



**GREEN
CLIMATE
FUND**

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Provisional agenda item 9

GCF/B.16/Inf.15
24 March 2017

Update on progress in addressing guidance from the twenty-second session of the Conference of the Parties

Summary

This document provides an update on progress made in responding to guidance received from the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) at its twenty-second session, in particular UNFCCC decision 10/CP.22 titled “Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund”.

I. Introduction

1. In accordance with the Governing Instrument for the GCF, the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) provides annual guidance to the Board, and the Board takes appropriate action in response to this guidance. The Board through decision B.15/03 took note of the guidance provided by the Conference of the Parties at its twenty-second session (COP 22), in particular UNFCCC decision 10/CP.22.
2. In addition, through the same decision the Board:
 - (a) Requested the Secretariat to prepare a document for consideration by the Board at its sixteenth meeting that outlines the actions to be taken by the Board in order to facilitate an increase in proposals from direct access entities in the pipeline;
 - (b) Decided to include, where feasible, gender consideration in all of the activities of the GCF;
 - (c) Requested the Secretariat to include such information referred to in paragraph 2(a) above in its annual report to the COP;
 - (d) Decided in accordance with paragraph 38 of Rules of Procedure of the Board to invite the Chairs of the Technology Executive Committee and the Advisory Board of the Climate Technology Centre and Network to present to the Board at its seventeenth meeting (B.17) during its consideration of options for supporting collaborative research and development;
 - (e) Requested the Secretariat to include information on the actions taken to strengthen linkages between the Technology Mechanism in the sixth report of the GCF to the COP;
 - (f) Also requested the Secretariat to continue its efforts to negotiate and sign, or otherwise develop, agreements or other appropriate arrangements with countries on privileges and immunities consistent with decision B.10/12;
 - (g) Further requested the Secretariat to incorporate in its report to the twenty-third session of the Conference of the Parties to the United Nations Framework Convention on Climate Change a section on the status of the existing GCF privileges and immunities with regard to its operational activities consistent with UNFCCC decision 7/CP.20, paragraph 22;
 - (h) Requested the Private Sector Advisory Group to provide recommendations to the Board at B.17 on:
 - (i) The development of modalities to support activities enabling private sector involvement in the least developed countries and small island developing States; and
 - (ii) Opportunities to engage the private sector, including local actors, in adaptation action at the national, regional and international levels; and
 - (i) Decided to co-opt a Board representative from the least developed countries and another from the small island developing States to assist the Private Sector Advisory Group to develop its recommendations in relation to paragraph 2(h)(i) above.
3. This document provides an update on progress in addressing this Board decision and other guidance received at COP 22.

II. Update on the response to guidance from the twenty-second session of the Conference of the Parties

4. The progress in implementing the COP 22 guidance as at 22 March 2016 is provided in the table below.

Table: Update on progress in addressing guidance received from the twenty-second session of the Conference of the Parties

COP guidance	Progress in responding to the guidance
Guidance on REDD-plus	
<p>Urges the Board to finalize in a timely manner its work related to the guidance of the Conference of the Parties on financing for forests as mandated by decision 7/CP.21, paragraphs 23–25</p> <p>(UNFCCC decision 10/CP.22, para. 4)</p>	<p>Operationalizing results-based payments for REDD-plus (UNFCCC decision 7/CP.21, para. 23) Following decision B.14/03, the Board is scheduled to consider a request for proposals for REDD-plus results-based payments, including guidance consistent with the Warsaw Framework for REDD-plus and other REDD-plus UNFCCC decisions, taking into account the topics included in chapter IV of document GCF/B.14/03 titled “Support for REDD-plus” and decision B.08/08. The Board has also mandated the development of further guidance to support efforts by national designated authorities (NDAs) and focal points to engage with the GCF in the early phases of REDD-plus, which will also be brought forward for consideration by the Board</p> <p>Work to develop the REDD-plus RFP and further guidance to NDAs and focal points is under way. The Secretariat launched consultations with members of the Board and global REDD-plus stakeholders in February 2017 and will compile submissions from the consultation process which will serve as the basis for the development of an RFP for results-based payments</p> <p>Private sector engagement on forest finance (UNFCCC decision 7/CP.21, para. 24) In decision B.12/07, paragraph (f), the Board invited the Private Sector Advisory Group (PSAG) to make recommendations on the mobilization of private sector finance to progress the GCF forestry-related areas. A meeting of the PSAG was held in Cape Town, South Africa, on 20 to 23 February 2017. The Secretariat prepared a document to facilitate the discussion on the landscape of private sector engagement on forest finance</p> <p>Alternative policy approaches for the integral and sustainable management of forests (UNFCCC decision 7/CP.21, para. 25) As per decision B.12/07, paragraph (e), the Board is to consider a document prepared by the Secretariat regarding alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests consistent with UNFCCC decisions 16/CP.21, paragraph 6, and 7/CP.21, paragraph 25. The Secretariat is analyzing options to implement the alternative policy approaches and will present a document on the matter to the Board for its consideration</p>

