nations Development Programme, subject to the conditions set out in document GCF/B.15/13/Add.15 and in the respective term sheet set out in document GCF/B.15/13/Add.18;
- (h) Also approves funding proposal 035 for the amount of USD 22,953,000, submitted by the Secretariat of the Pacific Regional Environment Programme, subject to the conditions set out in document GCF/B.15/13/Add.15 and in the respective term sheet set out in document GCF/B.15/13/Add.18;
- (i) Further approves funding proposal 036 for the amount of USD 22,000,000, submitted by the Asian Development Bank, subject to the conditions set out in document GCF/B.15/13/Add.15 and in the respective term sheet set out in document GCF/B.15/13/Add.18;
- (j) Approves funding proposal 037 for the amount of USD 57,718,000, submitted by the United Nations Development Programme, subject to the conditions set out in document GCF/B.15/13/Add.15 and in the respective term sheet set out in document GCF/B.15/13/Add.18;
- (k) Reaffirms that pursuant to annex VII to decision B.07/03, the Executive Director or his designee is authorized to negotiate and enter into legal agreements on behalf of the GCF with accredited entities and other parties involved in respect of funding proposals approved by the Board, taking into account any condition set by the Board in this decision and in the decision accrediting the relevant accredited entity; and
- (l) Authorizes the Secretariat to disburse fees for each funded project/programme approved by the Board as per the disbursement schedule to be agreed in the funded activity agreement in accordance with the interim policy on fees for accredited entities adopted by the Board pursuant to decision B.11/10.
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