

**GREEN
CLIMATE
FUND**

Meeting of the Board
28 June - 1 July 2021
Virtual meeting
Provisional agenda item 11

GCF/B.29/02/Rev.02

29 June 2021

Consideration of funding proposals

Summary

This document presents the funding proposals to the Board for consideration at its twenty-ninth meeting. It also presents an overview of the projected GCF portfolio and a brief guide to the funding proposal packages.

I. Overview of funding proposals for consideration

1.1 Funding proposals submitted for consideration by the Board

1. For the twenty-ninth meeting of the Board (B.29), a total of 4 funding proposals are presented to the Board for its consideration. These 4 proposals request, at this Board meeting, USD 501.1 million of GCF funding, supporting projects and programmes with a total value of USD 2,948.8 million. Table 1 presents the list of the 4 proposals. The numbering of the funding proposals continues from the proposals approved at previous Board meetings, 173 of which comprise the current portfolio.¹

Table 1: List of funding proposals submitted for consideration by the Board at its twenty-ninth meeting

| No. | Project name | Accredited entity | Country/ies | Thematic window | Public/private | RFP | GCF funding (million USD) ^a |
|------------------------------------|--|-------------------|--|-----------------|----------------|-----|--|
| FP165 | Building Climate Resilient Safer Islands in the Maldives | JICA | Maldives | Adaptation | Public | | 25.1 |
| FP166 | Light Rail Transit for the Greater Metropolitan Area (GAM) | CABEI | Costa Rica | Mitigation | Public | | 271.3 |
| FP167 | Transforming Eastern Province through Adaptation | IUCN | Rwanda | Cross-cutting | Public | | 33.8 |
| FP168 | Leveraging Energy Access Finance (LEAF) Framework | AfDB | Ethiopia, Ghana, Guinea, Kenya, Nigeria, Tunisia | Mitigation | Private | | 170.9 |
| Total GCF funding requested | | | | | | | 501.1 |

Abbreviations: AfDB = African Development Bank, CABEI = Central American Bank for Economic Integration, IUCN = International Union for Conservation of Nature, JICA = Japanese International Cooperation Agency, RFP = Request for proposal.

^aThe individual funding amounts are rounded to the nearest tenth therefore the total may not be the exact sum of these numbers due to rounding in the document.

2. The Secretariat had endorsed 7 funding proposals (3 adaptation, 1 mitigation, and 3 cross-cutting) with a total GCF requested amount of USD 884 million (USD 321.1 million or 53 per cent for adaptation; and USD 286.2 million or 47 per cent for mitigation in grant equivalent terms). The Secretariat's submission also included 2 projects from direct access entities (DAEs) (USD 316.8 million or 52 per cent in grant equivalent terms). The above mentioned 7 funding proposals were submitted to the independent Technical Advisory Panel (TAP) for their review. Had the independent TAP also endorsed the proposals endorsed by the Secretariat, it would have resulted in a USD 2.9 billion (49 per cent) allocation for adaptation in the overall portfolio in grant equivalent terms assuming that all 7 funding proposals would have been submitted to and approved at B.29 by the Board. However, three funding proposals (2 adaptation and 1 cross-cutting; 2 international and 1 direct access entity funding proposals) were not endorsed by the independent TAP for submission to the Board and one funding proposal was changed from cross-cutting to mitigation project. The Secretariat notes that the independent TAP has not endorsed large scale regional adaptation programmes and underlines the challenges such or

¹ Note that: FP031 was not submitted; FP032 was withdrawn; FP055 and FP057 were not approved by the Board; approval of FP029 lapsed on 23 October 2017; approval of FP030 lapsed on 28 July 2018; approval of FP006 lapsed on 26 September 2018; FP079 and FP088 (currently FP110) were withdrawn by the accredited entity; approval of FP054 lapsed on 27 June 2019; approval of FP065 lapsed on 16 February 2020; FP123 was withdrawn by the accredited entity; approval of FP038 lapsed on 13 June 2020; approval for financing for the EIB-implemented part of the FP026 lapsed on 13 June 2020 (the technical assistance component of FP026 is unaffected and its implementation by the Conservation International continues); and approval of FP104 lapsed on 13 February 2021. Accordingly, this results in 173 approved projects/programmes – 139 public sector and 34 private sector – as of 7 June 2021.

similar projects may face in the absence of the Board approved policy on programmatic approaches, or on climate rationale.

3. In accordance with the decision B.17/09, paragraph (i), the Secretariat is submitting the funding proposals whose approval has been recommended by the independent TAP and the Secretariat for the Board’s consideration. Table 2 below provides a comparison of the GCF portfolio before and after the independent TAP review process.

Table 2: Comparison between the funding proposals portfolio before and after the independent TAP review (in grant equivalent terms)

| | | Before the independent TAP review | After the independent TAP review |
|-------------------------|--|---|---|
| Thematic balance | Number of FPs | 3 adaptation, 1 mitigation, and 3 cross-cutting | 1 adaptation, 2 mitigation, and 1 cross-cutting |
| | Adaptation share in GE terms (B.29) | USD 321.1 million (53%) | USD 52.5 million (18%) |
| | Adaptation share in GE terms (overall portfolio) | USD 2.9 billion (49%) | USD 2.7 billion (47%) |
| DAE share | Number of FPs | 2 from DAEs and 5 from IAEs | 1 from DAE and 3 from IAEs |
| | DAE share in GE terms (B.29) | USD 316.8 million (52%) | USD 190.2 million (66%) |
| | DAE share in GE terms (overall portfolio) | USD 984.3 (16%) | USD 858.4 million (15%) |

Abbreviations: B.29 = Twenty-ninth meeting of the Board; DAE = direct access entity; IAE = international access entity; independent TAP = independent Technical Advisory Panel.

