



**GREEN
CLIMATE
FUND**

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Provisional agenda item 9

GCF/B.19/02

26 January 2018

Guidance from the twenty-third session of the Conference of the Parties: Co-Chairs' proposal

Summary

This document presents the proposed actions to be undertaken by the Board in 2018 in response to guidance received from the Parties during the twenty-third session of the Conference of the Parties.

I. Introduction

1. This document contains a proposal from the Co-Chairs in relation to guidance received from the twenty-third session of the Conference of the Parties (COP 23) to the United Nations Framework Convention on Climate Change (UNFCCC) to the GCF, as contained in UNFCCC decision -/CP.22* titled “Report of the GCF to the COP and guidance to the GCF”.
2. In accordance with the Governing Instrument for the GCF, the Conference of the Parties (COP) provides annual guidance to the Board, and the Board takes appropriate actions in response to this guidance and reports back to the COP on how it has addressed the guidance received, through its annual report to the COP.
3. Furthermore, COP 23 concluded the sixth review of the Financial Mechanism of the Convention, as contained in UNFCCC decision -/CP.23 titled “Sixth review of the Financial Mechanism”.
4. Additionally, the following decisions adopted by the COP contain elements relevant to the GCF, and those requiring action from the GCF have been listed in table 1:
 - (a) Long-term climate finance (UNFCCC decision -/CP.23);
 - (b) Enhancing climate technology development and transfer through the Technology Mechanism (UNFCCC decision -/CP.23);
 - (c) Review of the functions of the Standing Committee on Finance (UNFCCC decision -/CP.23); and
 - (d) Fiji Momentum for Implementation (UNFCCC decision -/CP.23).
5. Table 1 provides information on how the Co-Chairs propose the Board address the guidance received from COP 23, including through the Board work plan for 2018 and proposed additional actions resulting from COP 23, as well other decisions adopted by COP 23 with elements requiring action by the GCF.
6. The draft decision in the annex provides decisions that further outline the Board’s intended actions to address matters emerging from COP 23.

*Decision numbers will be assigned in the forthcoming report of the session.

Table 1: Summary of guidance received from the twenty-third session of the Conference of the Parties and proposals on how it will be addressed by the Board

Relevant Guidance	2018 Work Plan and proposed additional actions
<p>Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund</p>	
<p>Notes that accreditation is pending for a significant number of entities; (UNFCCC decision -/CP.23, para. 4)*</p>	<ul style="list-style-type: none"> • Consideration of proposals to accredit entities at every Board meeting
<p>Welcomes the Board’s decision to trigger the review of the accreditation framework and its fit for purpose approach, and urges the Board to swiftly adopt and implement the revised framework with a view to simplifying and facilitating access to the Green Climate Fund, including for direct access entities and private sector actors; (UNFCCC decision -/CP.23, para. 5)*</p>	<ul style="list-style-type: none"> • Review of the Accreditation Framework commencing at B.19, in accordance with decision B.18/04
<p>Notes with concern the challenges in accessing financial resources for climate action in developing country Parties, especially in relation to funding for adaptation; (UNFCCC decision -/CP.23, para. 6)*</p>	<ul style="list-style-type: none"> • Consideration of funding proposals at each Board meeting • Ongoing work related to guidance and scope for providing support for adaptation activities, including for engaging the private sector in adaptation action, scheduled for Board consideration at B.20
<p>Requests the Board to ensure that all developing country Parties have access to all the financial instruments available through the Green Climate Fund, in line with the eligibility criteria referred to in the governing instrument and relevant decisions of the Conference of the Parties and to ensure application of the agreed policies of the Green Climate Fund; (UNFCCC decision -/CP.23, para. 7)*</p>	<ul style="list-style-type: none"> • Provisions in paragraphs 35 and 54 of the Governing Instrument for the Green Climate Fund • Ongoing work to further develop the investment framework, including further guidance on concessionality, indicative minimum benchmarks, and guidance and scope for providing support to adaptation activities

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<p>Confirms that the Green Climate Fund will finance agreed full and agreed incremental costs to enable and support enhanced action by developing countries to tackle climate change in line with the relevant provisions in the governing instrument of the Green Climate Fund; (UNFCCC decision -/CP.23, para. 8)*</p>	
<p>Welcomes the launch of the Simplified Approval Process Pilot Scheme and urges its implementation in line with Green Climate Fund Board decision B.18/06; (UNFCCC decision -/CP.23, para. 9)*</p>	<ul style="list-style-type: none"> • Secretariat to report back to the Board in accordance with decision B.18/06
<p>Encourages the Board to continue improving the process to review and approve readiness and preparatory support requests, including requests for support to prepare national adaptation plans and voluntary adaptation planning processes, including the timely disbursement for approved programmes; (UNFCCC decision -/CP.23, para. 10)*</p>	<ul style="list-style-type: none"> • Board approval of USD 50 million to the Readiness programme at B.18 to address immediate requests for the funding of national adaptation planning and/or other adaptation planning processes • Readiness programme progress and outlook reports, including status of NAPs • Ongoing evaluation of the Readiness programme
<p>Invites the Board to consider ways to improve the availability of information on accessing funding from the Green Climate Fund, as appropriate; (UNFCCC decision -/CP.23, para. 11)*</p>	<ul style="list-style-type: none"> • Consideration of a communications strategy at B.20
<p>Takes note of the biennial report on the status of privileges and immunities and expresses concern with the low level of bilateral arrangements concluded between the Green Climate Fund and Parties; (UNFCCC decision -/CP.23, para. 12)*</p>	<ul style="list-style-type: none"> • <u>Proposed additional action</u>: Discussion at B.19 on status of privileges and immunities informed by the privileges and immunities report contained in the sixth report of GCF to the Conference of the Parties, with a view to propose additional actions in line with Board decision B.10/12
<p>Encourages Parties to enter into agreements to grant the privileges and immunities needed for the effective and efficient</p>	

