



GREEN
CLIMATE
FUND

Outcome of the First GCF Pledging Conference and Pledges as of December 31, 2014

GCF/BM-2015/Inf.01/Rev. 01

18 February 2015

For information between meetings

Outcome of the First Green Climate Fund Pledging Conference and Pledges as of December 31, 2014

I. Introduction

1. Pursuant to decision B.07/09, a process of collective engagement in the Green Climate Fund's (the Fund) initial resource mobilization (IRM) process was launched with potential contributors. The first IRM meeting was held on 30 June–1 July 2014 in Oslo, Norway, with Mr. Henrik Harboe serving as Chair, and a second technical IRM meeting was held on 8–9 September 2014 in Bonn, Germany, with H.E. Lennart Båge serving as the Chair and the facilitator of the IRM process.
2. During its eighth meeting, the Board endorsed the policies for contributions to the Fund set out in Annexes XIX, XX, XXI, XXII and XXIII to document GCF/B.08/45, which paved the way for contributors to make significant pledges to the Fund. Before the High-Level Pledging Conference of Interested Contributors to the Initial Resource Mobilization Process of the Green Climate Fund, close to US\$ 3 billion¹ had been pledged as part of the Fund's initial resource mobilization process.

II. High-Level Pledging Conference of Interested Contributors to the Initial Resource Mobilization Process of the Green Climate Fund

3. Interested contributors from 28 governments,² as well as observers, met on 20 November 2014 in Berlin, Germany for the Pledging Conference.
4. As with the first and the second IRM meetings, to ensure transparency and consistency with Board decisions, the following observers were invited: the Co-Chairs of the Board, four representatives of the Board (two from developed countries and two from developing countries), two active observers of the Board (one from civil society and one from the private sector), as well as the Executive Director of the Fund's Secretariat.
5. Mr. Båge served as the Chair of the Pledging Conference and the facilitator of the IRM process.
6. The agenda of the Pledging Conference consisted of the following three parts:
 - (i) Introduction to the conference;
 - (ii) Thematic session: Climate action now! What is the Green Climate Fund to deliver?; and
 - (iii) Pledging session for interested contributors.
7. See Attachment I for the agenda of the Pledging Conference.

¹ Pledges received from the Czech Republic, Denmark, France, Germany, Luxembourg, Mexico, Republic of Korea and Switzerland.

² The 28 countries include Belgium, Canada, Colombia, Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, Mexico, Monaco, Mongolia, Netherlands, New Zealand, Norway, Panama, Poland, Republic of Korea, the Russian Federation, Spain, Sweden, Switzerland, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland and the United States of America. The underlined countries represent the 21 countries which pledged their contributions at the conference.

2.1 Part I: Introduction to the conference

8. H.E. Dr. Gerd Müller, German Minister for Economic Cooperation and Development, and H.E. Dr. Barbara Hendricks, German Minister for the Environment, Nature Conservation, Building and Nuclear Safety, welcomed the participants on behalf of the host country. United Nations Secretary-General Ban Ki-moon also welcomed the participants via video message.

2.2 Part II: Thematic session: Climate action now! What is the Green Climate Fund to deliver?

9. The following four keynote speakers were invited to make presentations on the theme of the session with a view to providing perspectives from contributing and developing countries on expectations for the Fund: Ms. Christiana Figueres, Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC), H.E. Isabella Lövin, Swedish Minister for International Development Cooperation, H.E. Dr. Denis Lowe, Barbadian Minister of the Environment and Drainage, and H.E. Manuel Pulgar-Vidal, Peruvian Minister of the Environment and President-Designate of the twentieth session of the Conference of the Parties to the UNFCCC (COP 20) via video message. Following the four keynote speeches, other participants were invited to make interventions on the theme.

2.3 Part III: Pledging session for interested contributors

10. A total of 21 countries, including four developing countries, pledged a total of up to US\$ 9.3 billion equivalent, the largest amount the international community has ever mobilized for a dedicated climate finance mechanism within a timeframe of less than five months.