4. The independent TAP undertakes several rounds of questions and responses, interviews with the respective accredited entities (AEs), discussions with the Secretariat, and an extensive process of discussions among the independent TAP members to reach a consensus on the funding proposals which the independent TAP considers as not ready to be endorsed. Due to the COVID-19 pandemic, the review by the independent TAP members took place remotely.

5. For the first case, the project was not endorsed by the independent TAP due to the scoring of the impact potential (scored “low”) and paradigm shift potential (scored “uncertain”) investment criteria. The independent TAP noted in its assessment that the overall funding proposal package should be strengthened with climate rationale using historical observed datasets and validated models, climate risk and vulnerability assessments, more detailed feasibility and market studies for the proposed climate-resilient agricultural activities, as well as other documents to fully allow their assessment against the investment criteria to have the necessary level of granularity. The independent TAP considers that unless validated with observed data in the project implementation areas, the use of computer-simulated gridded data from the climate data research unit is not acceptable given the availability of point-source based observational datasets in the countries. According to the independent TAP, the climate data research unit uses computer-generated climatological data that fails to capture the sensitivities of climatological changes (e.g. annual, decadal) in the project areas of study.

6. In response to the independent TAP assessment, the AE stated that they are coordinating with national and regional meteorological institutions for point source observational data. However, they noted that there are significant challenges with regard to the reliability of some of the data gathered. Availability of reliable climate data was one of the major reasons the AE developed a dedicated climate funding vehicle to support African countries in building capacity to generate reliable climate and weather information. The challenge is mostly related to climate data from the 1970s- 1990s, before the establishment of the dedicated climate funding vehicle. To meet the 30 years of historical extreme climate analysis, the AE needs reliable point source observation data from the four countries dating back to 1976, which has been found to be very challenging. The AE submitted country-specific feasibility studies for the three of the four target countries which contain evidence- based feasibility assessments based

on location-specific data. Also, additional climate rationale analysis and vulnerability assessments have been provided in a consolidated feasibility study in a separate document.

7. In the second case (which was previously not endorsed by the independent TAP for B.28), the independent TAP did not recommend the funding proposal for the Board's consideration due to its scores for the impact potential (low to medium) and efficiency and effectiveness (low to medium) under the GCF's investment criteria. The core concern raised by the independent TAP at B.28 regarding insufficient site-specific data to support the series of grant-based ecosystem-based adaptation (EbA) interventions proposed in the funding proposal were, according to the independent TAP, not adequately resolved. As part of the second resubmission, the AE presented two draft site-specific plans and a methodology for how site-specific plans will be developed for other sites during the first year of implementation. However, the independent TAP noted that, regardless of this being a regional programme, the project intends to use adaptation measures as response mechanisms in different catchments in each of the countries, and therefore the regional climatological data presented needs to be unpacked and re-analysed with validation for specific subregions in each of the countries. The independent TAP further noted that the pre-identified activities were not selected based on a clear nexus to catchment-specific EbA plans. In addition, according to the independent TAP, a clearer connection between the geographically targeted grant elements and widely spread loan elements of the project remains weak, limiting the project's overall impact potential and efficiency and effectiveness potential.

8. The AE noted, in their response, that this proposal is well aligned with the Updated Strategic Plan for the Green Climate Fund: 2020-2023 in terms of being a DAE and the project's focus on adaptation, location in a highly vulnerable region, and engagement of the private sector. The AE also noted that the countries and the AE have undertaken important pre-investment efforts in order to develop the funding proposal, including vulnerability assessments and hydrological balance models that were carried out in the prioritized watersheds of three countries in the region, yielding detailed information on climate risks in the dry corridor region. This information has been shared and consultations were held with the communities of the countries, so there is already significant progress in the validation by the local communities of the interventions proposed in this program. Based on the independent TAP's recommendations in its previous non endorsement of the proposal, the AE adjusted and improved the submission, including more detailed information on the climate rationale and developing the first site-specific intervention plans for two countries in the region. In addition, information was also included that strengthened the demand analysis for the credit and guarantee components of the programme.

9. In the third case, the project was not endorsed by the independent TAP due to impact potential being scored as "low". The independent TAP noted in its assessment that the overall funding proposal package should be strengthened by including a more complete needs assessment for climate information services, including a social study and a market study, a more realistic budget, the elimination of fire trucks (which were to be financed by the government of the country), and improvements to the climate rationale, monitoring and evaluation plan, exit strategy, and synergy with the approved project of the AE.

10. The assessment was received 21 May 2021, 11 working days ahead of the B.29 publication deadline (7 June). The Secretariat shared the assessment with the AE the same day. The AE responded promptly noting that several elements had already been answered during the call and addressed in a resubmission afterwards; that the assessment also failed to take into account several explanations which were provided by the AE in the call with the independent TAP as well as written responses to their queries; and that several issues noted by the independent TAP in their assessment, were new and were neither included by the independent TAP in written questions nor in mentioned in the call with the AE, thus, giving the AE no opportunity to respond to or address these comments. Considering that those matters could be adequately addressed despite the limited time available, the AE requested a meeting with the independent TAP to discuss the assessment and possibly revise it with a view to it being

discussed at B.29. The Secretariat requested a meeting on behalf of the AE on 24 May (the next working day after the receipt of the independent TAP assessment). The independent TAP rejected the request for a meeting, noting they were still in the process of finalizing their assessments.

11. In accordance with decision B.17/09, paragraph (j), such funding proposals are currently being revised by the respective AEs and the Secretariat with a view to addressing the comments made by the independent TAP and presenting the funding proposals at a future meeting of the Board.

