Report of the forty-fifth meeting of the Board, 29 June – 2 July 2026

GCF/B.45/23

26 September 2026

Meeting of the Board
29 June – 2 July 2026
Dushanbe, Tajikistan
Agenda item 23

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Agenda item 1: Opening of the meeting

Opening ceremony

1. A representative of the Secretariat, Alisher Mamadzhanov, Multilateral Governance Senior Specialist, welcomed representatives of the host country, Board and alternate members, advisers, observers, partners and other participants to Tajikistan and to the opening ceremony[1] of the forty-fifth meeting of the Board of the Green Climate Fund (B.45).

2. Mr. Mamadzhanov invited Bahodur Sheralizoda, Chairman of the Committee for Environmental Protection under the Government of Tajikistan, to address the meeting.

3. On behalf of the Government of Tajikistan, Mr. Sheralizoda welcomed participants to Tajikistan and wished them productive discussions with successful outcomes. He highlighted the strengthening partnership between Tajikistan and GCF, which was of particular importance considering Tajikistan's vulnerability to climate change (especially in relation to glaciers), and noted the important role of GCF in supporting low-emission and climate-resilient development.

4. The Co-Chairs thanked the Government and people of Tajikistan for their hospitality. Co-Chair Seyni Nafo acknowledged the importance of the glaciers and mountain ecosystems of Tajikistan for water resources, agriculture, energy production and livelihoods across Central Asia. Co-Chair Leif Holmberg emphasized the urgency of addressing climate change, and referred to the preceding Board retreat on Board effectiveness and the updated Strategic Plan for 2028–2031 (USP-3), noting the shared purpose and broad consensus that had emerged. The Co-Chairs noted that B.45 marked the beginning of programming period of the third replenishment period of GCF (GCF-3), which was taking place at an important moment for GCF and the global climate agenda. They encouraged the Board to conduct its deliberations with openness, mutual respect and a shared sense of purpose, building on current momentum to focus on delivering results.

5. The Executive Director, Mafalda Duarte, thanked Mr. Sheralizoda, the Government and people of Tajikistan, and those involved in preparing the meeting for their hospitality. She highlighted the significance of holding a GCF Board meeting in Central Asia for the first time and acknowledged the climate leadership of Tajikistan, including on glacier preservation and clean energy. She referred to the vulnerability of the region to glacier retreat and its effects on water and food security and highlighted the results of investments supported by GCF, including the Glaciers to Farms Regional Program.

6. Ms. Duarte noted that the discussions during the preceding Board retreats had reaffirmed the importance of strong governance, mutual trust and effective decision-making. She emphasized that the replenishment process provided an opportunity to demonstrate the relevance, effectiveness and ambition of GCF and encouraged the Board to make tangible progress towards ensuring that GCF remained a country-led, efficient and impactful institution serving developing countries.

Opening of the meeting

7. The Co-Chairs welcomed Board members to B.45 and thanked the Government of Tajikistan for the excellent hospitality extended to participants.

8. The Co-Chairs officially declared the meeting open on Monday, 29 June 2026, at 10:10 a.m. Tajikistan time (TJT).

[1] See annex III for the full report of remarks provided during the opening ceremony.

9. Participants were reminded of the need to observe and adhere to the code of conduct expected during the meeting, as per the GCF policies on ethics and conflicts of interest.

10. The Co-Chairs welcomed returning Board and alternate members to B.45, as well as the following new members and alternate members of the Board:

(a) Mr. Kazuho Taguchi, Board member;

(b) Mr. Cristopher Kevin Asturizaga Tarifa, alternate member;

(c) Ms. María Paz Gutiérrez, alternate member;

(d) Ms. Saana Ahonen, alternate member; and

(e) Ms. Anne Moulin, Board member.

11. They also noted that some Board and alternate members would be replaced temporarily for the duration of B.45. The replacements were:

(a) Ms. Min Tian, temporarily replacing Ms. Haiyang Li as Board member;

(b) Mr. Hamid Abakar Souleymane, temporarily replacing Ms. Pacifica F. Achieng Ogola as Board member;

(c) Ms. Vanessa Alcira Molina Cruz, temporarily replacing Mr. Javier Antonio Gutiérrez Ramírez as Board member;

(d) Mr. Danyal Hasnain, temporarily replacing Mr. Nabeel Munir as Board member;

(e) Ms. Alison Carlin, temporarily replacing Mr. Ramón López Pérez as Board member;

(f) Mr. Amjad Abdulla, temporarily replacing Mr. Teuea Toatu as Board member;

(g) Mr. Choi Yeeting, temporarily replacing Mr. Amjad Abdulla as alternate member;

(h) Ms. Soha Benchekroun, temporarily replacing Mr. Bob Natifu as alternate member;

(i) Ms. Laurel Parish, temporarily replacing Mr. Hamid Abakar Souleymane as alternate member;

(j) Ms. Lena Bretas, temporarily replacing Ms. Mareike Well as alternate member;

(k) Mr. Satoshi Ikoma, temporarily replacing Mr. Masayuki Nakamura as alternate member;

(l) Ms. Valeria Zimei, temporarily replacing Ms. Gisella Berardi as Board member as of 2 July 2026; and

(m) Mr. Vittorio Sebastiani, temporarily replacing Ms. Valeria Zimei as alternate member as of 2 July 2026.

12. The Co-Chairs warmly welcomed the new and temporary members and alternate members and expressed their anticipation of fruitful collaboration.

13. They also acknowledged the following alternate members, who were unable to attend the meeting:

(a) Mr. Arman Kassenov;

(b) Mr. Evans Njewa;

(c) Ms. Gillian Naughton Murphy;

(d) Mr. Massoud Rezvanian Rahaghi; and

(e) Ms. Rochelle Newbold.