11. Although the contributors were free to express their pledge in any convertible currency, for the purpose of providing a uniform approach to expressing total pledges in US\$ equivalent, several contributors asked that a convention for determining reference exchange rates be established. For converting national currency pledges into US\$ equivalent, a common approach used in other multilateral replenishments (using an average of the exchange rates over a reference time period) was considered. After consultations with the Secretariat and the Interim Trustee, and to emulate established practice used in other arenas such as the Global Environment Facility, it was decided that the period between the first and the second IRM meetings (1 July–9 September 2014) be used for this purpose. The average exchange rates between the respective national currency and US\$ calculated using this time period is provided in Attachment II.

2.4 Closure of the Pledging Conference

12. Following the completion of all pledges, Ms. Héra Cheikhrouhou, Executive Director of the Fund, thanked the contributors for their tremendous and historical efforts and summarized the conference with closing remarks, including the announcement of the total pledged amount. Furthermore, H.E. Dr. Barbara Hendricks and H.E. Dr. Gerd Müller finalized the conference with closing statements.

III. Twentieth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change

13. Between the Pledging Conference and COP 20, there were additional pledges announced from Spain, bringing its total pledge to EUR 120 million, and Canada (CAD 300 million).

14. Further pledges were announced at COP 20. Norway mentioned early in the COP that it would double its previously announced pledge at the Pledging Conference. This was followed by announcements from Australia, Belgium and Liechtenstein at the High-level Ministerial Session on Climate Finance, which took the total amount of pledges over the US\$ 10 billion equivalent threshold. Furthermore, additional pledges came from Austria, Colombia, Chile, Latvia and Peru to bring the total amount of pledges (by 32 countries, including eight developing countries) since the beginning of IRM meeting in July 2014 to approximately US\$ 10.2 billion equivalent. The breakdown of this amount is provided in the table in Attachment III.

IV. Next steps

15. For the Fund's commitment authority to become effective, 50 per cent of contributions (confirmed by fully executed contribution agreements/arrangements) pledged by the November 2014 pledging session reflected in fully executed contribution agreement/arrangements needs to be received by the Secretariat no later than 30 April 2015. Therefore, the Secretariat will make every effort to work with all contributors to convert the pledges into actual contributions.

16. Since the Fund will maintain flexibility in receiving additional contributions on an ongoing basis throughout the IRM period,³ the Fund will continue to invite other countries, as well as philanthropic foundations and other non-public and alternative sources, to contribute to the Fund for its operations.

17. In order to receive contributions from the other sources mentioned above, the Board will, at its second meeting in 2015 (planned to be held in June), consider policies and procedures for accepting their contributions.

³ Decision B.05/04.

Attachment I: Agenda for the High-Level Pledging Conference of the Green Climate Fund



High-Level Pledging Conference of the Green Climate Fund

Berlin, 20 November 2014

Agenda



High-Level Pledging Conference

19 November 2014

Arrival of Participants

19.00 **Reception**

Venue: Federal German Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (Lichthof)
Stresemannstraße 128 - 130, 10117 Berlin

Welcoming Remarks

- State Secretary Jochen Flasbarth, Ministry for the Environment, Nature Conservation, Building and Nuclear Safety of Germany
- State Secretary Dr. Friedrich Kitschelt, Ministry for Economic Cooperation and Development of Germany
- Prof. Ottmar Edenhofer, (Chair IPCC WG III, Potsdam-Institute for Climate Impact Research /PIK)

20 November 2014

Venue: Federal Ministry for Economic Cooperation and Development, Stresemannstraße 94, 10963 Berlin

08.30 **Registration**

09.00 **Introduction to the Conference**

- UN Climate Summit's movie: "WHAT'S POSSIBLE"

Welcoming Remarks

- H.E. Dr. Gerd Müller, Federal Minister for Economic Cooperation and Development of Germany
- H.E. Dr. Barbara Hendricks, Federal Minister for the Environment, Nature Conservation, Building and Nuclear Safety of Germany
- Video message from the UNSG



High-Level Pledging Conference

09.30 **Thematic Session**

Climate Action now! What is the Green Climate Fund to deliver?