COP guidance	Progress in responding to the guidance
Initial Resource Mobilization	
<p>Also urges Parties that made pledges under the initial resource mobilization process of the Green Climate Fund but have not yet confirmed them through fully executed contribution arrangements or agreements to do so as a matter of high priority (UNFCCC decision 10/CP.22, para. 5)</p>	<p>As at 14 March 2017, 44 countries/regions/cities that had made pledges at and since the High-level Pledging Conference of Interested Contributors to the Initial Resource Mobilization Process of the Green Climate Fund, held in 2014 in Berlin, Germany, had signed contribution agreement/arrangements for part or all of their pledges. This brings the total signed amount to approximately USD 10.1 billion equivalent</p> <p>However, there were 8 countries that had not signed the contribution agreements for part or all of their pledges. The GCF continues to make efforts to facilitate the signing of contribution agreements/arrangements for the unsigned pledged amounts</p> <p>Document GCF/B.16/Inf.10 titled “Status of the initial resource mobilization process” contains a more detailed update on the initial resource mobilization process. The pledge tracker^a available on the GCF website provides the most up-to-date information on status of</p>
Facilitating increase in proposals from direct access entities	
<p>Requests the Board to facilitate an increase in the amount of direct access proposals in the pipeline and to report to the Conference of the Parties on progress made in this regard (UNFCCC decision 10/CP.22, para. 6)</p>	<p>Reference is hereby made to document GCF/B.16/Inf.08 titled “Facilitating an increase in proposals from direct access entities”, which provides information on current engagement with direct access accredited entities, including the current status of the direct access accredited entities pipeline of projects; identifies and addresses direct access accredited entities’ needs for support; and provides options for additional support to direct access accredited entities that the Board may wish to consider</p> <p>Progress made in aiming to facilitate an increase in the amount of direct access proposals in the pipeline will be included in the draft sixth report of the GCF to the Conference of the Parties to be presented for consideration by the Board at its seventeenth meeting (B.17)</p>
Delivery of resources	
<p>Also requests the Board to take into account decision 1/CP.21, paragraph 64, to enhance the coordination and delivery of resources to support country-driven strategies through simplified and efficient application and approval procedures, and through continued readiness support to developing country Parties, including the least developed countries and small island developing States, as appropriate, and in accordance with Board decisions</p>	<p>Enhancing coordination in delivery of resources</p> <p>The Board, in decision B.13/12, mandated the preparation of an operational framework on complementarity and coherence around the key elements outlined in the Governing Instrument for the GCF, namely: (i) Board-level discussions on fund-to-fund arrangements; (ii) enhanced complementarity at the activity level; (iii) promotion of coherence at the national programming level; and (iv) complementarity at the level of delivery of climate finance through an established dialogue. The Board is to consider options for the operationalization of these key elements. Nonetheless, through the same decision, it initiated action on the key elements by mandating the initiation of an annual dialogue with climate finance delivery channels in order to enhance complementarity and coherence at the activity level.</p>