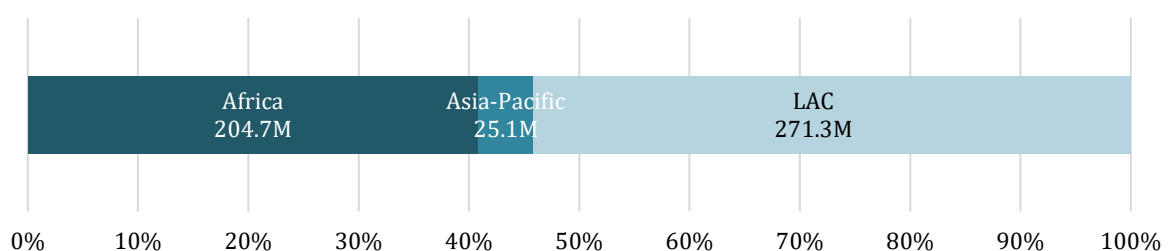
12. Further, following Board decision B.28/03, the Secretariat is also developing a transparent and consistent approach to the assessment of funding proposals in close coordination with the independent TAP.

13. In addition, based on Board Decisions B.19/06, requesting the Secretariat to develop an integrated approach to address policy gaps and consider their inter-linkages, including steps to enhance the climate rationale of GCF-supported activities, the Secretariat is currently drafting a Framework of Guidance that provides accredited entities with a consistent and authoritative approach to developing a climate rationale. This will be presented for future Board consideration. This framework will be developed in close consultation with both AEs and the independent TAP to ensure a common understanding about climate rationale, the appropriate use of climate information platforms, and the requisite requirements of hydrometeorological data for GCF funding proposals.

14. Based on Board decision B.14/07, requesting the Co-chairs and Secretariat to continue to consult on the programmatic approach with a view to concluding agreement on related policy guidelines, the Secretariat is also currently drafting a proposed set of principles on the definition, and the use of, a programmatic approach in future proposals that the Secretariat and the independent TAP can use in their assessments. This is intended to ensure that programmes are designed and implemented such that they increase country ownership, and more effectively help developing countries achieve the priorities included in their Nationally Determined Contributions, and that they contribute significantly to GCF efforts to promote paradigm shift and increase the potential for transformational impact, in line with the priorities included in the Updated Strategic Plan.

15. The regional distribution of the 4 funding proposals is presented in Figure 1 below.

Figure 1: Regional distribution of GCF funding in USD



Abbreviations: LAC = Latin America and the Caribbean, M = million.

16. The 4 funding proposals submitted for the Board's consideration are 3 public-sector proposals, requesting GCF funding of USD 330.2 million (66 per cent), and 1 private-sector proposal, requesting GCF funding of USD 170.9 million (34 per cent).

17. On a thematic basis, USD 448.6 million (90 per cent) is allocated for mitigation projects and USD 52.5 million (10 per cent) is allocated for adaptation projects. The information in grant equivalent terms is presented in Figure 2.

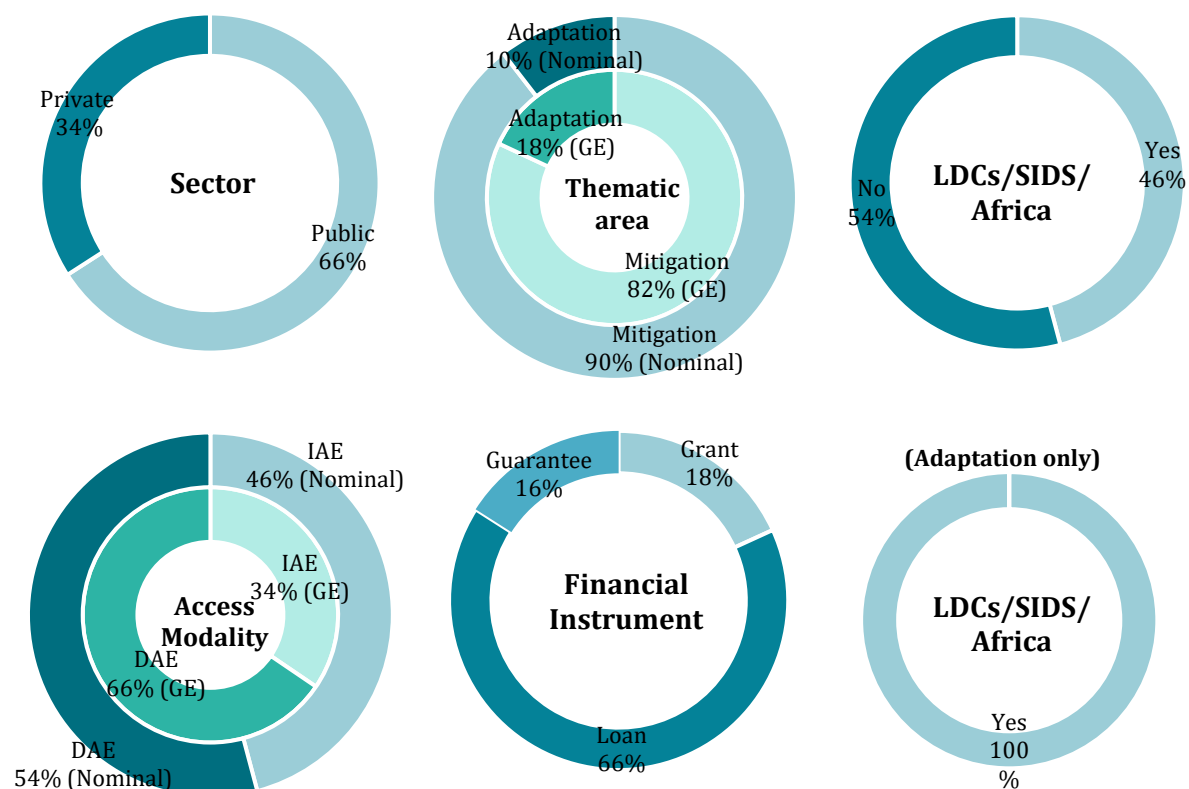
18. USD 229.8 billion (3 projects, 46 per cent) is from international access entities (IAEs) and USD 271.3 million (1 project, 54 per cent) is from direct access entities (DAEs). The information in grant equivalent terms is presented in Figure 2.