Keynote Speakers

- Ms. Christiana Figueres, Executive Secretary, UNFCCC
- H.E. Isabella Lövin, Minister for International Development Cooperation of Sweden
- H.E. Dr. Denis Lowe, Minister of the Environment and Drainage of Barbados (tbc)
- H.E. H.E. Manuel Pulgar-Vidal, Minister of the Environment of Peru and President-Designate of COP20 (Video message)

Discussion with High-Level Representatives from Contributing and Developing Countries
Following the keynote speakers, participants are invited to make interventions on the theme of the session with a view to provide perspectives on the expectations on the Green Climate Fund both from contributing and developing countries. The discussion will be moderated by Ambassador Lennart Bage, Facilitator of the Initial Resource Mobilization Process.

11.00 **Coffee Break – Group Photo with Guests and Ministers**

11.30 **Pledging Session for Interested Contributors**

Chaired by Ambassador Lennart Bage, Facilitator of the Initial Resource Mobilization Process

The Pledging Session for Interested Contributors to the Initial Resource Mobilization for the Green Climate Fund (GCF) will be open for participation for contributors, the Fund's Co-Chairs, four representatives of the Board (two developed/two developing), two active observers of the Board (one civil society/one private sector), as well as the Executive Director as decided by the GCF Board in May 2014. Pledging announcements are to be made during the session.

Closing Remarks

- Ms. HÉla Cheikhrouhou, Executive Director, Green Climate Fund
- Closing Statements*
- H.E. Dr. Barbara Hendricks, Federal Minister for the Environment, Nature Conservation, Building and Nuclear Safety of Germany
 - H.E. Dr. Gerd Müller, Federal Minister for Economic Cooperation and Development of Germany

13.00 **Lunch Buffet and Refreshments**

End of the Conference



High-Level Pledging Conference

For information

The [Sustainable Development Solutions Network \(SDSN\) Germany](#) is holding a round table discussion with the title "*Framing a long-term response to climate finance - What can we expect the Green Climate Fund to deliver?*" for representatives from civil society, business and academia starting at 3 pm in the conference hall. You are very much invited to attend - please register by email at gcfevent@sdsngermany.de as soon as possible and visit the [event website](#) for more information.

Attachment II: Reference Exchange Rates

Green Climate Fund Initial Resource Mobilisation (IRM) Reference Exchange Rates

1. For the purpose of pledging, contributors may express their pledge in any convertible currency. For the purpose of providing a uniform approach to express total pledges, a common currency (US dollar) will be used. Similar to approaches used in other multilateral replenishments, an average of the exchange rates over a reference time period can be used to translate national currency pledges into US dollar equivalents. The table below provides a set of reference exchange rates using the averages over the time period between the first and second IRM meeting.¹

Reference Exchange Rates for the GCF IRM		
Reference Period: July 1, 2014 - September 9, 2014		
<u>Currency</u>	<u>Currency Name</u>	<u>National Currency vs. USD</u>
AUD	Australian Dollar	1.06987
BRL	Brazilian Real	2.24512
CAD	Canadian Dollar	1.08294
CHF	Swiss Franc	0.90635
CLP	Chilean Pesos	571.68655
CNY	Chinese Yuan	6.17263
CZK	Czech Koruna	20.66008
DKK	Danish Krone	5.57262
EUR	Euro	0.74754
GBP	Pound Sterling	0.59456
IDR	Indonesian Rupiah	11,695.61693
INR	Indian Rupee	60.46273
JPY	Japanese Yen	102.68577
KRW	Korean Won	1,022.67969
MXN	Mexican Peso	13.07455
NOK	Norwegian Krone	6.20494
NZD	New Zealand Dollar	1.17205
PLN	Polish Zloty	3.11950
SEK	Swedish Krona	6.88245
USD	United States Dollar	1.00000
ZAR	South African Rand	10.67694

¹ Pledges in other convertible currencies not listed would be translated using the reference period average.