14. The Co-Chairs extended a warm welcome and sincere thanks to all representatives of accredited observer organizations, accredited entities, national designated authorities and other

stakeholders who were following the meeting virtually. They expressed appreciation for their continued dedication to advancing the crucial mandate of GCF and achieving shared goals.

15. Lastly, on behalf of the Board, the Co-Chairs expressed appreciation to the Secretariat for its ongoing work to drive GCF forward and for its preparations for B.45.

Agenda item 2: Adoption of the agenda and organization of work

16. The Co-Chairs opened the agenda item and drew the attention of the Board to the provisional agenda in document GCF/B.45/01/Drf.01, which had been transmitted to the Board on 29 May 2026. Document GCF/B.45/01/Add.01 titled "Annotations to the provisional agenda" had also been transmitted to the Board under this item.

17. In accordance with paragraph 20 of the Rules of Procedure of the Board, the Co-Chairs invited the Board to adopt the agenda as contained in document GCF/B.45/01/Drf.01.

18. A Board member noted that, on 16 June 2026, the African Group of Negotiators had submitted a request, supported by Saudi Arabia, for the inclusion of two matters on the agenda of B.45. Noting that the request had not been reflected in the provisional agenda, the Board member requested that the matters be considered under the agenda item "Other matters". They proposed a stepwise approach, based on the understanding that the Board would have a future opportunity to consider the matters more fully.

19. Several Board members supported the request and expressed appreciation for the flexibility demonstrated during informal consultations held prior to the meeting. A Board member noted that the proposed stepwise approach would enable the matters to be addressed while respecting applicable procedures and allowing Board members sufficient time to prepare for their substantive consideration. They emphasized the value of using both Board meetings and Board committees in a sequential manner to prepare for discussions on significant matters, including those relating to the replenishment process, commitment authority and the treasury function.

20. Another Board member underscored the importance of holding Board meetings in developing countries benefiting from GCF, noting that this enabled the Board to visit countries in which GCF activities were being implemented. Several Board members thanked the Government and people of Tajikistan for their hospitality and the arrangements made for B.45.

21. A further Board member highlighted that Board effectiveness depended in part on the timely and effective preparation of meetings. They expressed concern that the 21-day deadline for the publication of documents had not been consistently observed and that several documents had been reissued repeatedly, making preparation for the meeting more difficult. They encouraged the Co-Chairs and the Secretariat to ensure adherence to the publication deadline and to strengthen the quality control of Board documents. Another Board member supported these comments and emphasized the importance of providing Board members sufficient time to review and consider significant policy proposals.

22. The Secretary to the Board, Artur Cardoso de Lacerda, apologized for the delays in publishing documents and reaffirmed the commitment of the Secretariat to meeting the 21-day publication deadline. He explained that some consultation processes had been extended to allow the views of the Board to be considered more fully, which had delayed publication. He also confirmed that the Secretariat would work with its teams and the independent units to improve document quality and produce shorter and more focused documents for future meetings.

23. The Co-Chairs expressed appreciation for the discussions among Board members that had facilitated agreement on the agenda. They confirmed that the Board would consider the matters raised by the African Group of Negotiators under the agenda item "Other matters"

during B.45. They further noted the understanding among Board members that the matters would be included on the agenda of the next meeting of the Board and confirmed that this understanding would be reflected in the report of B.45.

24. The Board adopted the agenda as set forth below:

1. Opening of the meeting
2. Adoption of the agenda and organization of work
3. Report of the forty-fourth meeting of the Board
4. Decisions proposed between the forty-fourth and forty-fifth meetings of the Board
5. Report on the activities of the Secretariat
   (a) Report on the execution of the administrative budget
6. Audited financial statements of the GCF
7. Report on the activities of the Co-Chairs
8. Reports from Board committees, panels and groups
9. Reports on the activities of the independent units
10. Status of GCF resources, pipeline, and portfolio performance
11. Consideration of funding proposals
12. Consideration of accreditation proposals
13. Fifteenth report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change
14. Country ownership guidelines
15. Policy on fees
16. Review of the policy on restructuring and cancellation
17. Updated gender action plan for the GCF 2026–2031
18. Arrangements for the third formal replenishment of the GCF
19. Methodology for salary scale review
20. Evaluations conducted by the Independent Evaluation Unit
   (a) GCF's Project Preparation Facility
   (b) GCF's approach to gender
   (c) A synthesis study on the GCF: an interim deliverable under the Third Performance Review
21. Dates and venues of upcoming meetings of the Board
22. Other matters
23. Report of the meeting
24. Close of the meeting

Agenda item 3: Report of the forty-fourth meeting of the Board

25. The Co-Chairs opened the agenda item and drew the attention of the Board to the report of its forty-fourth meeting (B.44). On 8 June 2026, the document titled "Report of the forty-fourth meeting of the Board, 25 – 28 March 2026" had been transmitted to the Board for a two-week review period ending on 22 June 2026, together with its limited distribution addendum titled "Report on the closed sessions".

26. No comments had been received during the review period and, on 23 June 2026, the report and its addendum had been sent to the Board as documents GCF/B.44/22 and Add.01, with a view to their adoption by the Board at B.45.

27. The Co-Chairs invited the Board to adopt the report of B.44 as contained in document GCF/B.44/22 and its addendum.

28. There being no comments, the Board adopted the report of B.44.

Agenda item 4: Decisions proposed between the forty-fourth and forty-fifth meetings of the Board

29. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/Inf.01 titled "Board decisions proposed between the forty-fourth and forty-fifth meetings of the Board".

30. One decision without a Board meeting had been proposed and approved between B.44 and B.45. It was:

(a) "Recommendation on waiver before employment with the Secretariat", approved as decision B.BM-2026/05 on 19 May 2026.