19. The largest portion of the financial instruments are loans (66 per cent, USD 330 million), followed by grants (18 per cent, USD 91.1 million), and guarantees (16 per cent, USD 80 million).

20. In terms of distribution among vulnerable countries, 3 of the funding proposals either wholly or partly target the least developed countries (LDCs), small island developing States (SIDS) and/or African States, totalling USD 229.8 million, and account for 46 per cent of the total requested GCF funding amount.²

21. The overall snapshot of GCF funding requested by sector, thematic area, access modality, financial instrument and vulnerable countries are presented in Figure 2 below.

Figure 2: SNAPSHOT - GCF funding amount by sector, thematic area, entity type, financial instrument and vulnerable countries, including LDCs/SIDS/African States, in USD (per cent)^a



Abbreviations: DAE = direct access entity, IAE = international access entity, LDCs = least developed countries, SIDS = small island developing States.

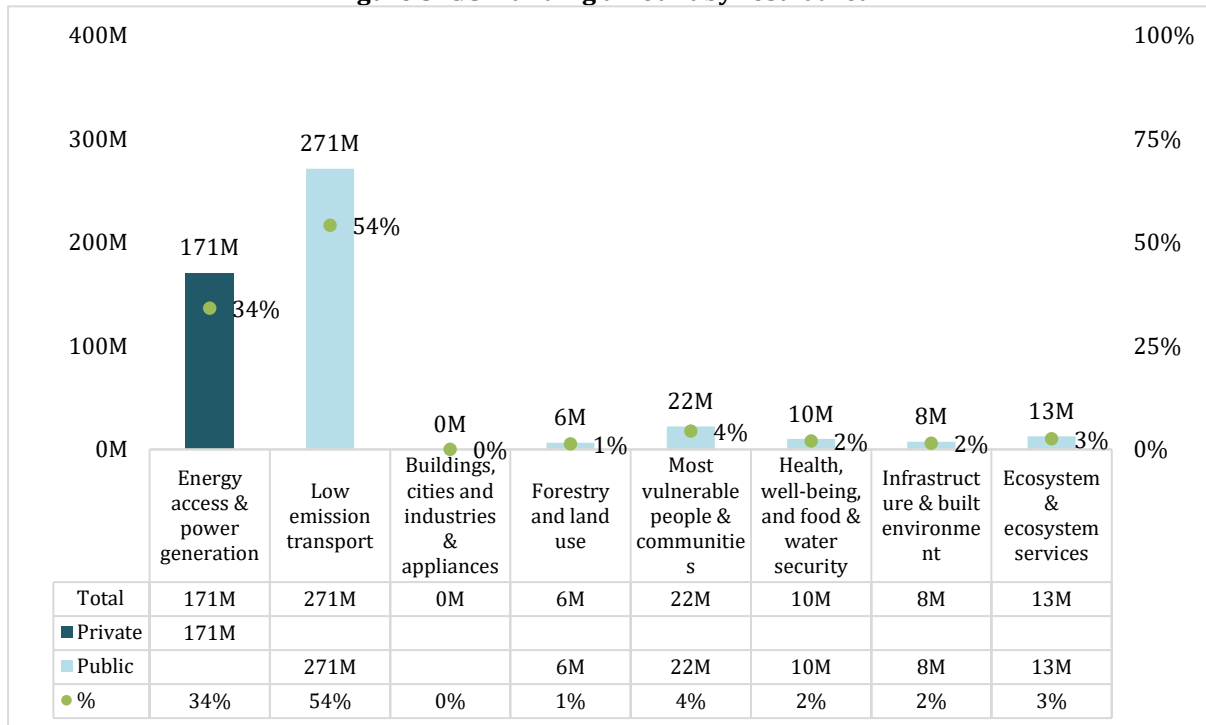
^a For multi-country projects/programmes of LDCs/SIDS/African States, the amount of GCF funding allocated to each country is estimated based on the best information available to the Secretariat. Unless the allocation information is provided in funding proposals or by accredited entities, the funding amounts are evenly distributed to each country according to the number of targeted countries. As the estimates will be updated once expenditure information is received, there may be modifications to the data in the coming months.

22. In terms of results areas, the area for “Low emission transport” will receive the largest portion of GCF funding (USD 271.3 million, 54 per cent) while the area “Forestry and land use”

² The further breakdowns for LDCs, SIDS and African States, respectively are as follows:
 For LDCs: 15% LDCs, and 85% non-LDCs;
 For SIDS: 5% SIDS, and 95% non-SIDS;
 For African States: 41% Africa, and 59% non-African States.

will receive the lowest portion of GCF funding (USD 6.4 million, 1 per cent). The areas for buildings, cities and industries & appliances will not receive GCF funding at this board meeting (see Figure 3).

Figure 3: GCF funding amount by result area ^a

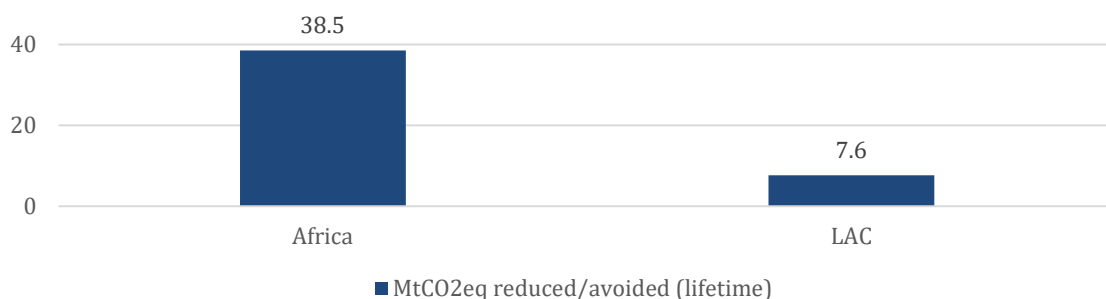


Abbreviation: M = million.