COP guidance	Progress in responding to the guidance
<p>(UNFCCC decision 10/CP.22, para. 7)</p>	<p>This work is expected to further enhance coordination in the delivery of resources to support country-driven strategies</p> <p>Simplified and efficient application and approval procedures</p> <p>Pursuant to decision B.11/11, the GCF has undertaken an initiative to review and to update the initial proposal approval process. The Board is to conclude this review</p> <p>Through decision B.13/20 the Board adopted principles to guide the development of a simplified process for the approval of proposals for certain activities, in particular small-scale activities, and requested the Secretariat to present the guidelines to the Board for consideration and approval. This matter is also under consideration by the Board and is scheduled to be discussed at its sixteenth meeting (B.16)</p> <p>In decision B.13/32, the Board welcomed the simplification of the Readiness and Preparatory Support Programme template and agreed to simplify the readiness grant agreement with a view to developing an arrangement for country programme framework agreements in order to expedite the disbursement of readiness resources</p> <p>Continued readiness support</p> <p>At its fifteenth meeting, the Board through decision B.15/04 approved an additional allocation of USD 50 million to the Readiness and Preparatory Support Programme to ensure continuation of readiness support to developing countries</p> <p>Document GCF/B.16/Inf.05 titled “Progress and outlook report of the Readiness and Preparatory Support Programme” provides the latest overview of progress made in the implementation of the programme</p>
<p>Requests the Board to enhance the delivery of resources by addressing those measures that are delaying the implementation of projects that have been approved by the Board, including the conclusion of pending accreditation master agreements and funded activity agreements</p> <p>(UNFCCC decision 10/CP.22, para. 10)</p>	<p>Enhancing delivery of resources</p> <p>As at 22 March 2017, accreditation master agreements (AMAs) had been signed with 20 of the 48 entities accredited to the GCF; and funded activity agreements (FAAs) of 5 projects had been signed out of 35 approved</p> <p>The Secretariat continues to make every effort to expedite the conclusion of legal agreements to pave the way for project implementation. Among other efforts, five additional legal personnel have joined the GCF since the second half of 2016 in order to strengthen the Secretariat’s capacity to review and process legal arrangements with accredited entities on AMAs and FAAs</p> <p>Document titled “Accreditation master agreements and funded activity agreements” (limited distribution; to be issued) provides an update on progress in the execution of AMAs and FAAs, including the challenges faced in concluding AMAs with entities accredited to the GCF</p>

COP guidance	Progress in responding to the guidance
Privileges and immunities for the GCF	
<p>Notes with concern the lack of signed bilateral agreements related to privileges and immunities in order for the Green Climate Fund to undertake its activities (UNFCCC decision 10/CP.22, para. 8)</p>	<p>As at 14 March 2017, the GCF has entered into bilateral agreements on privileges and immunities with 10 countries¹.</p>
<p>Looks forward to the biennial report on the matter referred to in paragraph 8 above, in accordance with decision 7/CP.20, paragraph 20, and Board decision B.08/24; (UNFCCC decision 10/CP.22, para. 9)</p>	<p>In accordance with UNFCCC decision 7/CP.20, paragraph 20, and decision B.15/03, paragraph (h), the biennial report on privileges and immunities of the GCF will be included in the draft sixth report of the GCF to the COP to be presented for consideration by the Board at B.17.</p>
Private sector engagement	
<p>Encourages the Board to implement its decision B.04/08 to develop modalities to support activities enabling private sector involvement in the least developed countries and small island developing States, and to seek opportunities to engage with the private sector, including local actors, on adaptation action at the national, regional and international levels (UNFCCC decision 10/CP.22, para. 11)</p>	<p>The Board through decision B.15/03, paragraph (i), requested the Private Sector Advisory Group (PSAG) to provide recommendations to the Board at its seventeenth meeting on:</p> <ul style="list-style-type: none"> (i) The development of modalities to support activities enabling private sector involvement in the least developed countries (LDCs) and small island developing States (SIDS); and (ii) Opportunities to engage the private sector, including local actors, in adaptation action at the national, regional and international levels <p>The Board decided to co-opt a Board representative from the LDCs and another from SIDS to assist the PSAG to develop its recommendations</p> <p>In addition, pursuant to decision B.13/05, paragraphs (c) and (d), the Board is scheduled to consider an analysis of barriers to crowding-in and maximizing the engagement of the private sector, and PSAG recommendations on the same. The Board also mandated the development of a private sector outreach plan</p> <p>The Secretariat carried out a survey of private sector actors and an analysis of barriers to crowding-in the private sector, which was presented to the PSAG, and these items are subsequently planned for presentation to the Board for its consideration, in driving towards the development of the private sector outreach plan</p>