31. Having been invited to do so, the Board took note of document GCF/B.45/Inf.01 titled "Board decisions proposed between the forty-fourth and forty-fifth meetings of the Board".

32. No decision was taken under this agenda item.

Agenda item 5: Report on the activities of the Secretariat

33. The Co-Chairs opened the agenda item and drew the attention of the Board to the following documents:

(a) GCF/B.45/Inf.12 titled "Report on the activities of the Secretariat";

(b) GCF/B.45/Inf.12/Add.01 titled "Summary of advice of the eighth meeting of the Indigenous Peoples Advisory Group"; and

(c) GCF/B.45/Inf.12/Add.02 titled "GCF Brand Refresh".

Part 1

34. The Co-Chairs invited the Secretariat to present the documents.

Introduction

35. Mafalda Duarte, Executive Director of GCF, began by advising the Board that a report documenting the GCF reform journey had been published online to support the third

replenishment of GCF (GCF-3) and provide stakeholders with a consolidated account of institutional changes. This report would be updated periodically.

36. She underlined that the aim of the reform journey was to strengthen the capacity of GCF to respond to increasing climate finance needs and support the vision of becoming a USD 50 billion fund by 2030. Informed by feedback from countries, national designated authorities (NDAs), accredited entities (AEs), the Board and other stakeholders, the reforms were underpinned by three pillars: (i) strengthening country ownership, (ii) improving operational efficiency and (iii) enhancing impact.

37. Ms. Duarte continued by outlining key actions, including the organizational redesign and establishment of regional departments; the Efficient GCF Initiative; improvements to data management, and monitoring, evaluation and learning; the expansion of digital technologies and artificial intelligence (AI); and strengthened finance, treasury and risk management functions. She also drew attention to the Readiness Strategy 2024–2027, as well as progress made in accreditation processes, procurement and multi-year planning.

38. She noted that the reforms had been implemented while maintaining strong programming performance, including the approval of a record USD 3.2 billion in funding in 2025. In addition, the outcomes to date had established the necessary conditions for a proposal on a refined commitment authority methodology.

39. Ms. Duarte concluded her presentation with a summary of progress during 2026, highlighting key achievements under the three objectives of enhancing country ownership and access, delivering impact and results, and people and institutional strengthening.

40. Darren Tan, Chief Finance and Risk Officer and Chief Operating Officer ad interim of GCF, advised the Board that he would present the refined Commitment Authority Framework (CAF), which was intended to align GCF commitment capacity more closely with the actual risk and cash-flow profile of its portfolio, enabling the more efficient use of resources while maintaining financial resilience. He noted that the framework had been developed through a structured process, involving extensive consultations with the Board, the Risk and Finance Committee, the Trustee and an independent third-party validator.

41. Mr. Tan further explained that the revised methodology would replace the existing one-for-one approach with a risk-based framework incorporating two financial safeguards: capital adequacy and liquidity adequacy. Commitment authority would be determined by the more restrictive of these two measures, ensuring that sufficient capital and liquidity were maintained under stressed conditions. He also emphasized that the framework was conservative in nature, incorporating features such as capital and liquidity buffers and quarterly reassessments.

42. Concluding the Secretariat's introduction, Sudhanshu Sarronwala, Director of Communications, presented the proposed logo refresh, which was intended to enhance visibility ahead of GCF-3 while preserving the identity and integrity of the existing logo. The Board had been consulted on four occasions since B.44, and its feedback had been incorporated into the proposed design.

43. During the refresh, the logo's digital legibility was aligned with that of partner organizations, with improvements to its clarity and scalability across digital and physical formats. It would not require modifications to GCF trademark protection as the distinctive character of the logo remained unchanged.

Statement by the Indigenous Peoples Advisory Group

44. Helen Magata, a representative of the Indigenous Peoples Advisory Group (IPAG), presented the outcomes of the eighth meeting of the IPAG and the GCF Global Conference with Indigenous Peoples held in April 2026, noting that it had provided a platform for dialogue,

shared learning and discussion of practical solutions to improve Indigenous Peoples' engagement with GCF.

45. Ms. Magata acknowledged the Secretariat's ongoing engagement with the IPAG and Indigenous Peoples, underscored the role of Indigenous Peoples' knowledge in climate action and highlighted the co-design of options for strengthening the implementation of the Indigenous Peoples Policy, in which Indigenous Peoples had played an active role. However, implementation challenges remained, including limited access to GCF resources, limited agency of Indigenous Peoples in project design and implementation, and structural barriers related to access modalities, fiduciary requirements and project scale.

46. The IPAG recommended that a dedicated facility be established for Indigenous Peoples, supported by a coherent framework and allocated resources. In this regard, the Secretariat was developing options which were expected to be presented to the Board at B.46.

47. Concluding, Ms. Magata called for the IPAG to be provided with strengthened institutional support and resourcing, and for the Board to engage more broadly with the IPAG on replenishment and strategic planning processes.

48. The Co-Chairs affirmed that the Board was strongly committed to ensuring access to GCF for Indigenous Peoples and looked forward to considering the above-mentioned options at B.46.

Discussion

49. Board members thanked the Secretariat for the report, which they found to be comprehensive and transparent. They recognized the significant work undertaken during the reporting period, engagement with Board members, and tangible progress across several key institutional priorities.

50. One Board member highlighted improvements to operational efficiency, country ownership, access to GCF resources and regional presence, while another Board member noted the work on results and learning, and the harmonization with other climate funds. A further Board member emphasized the importance of remaining agile and working together on shared challenges in a spirit of mutual respect, with another enquiring as to the role of GCF in helping to deliver on the new collective quantified goal on climate finance (NCQG).

51. Many Board members thanked the Government of Tajikistan for hosting the meeting and acknowledged the country's hospitality. One Board member also highlighted the vulnerability of mountainous and least developed countries (LDCs) to climate change, underscoring the importance of the work of GCF in responding to the needs of climate-vulnerable countries.