^a Estimates of GCF funding by mitigation/adaptation and the eight results areas are based on the information provided by the accredited entities and/or an analysis by the Secretariat of the budget for each funding proposal, with review and verification by the appropriate accredited entities. The methodology continues to be refined and improved, so the estimates may change over time.

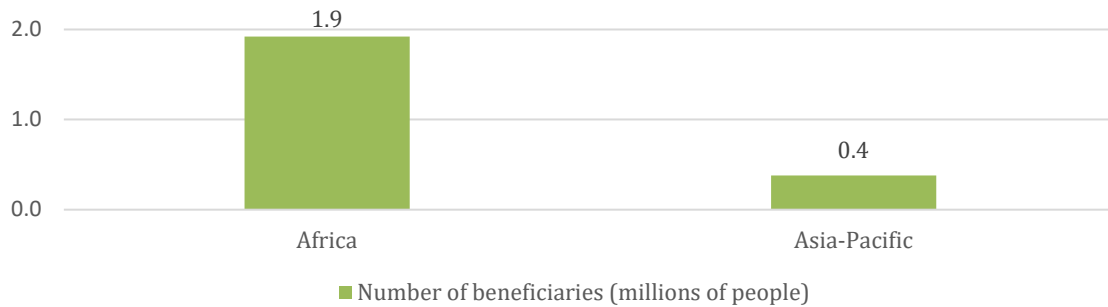
23. The expected impact potential is to abate a total of 46.1 million tonnes of carbon dioxide equivalent (CO₂eq) of greenhouse gases and reach 2.3 million (direct and indirect) beneficiaries, based on the estimations of accredited entities (AEs) (see Figures 4 and 5).

Figure 4: Estimated climate impact potential by region



Abbreviations: MtCO₂eq = million tonnes of carbon dioxide equivalent, EE = Eastern Europe, LAC = Latin America and the Caribbean.

Figure 5: Estimated adaptation impact potential by region

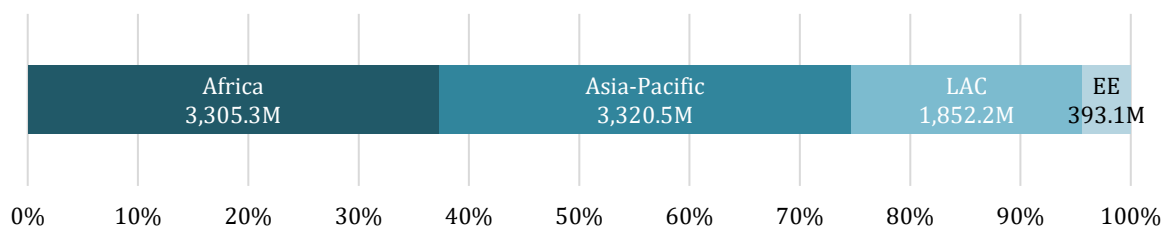


1.2 Projected portfolio composition

24. If the 4 funding proposals presented at B.29 are approved by the Board, the aggregated portfolio would comprise 177 projects and programmes, with a total GCF funding amount of USD 8.9 billion and a total value of USD 33.3 billion, when taking co-financing into account.

25. As per decision B.27/06, paragraph (i), the Board requested GCF to aim for a reasonable and fair allocation across a broad range of countries to ensure appropriate geographic balance of funding. The regional distribution of the 177 projects or programmes is presented in Figure 6 below.

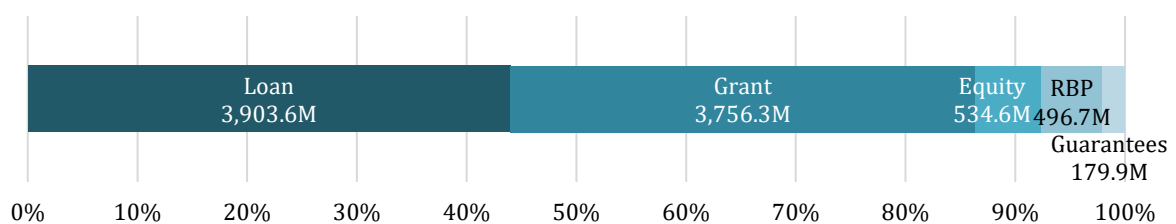
Figure 6: Regional distribution of GCF funding in USD



Abbreviations: EE = Eastern Europe, LAC = Latin America and the Caribbean, M = million.

26. The portfolio will utilize a wide range of financial instruments as authorized by the Governing Instrument for GCF. The largest portion of the portfolio will be financed by loans (44 per cent, USD 3.9 billion), grants (42 per cent, USD 3.8 billion) followed by equity (6 per cent, USD 534.6 million), result-based payments (6 per cent, USD 496.7 million), and guarantees (2 per cent, USD 179.9 million) (see Figure 7).

Figure 7: GCF funding amount by financial instrument (per cent)

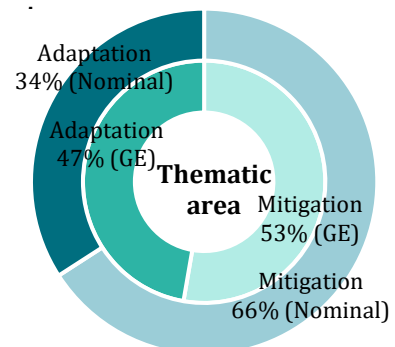


Abbreviations: RBP = results-based payments, M = million

27. Information on the projected GCF portfolio of approved projects, as per the Updated Strategic Plan for the Green Climate Fund: 2020 – 2023,^{3,4} is shown in below sections in both grant equivalent and nominal terms.⁵

28. For thematic areas, USD 3.0 billion (53 per cent) will be allocated for mitigation projects and USD 2.7 billion (47 per cent) will be allocated for adaptation projects in grant equivalent terms. In nominal terms, USD 5.8 billion (66 per cent) will be allocated for mitigation projects and USD 3.0 billion (34 per cent) will be allocated for adaptation projects. Most adaptation projects reaching GCF are relatively small, single-country projects. If all projects are approved at B.29, the GCF’s portfolio will consist of 74 adaptation projects, 58 mitigation projects and 45 cross-cutting projects.