¹ Antigua and Barbuda, Belize, Cook Islands, Honduras, Micronesia (Federated States of), Namibia, Papua New Guinea, Samoa, Solomon Islands and Zambia

COP guidance	Progress in responding to the guidance
	<p>A meeting of the PSAG was held in Cape Town, South Africa on 20 – 23 February 2017. The PSAG is expected to report on the outcome of its meeting at B.16, and expectedly their plan to address the mandates assigned to the group by the Board.</p>
Formal replenishment of the GCF	
<p>Reiterates its request to the Board to agree on the arrangements for the first formal replenishment process of the Green Climate Fund (UNFCCC decision 10/CP.22, para. 13)</p>	<p>In decision B.12/09, the Board requested the Co-Chairs to undertake consultations with the Board on the first formal replenishment process of the GCF and present a report on the outcomes of these consultations to the Board; and requested the Secretariat to support the Co-Chairs to prepare documentation related to the design and development of the first formal replenishment process</p> <p>This matter is scheduled for consideration by the Board at B.16. Document titled “Policies for the formal replenishment of the GCF” (to be issued) has been prepared to guide the Board in its deliberations on this matter</p>
Consideration of gender in the activities of the GCF	
<p>Requests the Financial Mechanism and its operating entities to include in their respective annual reports to the Conference of the Parties information on the integration of gender considerations in all aspects of their work (UNFCCC decision 21/CP.22, para. 21)^a</p>	<p>The Board through decision B.15/03 decided to include where feasible, gender consideration in all of the activities of the GCF and requested the Secretariat to include such information in its annual report to the Conference of the Parties</p> <p>The Secretariat continues to proactively integrate gender-related activities into GCF operations, including reviewing concept notes and funding proposals from a gender perspective, and strengthening gender-related activities in the Readiness and Preparatory Support Programme, to NDAs especially, on developing inclusive strategies and a multi-stakeholder consultation process that ensures the involvement of women. The Secretariat also developed a training manual on gender and climate change with UN Women</p> <p>A review of the GCF Gender policy and Gender action plan is in the pipeline for consideration by the Board</p> <p>Information on actions taken to include gender consideration in the activities of the GCF will be included in the draft sixth report of the GCF to the COP to be presented for consideration by the Board at B.17</p>
Linkages between the Technology Mechanism and the GCF	
<p>Encourages the Board of the Green Climate Fund to continue to invite the Chairs of the Technology Executive Committee and the Advisory Board of the Climate Technology Centre and Network to future meetings of the Board of Green Climate Fund on issues of common interest in order to strengthen the existing</p>	<p>By decision B.15/03, the Board decided to invite the Chairs of the Technology Executive Committee and the Advisory Board of the Climate Technology Centre and Network to present to the Board at B.17 during its consideration of options for supporting collaborative research and development, in accordance with paragraph 38 of the Rules of Procedure of the Board</p>