52. Finally, several Board members conveyed their condolences to the people of Venezuela and Saudi Arabia for the loss of life resulting from the recent earthquake and heatwave, respectively.

Indigenous Peoples

53. Board members welcomed the Secretariat's continued engagement with the IPAG and reaffirmed the important role of Indigenous Peoples in climate action, with one calling for stronger implementation of the Indigenous Peoples Policy and continued reporting on progress. Several others identified Indigenous Peoples as stewards of land and water, and encouraged the Secretariat to strengthen their participation in GCF projects, policies and decision-making processes, as well as their access to GCF resources, while identifying ways of drawing on their traditional knowledge, perspectives and priorities.

Reform agenda

54. Many Board members welcomed the significant progress made in implementing the Secretariat's reform agenda since 2023. Several commended the leadership displayed by Ms. Duarte and the Secretariat as a whole in advancing internal systems and broader complementarity and coherence across the climate finance architecture. One Board member commended GCF for assuming the role of inaugural chair of the Multilateral Climate Funds and requested further detail on the agenda it intended to advance in that role, while several others saw this as a sign that GCF was heading in the right direction ahead of GCF-3.

55. A number of Board members noted improvements to project oversight, credit risk monitoring and learning as well as progress with the Administrative Budget and Accounting Framework and the Harmonized Results Management Framework. Others highlighted the swift implementation of the revised accreditation framework, including strong uptake by national entities, faster project approval processes and the opening of the first application window.

56. Several Board members referred to country ownership and the need to strengthen direct access entities (DAEs) and ensure more timely support for developing countries. One Board member believed that there was significant room for improvement in this area, such as reducing the time required to develop concept notes. Another Board member saw regional offices as a means of strengthening engagement with countries and improving responsiveness to national needs, welcoming continued efforts to strengthen direct access through the dedicated readiness support window. A further Board member commended the placement of liaison officers in NDA offices, which had enhanced the work of NDAs.

57. On the Readiness and Preparatory Support Programme (Readiness Programme), one Board member noted that just three proposals had been approved in 2026. While understanding the need to recalibrate the new readiness programming, they enquired as to the potential negative impacts on countries and whether this could create a bottleneck or obstacle to accessing finance.

58. Another Board member expressed concern at the widening gap between approvals and disbursements, requesting that the Secretariat treat this as a top operational priority and report on corrective measures at B.46.

59. A further Board member asked the Secretariat to elaborate on the status of and reaction to staff regulations, while another expressed concern that mapping staff to the new job architecture could generate dissatisfaction, encouraging staff consultations on the matter.

60. Looking ahead, Board members emphasized the importance of sustaining reform momentum, delivering measurable impacts, strengthening results reporting, and ensuring the timely implementation of remaining reforms to support a successful GCF-3.

61. However, one Board member stressed that the above reforms should not be framed as reforms to GCF as an institution but reforms to Secretariat business processes, considering this to be an important institutional governance distinction.

Refined Commitment Authority Framework

62. Many Board members expressed support for the refined CAF, thanking the Secretariat for its efforts and recognizing the framework as an important and timely step towards strengthening the financial management of GCF and improving the efficient use of available resources ahead of GCF-3. One Board member welcomed the move from a static approach to a forward-looking, risk-based methodology, while several others emphasized that it would increase the credibility of GCF, while maintaining its concessional profile, grant-based programming and the Board's ability to determine programming priorities.

63. A number of Board members considered the approach to be balanced and prudent, underlining the validation by the Trustee and the Risk and Finance Committee, which they saw as a robust foundation from which to proceed. In addition, some believed the proposal to be consistent with practices adopted by other financial institutions and aligned with the existing GCF risk management framework.

64. However, while supporting the overall direction of travel, many other Board members underlined the need for caution and the importance of maintaining strong Board oversight, transparent reporting and continuous monitoring. Highlighting uncertainties in the modelling assumptions and the relatively limited operational history of GCF, some Board members also underlined the need for safeguards, such as a phased approach, recalculations, sensitivity testing and established procedures for Board approval of any future methodological changes.

65. Others argued that the increase in programming capacity represented a significant evolution of the financial management architecture of GCF. In this regard, one Board member did not believe an information document to be an appropriate means of addressing such a change, instead they called for a Board decision to ensure alignment with the Governing Instrument for the GCF. The same Board member indicated that the Risk and Finance Committee did not have the mandate to make an endorsement decision on matters related to commitment authority.

66. Some Board members also proposed that the framework be launched as a pilot under GCF-2, ensuring that any additional commitment authority would not predetermine the GCF programming mix or alter its grant-based character. In addition, they requested confirmation that no resources under the pilot would be carried over to GCF-3. Two Board members also stressed that the revised framework should not be used to diminish the grant base of the GCF portfolio or the relevant obligations of developed countries.

67. One Board member enquired as to why the regional factor model set out in document GCF/B.45/Inf.12 covered all regions but the Middle East.

Private sector engagement

68. One Board member enquired as to whether the Secretariat’s work with country platforms had provided insight into improving private sector engagement, and how the latter would be approached in the context of regional presence. Another Board member requested further detail on discussions around potential strategic investment partnerships with sovereign wealth funds, pension funds and insurance companies.

69. A further Board member noted that private sector submissions stood at less than half of the annual target and that no Project Preparation Facility (PPF) approvals had yet been provided to DAEs during 2026. With this in mind, they requested the Secretariat's view on the concrete measures it intended to take to close both gaps in the second half of 2026.