Attachment III: Pledge Table

Contributor\ a	Currency	In pledged currency				Loan Cushion \ l	Total pledge for IRM Period	In USD equivalent
		Grant	Capital	Loan	Total pledge for IRM Period \ m			
Australia	AUD	200.00	-	-	-	200.00	186.94	
Austria	b USD	25.00	-	-	-	25.00	25.00	
Belgium	EUR	51.60	-	-	-	51.60	69.03	
Canada	c CAD	300.00	-	-	-	300.00	277.02	
Chile	USD	0.30	-	-	-	0.30	0.30	
Colombia	USD	6.00	-	-	-	6.00	6.00	
Czech Republic	CZK	110.00	-	-	-	110.00	5.32	
Denmark	d DKK	400.00	-	-	-	400.00	71.78	
Finland	EUR	80.00	-	-	-	80.00	107.02	
France	n EUR	432.00	-	285.00	57.00	774.00	1,035.40	
Germany	EUR	750.00	-	-	-	750.00	1,003.29	
Indonesia	e USD	0.25	-	-	-	0.25	0.25	
Italy	EUR	250.00	-	-	-	250.00	334.43	
Japan	f JPY	154,028.65	-	-	-	154,028.65	1,500.00	
Latvia	EUR	0.35	-	-	-	0.35	0.47	
Liechtenstein	CHF	0.05	-	-	-	0.05	0.06	
Luxembourg	g EUR	5.00	-	-	-	5.00	6.69	
Mexico	USD	10.00	-	-	-	10.00	10.00	
Monaco	d EUR	0.25	-	-	-	0.25	0.33	
Mongolia	MNT	90.00	-	-	-	90.00	0.05	
Netherlands	EUR	100.00	-	-	-	100.00	133.77	
New Zealand	NZD	3.00	-	-	-	3.00	2.56	
Norway	NOK	1,600.00	-	-	-	1,600.00	257.86	
Panama	USD	1.00	-	-	-	1.00	1.00	
Peru	USD	6.00	-	-	-	6.00	6.00	
Poland	o PLN	0.35	-	-	-	0.35	0.11	
Republic of Korea	h USD	100.00	-	-	-	100.00	100.00	
Spain	EUR	120.00	-	-	-	120.00	160.53	
Sweden	SEK	4,000.00	-	-	-	4,000.00	581.19	
Switzerland	i USD	100.00	-	-	-	100.00	100.00	
United Kingdom of Great Britain and Northern Ireland	j GBP	720.00	-	-	-	720.00	1,210.98	
United States of America	j, k USD	3,000.00	-	-	-	3,000.00	3,000.00	
Total							10,193.37	

Abbr: IRM=initial resource mobilization

Notes:

- a/ Subject to relevant administrative, parliamentary and/or congressional approval, where applicable
 - b/ Denotes contribution from 2015 to 2018. It is intended to increase contribution to US\$ 50 million for same period with participation from the Federal Provinces and the private sector
 - c/ Type of pledge is indicative. A portion of the grant amount may be provided as a loan
 - d/ Denotes 2015 contribution
 - e/ Pledged at the Sixth Board Meeting in Feb 2014
 - f/ The figure shown is the maximum amount. The final pledge amount will be calculated as 15 per cent of the Fund's total pledge amount by the end of COP20 in Lima, Peru
 - g/ This initial contribution will be followed by one or more contributions up to 2018 (in grant or in other forms)
 - h/ US\$ 14.16 million had already been disbursed before IRM
 - i/ Denotes contributions from 2015 to 2017, payable in three annual tranches for 2015 to 2017
 - j/ Type of pledge is indicative. A portion of the grant amount may be provided as capital
 - k/ Represents estimated pledge amount; final pledge amount will be calculated as 30 per cent of the Fund's total pledge amount up to 31 December 2018, subject to a maximum of US\$ 3.0 billion
 - l/ Represents the required cushion amount to be provided by the respective contributor for loan contributions
 - m/ Calculated using the average exchange rates over the period 1 July 2014 to 9 September 2014
 - n/ Grant equivalence of loan amount EUR 285 million (US\$ 381.25million) is approximately US\$ 105 million equivalent, based on Policies for Contributions
 - o/ Initial contribution fully disbursed in December 2014
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