COP guidance	Progress in responding to the guidance
<p>linkages between the Technology Mechanism and Financial Mechanism (UNFCCC decision 14/CP.22, para. 3)^a</p>	
<p>Encourages the Technology Executive Committee, the Climate Technology Centre and Network and the operating entities of the Financial Mechanism to enhance the involvement of relevant stakeholders as they undertake actions to strengthen the linkages between the Technology Mechanism and the Financial Mechanism (UNFCCC decision 14/CP.22, para. 8)^a</p>	<p>By decision B.14/02, paragraph (f), the Board requested the Secretariat to prepare a document for consideration by the Board at B.17 identifying concrete options on how the GCF can support collaborative research and development in developing countries, in line with the operational modalities of the GCF, taking into account decisions B.13/11 and B.13/12, and in the context of the operational framework for complementarity and coherence with climate finance delivery channels</p>
<p>Invites the Technology Executive Committee, the Climate Technology Centre and Network and the operating entities of the Financial Mechanism to provide information on their actions in strengthening the linkages between the Technology Mechanism and the Financial Mechanism in their annual reports to the Conference of the Parties for guidance on further actions if needed (UNFCCC decision 14/CP.22, para. 9)^a</p>	<p>By decision B.14/02, paragraph (d), the Board decided to request the Secretariat to provide recommendations on further steps to enhance cooperation and coherence for consideration by B.17 of the Board, and in the context of the GCF operational framework on complementarity and coherence and the annual event with the thematic bodies of the UNFCCC</p>

Abbreviations: B.15-17 = fifteenth to seventeenth meetings of the Board, COP = Conference of the Parties, IRM = Initial Resource Mobilization, RFP = request for proposal, UN Women = United Nations Entity for Gender Equality and the Empowerment of Women, UNFCCC = United Nations Framework Convention on Climate Change, U

^a <<http://www.greenclimate.fund/partners/contributors/resources-mobilized>>.

III. Capacity-building and support

5. Through UNFCCC decision 16/CP.22, paragraph 9, the Conference of the Parties invited “United Nations agencies, multilateral organizations and relevant admitted observer organizations engaged in providing capacity-building support to developing countries to provide information to the secretariat to be uploaded on the capacity-building portal.”²

6. Pursuant to the same decision, the UNFCCC Secretariat issued an information note³ inviting submission of information on capacity-building activities undertaken between 1 January and 31 December 2016. The information note was shared with the GCF Secretariat.

7. The note requested for information submitted to be in accordance with the 15 priority areas for capacity-building identified in the framework for capacity-building in developing countries (annex to UNFCCC decision 2/CP.7), namely:

- (a) Institutional capacity-building, including the strengthening or establishment, as appropriate, of national climate change secretariats or national focal points;
- (b) Enhancement and/or creation of an enabling environment;
- (c) National communications;
- (d) National climate change programmes;
- (e) Greenhouse gas inventories, emission database management, and systems for collecting, managing and utilizing activity data and emission factors;
- (f) Vulnerability and adaptation assessment;
- (g) Capacity-building for implementation of adaptation measures;
- (h) Assessment for implementation of mitigation options;
- (i) Research and systematic observation, including meteorological, hydrological and climatological services;
- (j) Development and transfer of technology;
- (k) Improved decision-making, including assistance for participation in international negotiations;
- (l) Clean development mechanism;
- (m) Needs arising out of the implementation of Article 4, paragraphs 8 and 9, of the UNFCCC;
- (n) Education, training and public awareness;
- (o) Information and networking, including the establishment of databases.

8. As requested, the GCF Secretariat is working to provide information to be uploaded on the capacity-building portal under the applicable priority areas. The information to be submitted to the UNFCCC Secretariat is on capacity-building support provided by the GCF to developing countries through the Readiness and Preparatory Support Programme, the Project Preparation Facility and through the capacity-building components of projects and programmes approved to receive GCF support.

² <http://unfccc.int/capacitybuilding/activities.html>

³ http://unfccc.int/files/parties_and_observers/notifications/application/pdf/information_note_cbp_submission_2017.pdf

IV. Next steps in responding to guidance from the Conference of the Parties

9. Work to address guidance to the GCF received at COP 22. The draft sixth report of the GCF to the COP containing a comprehensive update on the progress made by the GCF in responding to COP guidance will be presented for consideration by the Board at B.17, with the aim of finalizing and submitting the report to the UNFCCC secretariat no later than 12 weeks prior to the commencement of the twenty-third session of the COP scheduled to be held on 6 to 17 November 2017 in Bonn, Germany.