Governance

70. One Board member expressed concern as to Secretariat governance, stressing the importance of the Secretariat acting within its mandate, and believing references to financial inputs in paragraph 7 of the main report and paragraph 35 of annex III to be non-compliant with the Governing Instrument or Board policies. Another Board member expressed similar concerns with annexes II and III, arguing that issues with strategic or policy implications should be presented through dedicated Board documents rather than as annexes to information documents to allow sufficient time for consultation and informed decision-making.

71. Some Board members objected to the use of terminology such as "conflict-affected" and "fragile and conflict-affected" regions or States, arguing that these classifications were not

established under the Governing Instrument, the United Nations Framework Convention on Climate Change (UNFCCC) or the Paris Agreement. In this regard, they called on the Secretariat to avoid introducing such terminology.

72. Several Board members raised concerns as to efficiency, citing the repeated late circulation of Board documents, declining document quality and insufficient consultation, while others highlighted unnecessary detail and overlap. With this in mind, some called for the circulation of Board documents at least three weeks prior to Board meetings, as well as streamlining, de-duplication and a more holistic approach. Furthermore, a number of Board members wished to focus the agenda on key challenges and decisions by entrusting interim reports to the relevant committees.

73. Several Board members also advocated for improved time management and more concise interventions during Board meetings to improve efficiency and avoid time-wasting.

74. On budget execution, one Board member noted a reliance on consultants and relatively high Trustee costs, particularly in terms of investment management expenses.

75. Another Board member observed that the policy on programmatic approaches had not yet been considered by the Board, noting continuous delays, and considering it an important topic ahead of GCF-3 and the Updated Strategic Plan for the GCF 2028–2031 (USP-3).

Brand refresh

76. Several Board members welcomed the updated logo which, in their view, modernized GCF and ensured the legibility of the logo in all formats. However, several others underlined that the logo should not be updated unless there was a compelling reason to do so, opining that it had been designed to represent the identify and values of GCF and had become globally recognized and synonymous with the credibility of GCF.

77. A further Board member praised the updated website, finding the Portfolio & impact page to be particularly useful.

Artificial intelligence

78. One Board member welcomed the use of AI for efficiency, provided that it remained transparent, accountable and supported human decision-making. However, another Board member expressed concerns, underlining its significant environmental footprint in terms of energy consumption, carbon emissions and water use. With this in mind, they requested that the Secretariat clarify whether it had assessed the related costs and how it ensured that its use of AI remained consistent with the GCF climate mandate. In addition, they enquired as to whether the Secretariat intended to use developing guiding principles on the responsible use of AI.

Civil society organizations

79. One Board member encouraged the Board to leverage the views of active observers, highlighting their institutional memory and extensive knowledge of GCF, and believing the points raised to be a useful educational resource for Board members.

80. An active observer representing civil society organizations (CSOs) welcomed the Secretariat's efforts to operationalize new systems and frameworks, and improve project implementation monitoring and portfolio tracking, considering these to be important steps in preparing for GCF-3. However, they stressed that adequate staff capacity remained critical, noting that staffing levels were still below the target of 350 positions. While acknowledging the Secretariat's use of AI to improve operational efficiency, they called for an assessment of its

implications, including its environmental footprint and a loss of institutional expertise in the development of concept notes, funding proposals and funded activity agreements. They also highlighted transparency concerns around the Secretariat's partnership with the AI Centre of Excellence.

81. In addition, CSOs requested further information on the proposed Global Impact Conference, including opportunities to support the participation of civil society and Indigenous Peoples. They also opined that the new media tracking system prioritized the GCF narrative over lessons from affected communities, while noting that recent website changes had made it more difficult to access the Independent Redress Mechanism (IRM) and Independent Integrity Unit. They also called for greater attention to multilingualism and the timely publication of annual performance reports (APRs).

82. CSOs welcomed the recommendations from the IPAG and called for meaningful consultation on the proposed direct access funding approach for Indigenous Peoples, stressing that engagement should extend beyond information-sharing.

83. On governance matters, CSOs were concerned that the refined CAF had been presented in an information document, considering that a proposal of such significance should instead be presented as a stand-alone policy document, subject to consultation with Board members and observers. They also requested assurances that any revisions to the refined CAF would not reduce the grant share of GCF financing.

84. A Board member requested clarification on the governance process through which the Board would formally consider and approve the assumptions underpinning the CAF, as well as any future material refinement to the methodology.

85. The same Board member opined that efficiency measures should not constrain participants' ability to represent diverse perspectives or participate meaningfully in Board discussions.

86. The Co-Chairs advised that they would initiate a small group on time management but encouraged Board members to maintain a respectful tone during Board discussions. In response, a Board member advised that the issue of time management was covered by the Governing Instrument.

Secretariat response

87. Ms. Duarte thanked Board members for their comments and reaffirmed the Secretariat's commitment to using such feedback to enhance its work. She noted reflections on governance arrangements, including decision-making responsibilities, and acknowledged comments regarding fragile and conflict-affected States.

88. Responding to the question about the role of GCF in the NCQG, she recommended further discussion, including in the context of USP-3.

Reform agenda

89. On staff regulations and staff reactions to changes in job architecture, Ms. Duarte acknowledged the complexity of such reforms and the potential for dissatisfaction, noting that lessons had been learned from the process. She commended Secretariat staff for their continued commitment to maintaining high programming levels while advancing institutional reforms, and emphasized that the Secretariat was working to fill significant vacancies and did not intend to replace required skill sets with AI.

90. Amer Baig, Director of Strategic Investment Partnerships and Co-Investments and Chief Investment Officer ad interim, provided an update on the revised accreditation framework,

noting that the first group of applicants under the revised framework would be presented to the Board at B.46. Recalling the one-year transition period which would run until October 2026, he advised that the first application window had closed on 6 April 2026 and fee payments had been completed by 6 May 2026. He also highlighted that the assessment process remained on track to meet the nine-month timeline and thanked the Accreditation Panel for its support.