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<p>operationalization of the Green Climate Fund in accordance with national legislation and circumstances and Board decision B.10/12, as appropriate; (UNFCCC decision -/CP.23, para. 13)*</p>	
<p>Also encourages the Board to intensify its efforts to ensure that the Green Climate Fund will enjoy such privileges and immunities as are necessary for the fulfilment of its purposes; (UNFCCC decision -/CP.23, para. 14)*</p>	
<p>Urges the Board to ensure the continuation of trustee services and to conclude its deliberations on the selection of a trustee, including the terms of reference for the trustee, in accordance with previous decisions of the Conference of the Parties and the Board; (UNFCCC decision -/CP.23, para. 16)*</p>	<ul style="list-style-type: none"> • Issue forwarded to Co-Chairs for guidance upon decision of the Ad-hoc Trustee Selection Committee
<p>Encourages the Board to launch the first replenishment process of the Green Climate Fund in accordance with previous decisions of the Conference of the Parties and the Board; (UNFCCC decision -/CP.23, para. 17)*</p>	<ul style="list-style-type: none"> • Policies and procedures for the formal replenishment process to be considered by the Board in 2018
<p>Encourages the Board to include in its annual report to the Conference of the Parties information on projects approved by the Board that support the innovation and/or scaling-up of climate technologies with a view to informing the Technology Mechanism as it undertakes further work on climate technology innovation; (UNFCCC decision -/CP.23, para. 18)*</p>	<ul style="list-style-type: none"> • Board to consider a proposal on terms of reference for an RFP on technology incubators and accelerators at B.20 • <u>Proposed additional action:</u> GCF to include in its annual report to the Conference of the Parties information on projects approved by the Board that support the innovation and/or scaling up of climate technologies

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Sixth Review of the Financial Mechanism	
<p>Requests the operating entities of the Financial Mechanism to continue to enhance complementarity and coherence; (UNFCCC decision -/CP.23, para. 3)*</p>	<ul style="list-style-type: none"> • Board to consider report on the progress made and outputs from the Operational Framework on complementarity and coherence at B.20
Other decisions adopted by COP 23 with elements requiring action by the GCF	
Long-term Finance	
<p>Requests the Secretariat, in collaboration with the operating entities of the Financial Mechanism, United Nations agencies and bilateral, regional and other multilateral channels, to explore ways and means to assist developing country Parties in assessing their needs and priorities, in a country-driven manner, including technological and capacity-building needs, and in translating climate finance needs into action; (UNFCCC decision -/CP.23, para. 10)*</p>	<ul style="list-style-type: none"> • Secretariat to continue collaboration in line with decision B.13/11
Fiji Momentum for Implementation	
<p>Decides to convene a stocktake on pre-2020 implementation and ambition at the twenty-fourth session of the Conference of the Parties, which will apply the format of the 2016 facilitative dialogue and consider, inter alia: (a) The inputs of the Conference of the Parties, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, the Subsidiary Body for Implementation, the Subsidiary Body for Scientific and Technological Advice, the constituted bodies under the Convention and the Kyoto Protocol, and the operating entities of the Financial Mechanism</p>	<ul style="list-style-type: none"> • GCF to continue to provide its report to the Conference of the Parties, in accordance with paragraphs 4-6 of the Governing Instrument for the GCF

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Relevant Guidance	2018 Work Plan and proposed additional actions
<p>Also decides to convene a stocktake on pre-2020 implementation and ambition at the twenty-fifth session of the Conference of the Parties (November 2019), which will apply the format of the stocktake referred to in paragraph 17 above and consider, inter alia: (a) The inputs of the Conference of the Parties, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, the Subsidiary Body for Implementation, the Subsidiary Body for Scientific and Technological Advice, the constituted bodies under the Convention and the Kyoto Protocol, and the operating entities of the Financial Mechanism</p>	

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.19/02 titled “Guidance from the twenty-third session of the Conference of the Parties: Co-Chairs’ proposal”:

- (a) *Takes note* of the guidance from the Conference of the Parties at its twenty-third session, in particular decision CP.22/X¹, “Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund;
- (b) *Requests* the Secretariat to continue efforts to enhance support for national adaptation planning and/or other adaptation planning processes; and
- (c) *Requests* the Secretariat to include in its annual report to the Conference of the Parties information on projects approved by the Board that support the innovation and/or scaling up of climate technologies.

¹ Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund. Available at <http://unfccc.int/files/meetings/bonn_nov_2017/in-session/application/pdf/cop23_auv_i10c_gcf.pdf>. Decision numbers will be assigned in the forthcoming report of the session.