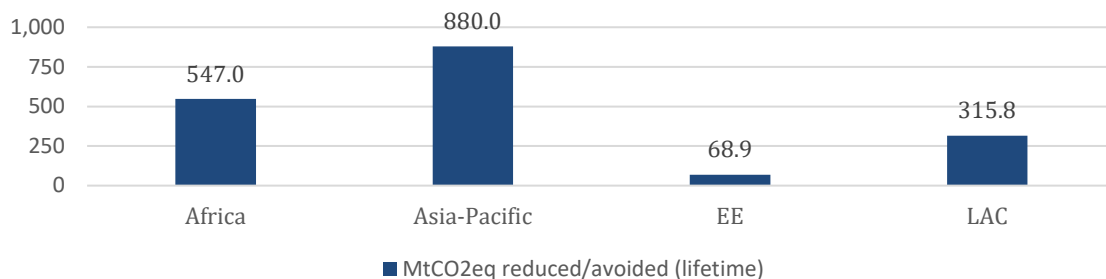
Figure 8: Thematic areas in grant equivalent and nominal



Abbreviations: GE = grant equivalent

29. The GCF aims at a 50:50 funding balance between adaptation and mitigation over time, while seeking to deliver portfolio-level mitigation and adaptation outcomes that exceed average IRM outcomes. The GCF portfolio of approved projects is expected to abate a total of 1.8 billion tonnes of CO₂eq of greenhouse gases and reach 500.4 million (direct and indirect) beneficiaries, based on the estimations of AEs. This will result 310.0 million tonnes of CO₂eq per billion USD invested in mitigation and 165.4 million beneficiaries per billion USD invested in adaptation. Figures 9 and 10 show estimated impacts by region.

Figure 9: Estimated climate impact potential by region



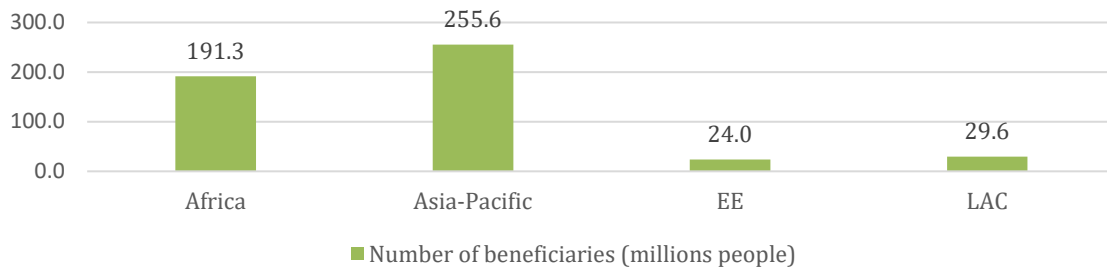
Abbreviations: EE = Eastern Europe, LAC = Latin America and the Caribbean, MtCO₂eq = million tonnes of carbon dioxide equivalent.

³ As per decision B.27/06, the Board requested GCF to aim for the following portfolio targets: (1) a 50:50 funding balance between adaptation and mitigation over time, while seeking to deliver portfolio-level mitigation and adaptation outcomes that exceed average IRM outcomes; (2) a floor of 50 per cent of the allocated adaptation funding to be channeled to vulnerable countries, including the least developed countries (LDCs), small island developing States (SIDS) and African States, while aiming to build on IRM outcomes; (3) a reasonable and fair allocation across a broad range of countries in order to ensure appropriate geographic balance of funding; (4) significant increase of funding channeled through direct access entities relative to the IRM; (5) maximization of engagement with the private sector, including through small, micro, and medium-size enterprises, ensuring allocation to the Private Sector Facility exceeds 20 per cent (GE); and (6) significant increase of mobilized private sector finance at the portfolio level relative to the IRM. Also, in line with guidance in United Nations Framework Convention on Climate Change (UNFCCC) decision 7/CP.20, paragraph 13, where the Conference of the Parties requested the Board, in its implementation of the accreditation framework, to pay adequate attention to the priorities and needs of developing country Parties, including LDCs, SIDS and African States.

⁴ The IRM outcomes as at 31 December 2019 were used as a baseline: (a) 460 MtCO₂eq mitigation impact and 166 million beneficiaries per billion USD invested in adaptation; (b) 69 per cent of adaptation funding allocation in grant equivalent terms; (c) 11 per cent of funding in nominal terms channeled through direct access entities; and (d) private sector finance co-financing ratio was 1:3.

⁵ The grant equivalents were estimated for each project using a uniform five per cent discount rate. The Grant Equivalent Calculator tool developed by the Office of Risk Management and Compliance of the GCF to measure the grant-like element embedded in GCF financing has been used for the calculations.

Figure 10: Estimated adaptation impact potential by region



Abbreviations: EE = Eastern Europe, LAC = Latin America and the Caribbean.