91. On readiness implementation, Mr. Baig noted that 81 readiness projects had been approved during the 2024–2025 transition period, totalling USD 114 million and benefiting 73 countries. Under the new Readiness Programme, 20 proposals totalling USD 36 million had been approved, including support for 12 DAEs and 8 countries, with a pipeline of 52 proposals under review.

92. Acknowledging the Board's interest in accreditation applications, Mr. Baig advised that accreditation recommendations were made by the Accreditation Panel and confirmed that the Board's comments would be shared with the panel for consideration.

Disbursement

93. Mr. Baig underlined that improving disbursement performance remained a key operational priority. In this regard, the Secretariat was conducting a comprehensive analysis, combining a quantitative portfolio assessment, econometric modelling and qualitative reviews of delayed projects to identify the drivers of delays, and distinguish factors inside and outside of the control of GCF.

94. The findings indicated that delays were primarily driven by external and implementation-related factors, including country-level regulatory, institutional and market constraints. Delays rarely stemmed from a single issue and multiple factors often compounded over time, with key contributors including weaknesses in readiness and design, misaligned assumptions, operational complexity, and capacity constraints among AEs and executing entities, particularly in terms of procurement, coordination and project management.

95. Areas within the Secretariat's control were considered to be: (i) strengthening discipline at the approval stage, (ii) ensuring projects were only presented for Board approval when ready to proceed to implementation, (iii) improving the quality of disbursement projections, and (iv) streamlining conditions precedent to disbursement. The findings of the analysis would be shared with the Board in an agreed format.

Refined Commitment Authority Framework

96. Mr. Tan underlined the Secretariat's commitment to seeking guidance as it proceeded with the refined CAF. In addition, he confirmed that any material changes to the underlying methodology would be brought to the Board for endorsement.

97. Regarding the reporting of how the additional unlocked commitment authority had translated into more approved and disbursed projects, Mr. Tan advised that unlocked funds would be comingled and made available for general use, but that the Secretariat would explore the feasibility of this concept.

98. Sean Ko, Director of Treasury, indicated that the refined CAF would be reviewed and calibrated on a quarterly basis in accordance with Trustee reports, with updates provided through the Risk Dashboard and to the Risk and Finance Committee. He also noted the Board's support for a progressive implementation approach informed by portfolio experience, advising that the methodology drew on both GCF historical data and broader industry benchmarks.

99. Mohammed Hayat, Senior Risk Specialist at GCF, confirmed that the refined approach was consistent with practices applied by comparable institutions, including the use of capital

and liquidity buffers, monitoring thresholds, credit modelling approaches, liquidity haircuts and regular Board reporting. He also highlighted that the refined CAF incorporated conservative stress testing, including scenarios relating to disbursement rates, liquidity, credit ratings, recovery rates and regional factor correlations. In addition, the framework included dual safeguards based on capital adequacy and liquidity adequacy, calculated under conservative assumptions, including a capital conservation buffer.

100. Mr. Hayat emphasized that the refined approach did not assume changes to the programming mix or instrument allocation of GCF, which would continue to be guided by country needs, project characteristics and GCF policies. He also underlined that the regional factors used in the credit portfolio loss model aligned with the four-region structure of GCF, clarifying that the Middle East was included under the Europe and Commonwealth of Independent States grouping.

101. Mr. Baig highlighted that, under the refined CAF, the total number of funding proposals could increase to 60 based on the existing capacity of the Secretariat and independent Technical Advisory Panel (iTAP), and even 90 with sufficient planning and resourcing. He also advised that this level of programming was supported by the current pipeline, which included endorsed concept notes and funding proposals requesting approximately USD 6.5 billion in GCF financing. The broader pipeline, including proposals yet to be endorsed, amounted to just under USD 12 billion.

102. Mr. Baig also noted that 35 proposals targeting LDCs were under development for 2027, comprising 19 single-country proposals amounting to USD 800 million, and 16 multi-country proposals, amounting to USD 1.5 billion.

Private sector engagement

103. Ms. Duarte highlighted that private sector teams had been fully integrated into regional teams under the Secretariat's operational model. Regional Directors oversaw both sovereign and non-sovereign operations in order to strengthen synergies between public and private sector investments, while teams were expected to relocate to regional offices to ensure closer collaboration with partners.

104. Mr. Baig elaborated that significant progress had been made in developing concrete pathways to mobilize quasi-sovereign capital, including through sovereign wealth funds, pension funds and insurance companies. Further, active discussions were under way with major sovereign wealth funds around the world and expected to lead to concrete investments in the near future. Innovative partnerships, such as guarantee platforms, were also progressing.

105. Mr. Baig also advised that the Secretariat was prioritizing private sector projects in line with USP-2 targets and strategic direction, and expected the share of private sector programming to increase significantly during 2027, with seven private sector projects foreseen for B.46. In parallel, regional private sector teams were undertaking country and regional missions to identify country and NDA preferences, which would subsequently inform pipeline development, thereby strengthening the private sector pipeline, improving origination and project structuring, and deepening country-focused partnerships.

Governance

106. On the programmatic approach policy and associated delays, Ms. Duarte acknowledged the importance of the issue and stressed the need to accelerate improvements given the significant backlog of policies.

107. Elaborating, Mr. Baig stressed the need to ensure efficient GCF programming across multiple countries, while respecting the principle of country ownership. This approach would

support scale coherence and more predictable results across related investments, particularly as the portfolio grew in size and complexity. In this context, the Secretariat considered it appropriate to first resolve the country ownership guidelines before bringing the programmatic approach to the Board for consideration.

108. Mr. Baig also advised that the APR submission deadline had been extended to allow AEs to complete the transition to the new digitized system. However, the Secretariat expected to publish all APRs that had received an initial review in July 2026.

Brand refresh

109. Mr. Sarronwala thanked Board members for their support and feedback on the logo refresh, including comments on the consultation process. He emphasized that the initiative was intended to strengthen the existing brand, identity and visibility of GCF rather than to introduce a new logo, noting that the refresh would retain the integrity of the current branding while updating elements such as resolution.

Artificial intelligence

110. On the use of AI at GCF, Mr. Tan highlighted that a guideline on responsible AI use had been published on the internal website, GreenShift, and confirmed that the Secretariat monitored emissions associated with IT usage, including AI-related activities, through an emissions dashboard. In addition, the Secretariat was pleased to report that the emissions from IT usage by the Secretariat remained below benchmarks for organizations of a comparable size.

111. Following the Secretariat response, a Board member sought clarification on whether GCF policies would continue to be applied equally to sovereign and non-sovereign operations following the integration of private sector teams into the regional structure. The Board member also asked whether the new organizational arrangement may risk blurring the distinction between sovereign and private sector operations, leading to inconsistent policy interpretation and implementation.

112. Ms. Duarte responded that the Secretariat would continue to implement Board-approved policies irrespective of organizational structure.

113. Mr. Baig indicated that the teams would pursue strategies to drive both sovereign and non-sovereign projects. Further, the new arrangements had improved the efficiency and effectiveness of engagement with governments, NDAs and other partners, with no loss of focus.

114. There being no further requests for the floor, the agenda item was suspended.

Part 2

115. The Co-Chairs reopened the agenda item several days later, recalling the discussion on the refined CAF and the logo refresh, and advising the Board that extensive consultations had taken place since.

116. They asked the Secretariat to project the decision relating to the refined CAF on the boardroom screen.

117. There being no comments, the decision was so updated.

118. The Board took note of document GCF/B.45/Inf.12 titled “Report on the activities of the Secretariat” and its addenda Add.01 titled “Summary of advice of the eighth meeting of the Indigenous Peoples Advisory Group”.

119. The Board adopted the following decision:

DECISION B.45/01

The Board, having considered document GCF/B.45/Inf.12 titled "Report on the activities of the Secretariat":

(a) *Endorses the refined Commitment Authority Framework methodology, with its risk-based approach, as set out in annex III to document GCF/B.45/Inf.12, for the purpose of increasing programming capacity;*

(b) *Requests the Secretariat to apply the refined Commitment Authority Framework methodology in determining available commitment authority, exercising due prudence in the initial implementation period, while ensuring that the implementation does not affect the Board's approval of resources already committed and that sufficient resources remain available to honour all approved funding commitments as and when required;*

(c) *Also requests the Secretariat to report to the Board on available commitment authority ahead of each Board meeting, and quarterly via the Risk Dashboard, applying the refined Commitment Authority Framework methodology from its implementation;*

(d) *Delegates to the Risk and Finance Committee responsibility for monitoring the implementation and performance of the refined Commitment Authority Framework methodology, and to advise the Board on any material issues arising from the initial implementation; and*

(e) *Notes that the commitment authority will be determined by the evolving shape of the portfolio, reflecting the policy and programming decisions taken by the Board, which will continue to be taken in line with approved decisions with respect to financial instruments without seeking to influence the risk appetite or financial instrument mix.*

120. The Co-Chairs then asked the Secretariat to project the decision relating to the logo refresh on the boardroom screen.

121. There being no comments, the decision was so updated.

122. The Board took note of document GCF/B.45/Inf.12/Add.02 titled "GCF Brand Refresh".

123. The Board also adopted the following decision:

DECISION B.45/02

The Board, having considered document GCF/B.45/Inf.12/Add.02 titled "GCF Brand Refresh":

(a) *Recalls decision B.BM-2014/04, by which the Board adopted the GCF logo;*

(b) *Adopts the proposed refreshed logo, which enhances visibility across platforms and alignment with partner branding while preserving its integrity; and*

(c) *Requests the Secretariat to continue providing protection for the GCF logo.*

(a) Report on the execution of the administrative budget

124. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/Inf.02 titled "Report on the execution of the 2026 administrative budget of GCF".

125. They invited the Secretariat to present the report.

126. Claire Williams, Director of Financial Control, presented the document, which covered overall budget execution during the reporting period (1 January to 30 April 2026), across the Board, the Secretariat, the independent units and the Trustee. Total administrative expenditure amounted to USD 38.1 million against an approved budget of USD 148.3 million, corresponding to a 26 per cent execution rate.

127. The presentation covered key cost drivers during the year, including B.44, professional services, staffing, consultancy, travel and information and communications technology (ICT). Expenditure patterns reflected an increase in staff costs driven by headcount and high retention levels, as well as higher consultancy fees due to a surge in capacity and technical expertise requirements. Professional services, travel, ICT and general operating costs were lower year-on-year due to timing differences, phased implementation and disciplined spending.

128. All contingency budgets remained underutilized and overall expenditure was expected to stay within the approved 2026 budget.

Discussion

129. Several Board members thanked the Secretariat for the report and noted that execution appeared to be on track for the early part of 2026. In addition, one Board member commended the Secretariat's continued efforts to strengthen institutional capacity while maintaining prudent financial management.

130. On the reporting itself, several Board members praised the presentation of shared cost allocations, which they believed improved transparency and aligned Secretariat reporting with that of the independent units. Given the implementation of regional presence, one Board member requested that travel related to programming and project supervision be distinguished from travel related to broader corporate engagement or representation. They also requested that future reports present a year-on-year comparison of expenditure to demonstrate budget execution trends.

131. Two Board members questioned the need for a full budget execution report at each meeting, with one calling for an annual report at the first meeting of the year, combined with a high-level evaluation when multiannual budgets were approved at the last meeting of the year. Another suggested that intermediary reports be considered by the Budget Committee, and evaluated by the Board on an annual basis.