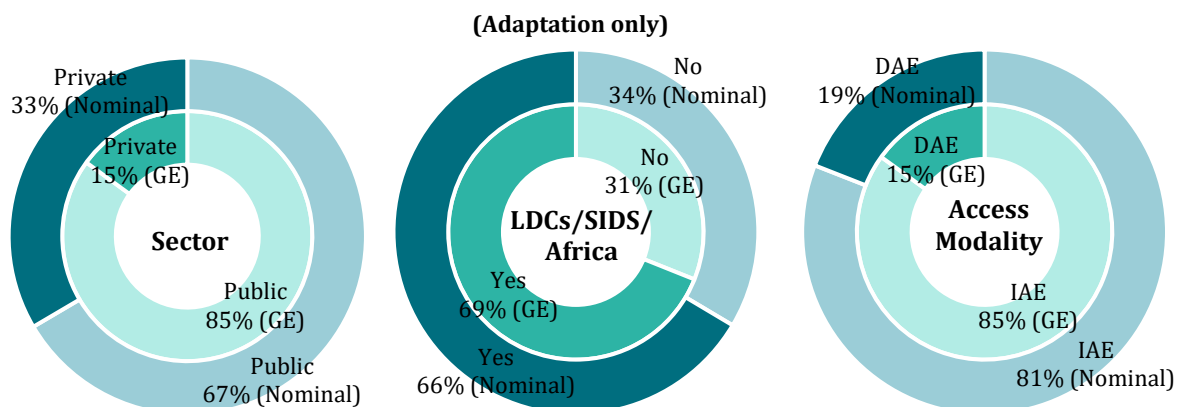
30. On a sector basis, USD 4.9 billion (85 per cent) will be requested by the public sector and USD 855.6 million (15 per cent) will be requested by the private sector in grant equivalent terms. In nominal terms, USD 5.9 billion (67 per cent) will be allocated to public sector projects and programmes and USD 3.0 billion (33 per cent) will be allocated to private sector projects and programmes. GCF targets maximization of engagement with the private sector, including through small, micro and medium-size enterprises, ensuring allocation to the Private Sector Facility exceeds 20 per cent (See Figure 11).

31. Of the 177 funding proposals in the projected portfolio, 113 projects and programmes will target, either wholly or partly, the LDCs, SIDS and/or African States.

32. The GCF requested funding amount of the adaptation allocation for vulnerable countries will be USD 1.9 billion (69 per cent) in grant equivalent terms. In nominal terms, USD 2 billion for adaptation, accounting for 66 per cent will be requested.⁶ GCF aims to target a floor of 50 per cent of the allocated adaptation funding to be channelled to vulnerable countries, while aiming to build on IRM outcomes (See Figure 11).

33. USD 4.9 billion (85 per cent) of GCF funding in grant equivalent terms will be channelled through IAEs and USD 858.4 million (15 per cent) will be channelled through DAEs. In nominal terms, USD 7.2 billion for 139 projects, which represents 81 per cent of total GCF funding, will be channelled through IAEs. The other 19 per cent will flow into DAEs in the amount of USD 1.7 billion for 38 projects. GCF aims to significantly increase funding channelled through direct access entities relative to the IRM (See Figure 11).⁷

Figure 11: GCF funding amount by sector, vulnerable countries including LDCs/SIDS/African States (adaptation only) and entity type, in grant equivalent and nominal terms (per cent)



⁶ The further breakdowns for LDCs, SIDS and African States respectively are as follows:

For LDCs: 29% LDCs, and 71% non-LDCs;

For SIDS: 11% SIDS, and 89% non-SIDS;

For African States: 37% African, and 63% non-African States.

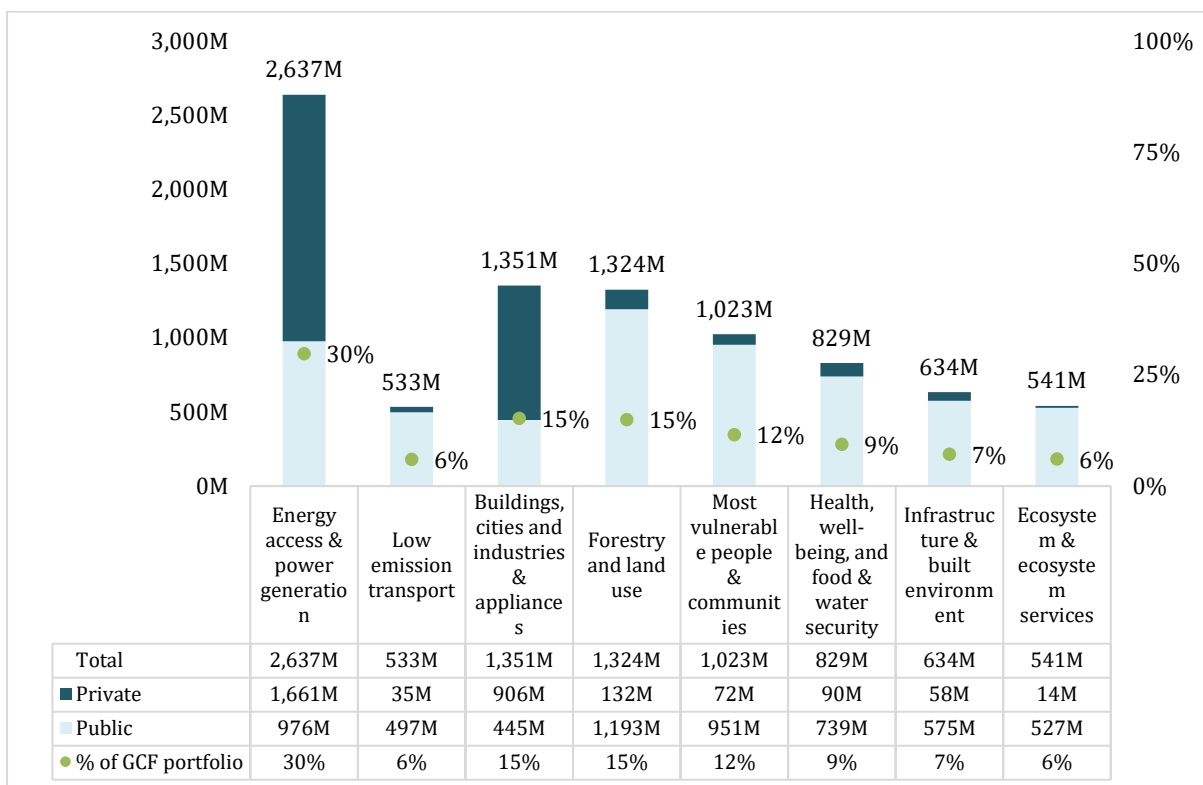
⁷ Relative to the IRM (see note 4).

Abbreviations: GE = grant equivalent, LDCs = least developed countries, SIDS = small island developing States, DAE = direct access entity, IAE = international access entity

34. GCF aims for significant increase of mobilized private sector finance at the portfolio level relative to the IRM. As requested under the co-financing policy adopted at B.24, internal guidelines for measuring the mobilization of private finance have been developed and are being fine-tuned. The Secretariat has explored methodologies utilized by other international institutions and multilateral development banks and is piloting application of the alternative instrument-based methodologies to identify and agree on the most-suitable approach for the GCF. In finalizing the methodologies, key considerations are being made with regards to distinction between public/private finance and data cut off points such as ex-ante/ex-post to verify which additional data and or disaggregation of data is required to adapt to the new methodology. Once the testing confirms on the required data, the agreed methodology will be applied to the entire portfolio to be reported to the Board at B.30. Additional work will also be conducted to further define and measure leveraged finance and parallel finance.

35. Figure 12 shows the projection of GCF funding in the eight results areas. Among the results areas, the “energy access and power generation” area will receive the largest portion of GCF funding (USD 2.6 billion, 30 per cent) while the “low emission transport” area will receive the lowest (USD 533 million, 6 per cent).

Figure 12: GCF funding amount by results area (in USD)^a



Abbreviation: M = million.

^a Estimates of GCF funding by mitigation/adaptation and the eight results areas is based on the information provided by the accredited entities and/or an analysis by the Secretariat of the budget for each funding proposal, with review and verification by the appropriate accredited entities. The methodology continues to be refined and improved, so the estimates may change over time.

II. Funding proposal package guide

36. Four funding proposals are presented as individual addenda (see document GCF/B.29/02/Add.01-03/Rev.02, 04), each containing seven parts:

- (a) Part A. The funding proposal,⁸ as submitted by the accredited entity (AE);
- (b) Part B. The no-objection letter(s), as issued by the national designated authority(ies);
- (c) Part C. The environmental and social report disclosure document;
- (d) Part D. The Secretariat's assessment;
- (e) Part E. The independent Technical Advisory Panel's assessment;
- (f) Part F. The response from the AE to the independent Technical Advisory Panel's assessment; and
- (g) Part G. The gender assessments and action plans.

37. The following additional three addenda are also provided to supplement the four funding proposal packages referred above:

- (a) Document GCF/B.29/02/Add.05: the funding proposal package for FP168, including the full funding proposal, term sheet and the Secretariat's assessment⁹;
- (b) Document GCF/B.29/02/Add.06: the list of proposed conditions and recommendations for FP165-168. 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); and
- (c) Document GCF/B.29/02/Add.07: the term sheets for FP165-167 setting out, in summary form, the key terms and conditions relating to the proposed funded activity.

38. 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.17/09, 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.

39. Once the decision is made, it will be recorded by the Secretariat and communicated to the Trustee. The Secretariat will also inform the AE and the national designated authority (NDA) or focal point (FP) of the decision and the next steps. In case of rejection, the Secretariat will inform the NDA/FP that they may request reconsideration of the funding decision via the independent Redress Mechanism.¹⁰

⁸ Due to the confidentiality of the private-sector proposal, a funding proposal summary package is presented.

⁹ For confidentiality purposes, this addendum is made available on a secure website.

¹⁰ Decision B.17/09.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.29/02/Rev.02 titled “Consideration of funding proposals”:

- (a) Takes note of the following funding proposals:
- (i) Funding proposal 165 titled “Building Climate Resilient Safer Islands in the Maldives”, by the Japan International Cooperation Agency, as contained in document GCF/B.29/02/Add.01 and 07;
 - (ii) Funding proposal 166 titled “Light Rail Transit for the Greater Metropolitan Area (GAM)” by the Central American Bank for Economic Integration, as contained in document GCF/B.29/02/Add.02 and 07;
 - (iii) Funding proposal 167 titled “Transforming Eastern Province through Adaptation” by the International Union for Conservation of Nature, as contained in document GCF/B.29/02/Add.03/Rev.02 and 07;
 - (iv) Funding proposal 168 titled “Leveraging Energy Access Finance (LEAF) Framework” by the African Development Bank, as contained in document GCF/B.29/02/Add.05 and
- (b) Approves funding proposal 165 for the amount of USD 25,097,880, submitted by the Japan International Cooperation Agency, subject to the conditions set out in document GCF/B.29/02/Add.06 and in the respective term sheet set out in document GCF/B.29/02/Add.07;
- (c) Also approves funding proposal 166 for the amount of USD 271,300,000, submitted by the Central American Bank for Economic Integration, subject to the conditions set out in document GCF/B.29/02/Add.06 and in the respective term sheet set out in document GCF/B.29/02/Add.07;
- (d) Further approves funding proposal 167 for the amount of USD 33,783,755, submitted by the International Union for Conservation of Nature, subject to the conditions set out in document GCF/B.29/02/Add.06 and in the respective term sheet set out in document GCF/B.29/02/Add.07;
- (e) Approves funding proposal 168 for the amount of USD 170,900,000, submitted by the African Development Bank, subject to the conditions set out in document GCF/B.29/02/Add.06 and in the respective term sheet set out in document GCF/B.29/02/Add.05;
- (f) Reaffirms that pursuant to annex IV to decision B.17/09, 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 approved by the Board in this decision and in the decision accrediting the relevant accredited entity; and
- (g) 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 policy on fees and the general principles and indicative list of eligible costs covered under GCF fees and project management costs adopted by the Board pursuant to decision B.19/09.
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