132. On execution of the administrative budget, one Board member welcomed the Secretariat's strong staff retention rate as well as the steady modernization of ICT systems. Noting the relatively low execution of the professional services budget compared with staff costs, another Board member asked how the Secretariat planned to enhance budget agility to avoid late-year compression. Others called for minimal reliance on consultants and clarity as to how consultancy support was used to ensure that it remained targeted, time-bound and linked to specialized needs.

133. On efficiency, another Board member opined that the context in which GCF operated had changed substantially amid the intensification of climate impacts. In this regard, they saw the effective use of administrative resources as more important than ever. However, they believed that the success of the administrative budget should be measured based on the value created for developing countries. In their view, investment in staffing systems, digitalization, and institutional capacity should translate into measurable improvements in the operational performance of GCF. With this in mind, they encouraged the Secretariat to continue pursuing operational efficiency and prioritize expenditures with the greatest impacts on programming and implementation.

134. One Board member enquired as to whether the approved 2027 budget accounted for a Board meeting outside of GCF headquarters in Songdo, Republic of Korea.

Secretariat response

135. On the travel and Board budget for 2027, Ms. Williams stated that a Board meeting outside of the Republic of Korea was factored into the provisional 2027 budget approved by the Board.

136. On professional services, she responded that the Secretariat monitored both cash expenditure and committed expenditure, which provided visibility over contracted professional services and other commitments before payments were made, and supported more effective budget management within individual budget lines and the approved budget envelope. This would be periodically presented to the Budget Committee.

137. Ms. Williams also acknowledged comments on the year-on-year analysis, trend reporting, improved transparency and the frequency of budget execution reporting to the Board.

138. The Co-Chairs thanked the Secretariat representatives and invited the Board to take note of document GCF/B.45/Inf.02.

139. The Board took note of document GCF/B.45/Inf.02 titled “Report on the execution of the 2026 administrative budget”.

140. No decision was taken under this agenda sub-item.

Agenda item 6: Audited financial statements of the GCF

141. The Co-Chairs opened the agenda item and drew the Board’s attention to document GCF/B.45/12 titled “Audited financial statements of the Green Climate Fund for the year ended 31 December 2025”. They underscored the importance of the audited financial statements to the ability of GCF to continue disbursing funds and implementing its budget.

142. The Co-Chairs invited Darren Tan, Chief Finance and Risk Officer and Chief Operating Officer ad interim, to present the document.

143. Mr. Tan recalled that the Board had appointed Deloitte & Touche LLP (“Deloitte”) as the external auditor for the financial years 2024–2026 and that the audit of the 2025 financial statements had been conducted from October 2025 to May 2026. Pursuant to decision B.44/16, oversight responsibility for the annual financial statements had transitioned from the Ethics and Audit Committee to the Risk and Finance Committee, which had reviewed and endorsed the statements on 5 June 2026. Deloitte had issued an unqualified audit opinion, confirming that the financial statements presented fairly, in all material respects, the financial position and performance of GCF.

144. Mr. Tan reported that GCF had recorded a net gain of USD 110.5 million in 2025, compared with a net loss of USD 476.5 million in 2024. The improvement had been driven principally by favourable foreign exchange movements and increased investment income generated from cash managed by the Trustee. He noted that the appreciation of non-United States dollar-denominated contribution receivables had increased their dollar value, while the Secretariat had established the capacity to hedge some of that exposure progressively under the guidance of the Risk and Finance Committee. Investment income had increased to USD 632.6 million owing to higher cash balances and favourable interest rates, although returns were expected to moderate in 2026. Those gains had more than offset increased expenditure on programmes and projects and adverse valuation movements in equity investments.

145. Turning to the financial position of GCF, Mr. Tan reported that total assets had increased by 15 per cent, to USD 18.65 billion, including cash and bank balances of approximately USD 12.03 billion. The equity of GCF had increased to USD 17.60 billion and continued to represent approximately 94 per cent of the balance sheet. Liabilities had remained comparatively low, although they had increased modestly owing in part to higher credit-loss provisions, foreign exchange revaluations of long-term borrowings and increases in operational liabilities. He considered that the balance sheet of GCF remained strong and reflected a stable and conservative funding profile.

146. A Board member welcomed the audited financial statements and Deloitte's clean audit opinion. Noting the substantial increase in the loss provision on loan commitments, the Board member requested clarification as to whether the increase had resulted principally from foreign exchange movements, the application of the methodology under International Financial Reporting Standards or an actual deterioration in the underlying credit risk profile.

147. Another Board member acknowledged the positive financial results but observed that the net gain had been driven largely by investment income generated from substantial cash holdings rather than by the deployment of resources to projects on the ground. They also noted that foreign exchange gains were inherently volatile. The Board member expressed continued concern regarding the large volume of undisbursed commitments and the increase in credit-loss provisions, while confirming their readiness to approve the draft decision.

148. A further Board member welcomed the clean opinion of the external auditor and the continued sound financial management of GCF. Noting the increase in expected credit losses, including the movement of exposures into stage 3, the Board member requested the Secretariat's assessment of the likely trajectory of that trend and the point at which it might affect the liquidity or operational flexibility of GCF.

149. In response, Mr. Tan explained that International Financial Reporting Standard 9 required institutions to recognize expected credit losses even in the absence of an actual credit event. He recalled that the former distinction between general and specific provisions was reflected in the current approach through the classification of expected credit losses into stages 1–3. A portion of the provision was therefore established in relation to the size of the loan portfolio rather than in response to specific borrower difficulties, thereby providing a prudent buffer against potential future losses.

150. Mr. Tan stated that approximately half of the increase in expected credit-loss provisions had resulted from the growth of the loan portfolio and the corresponding increase in exposure. The remaining half had reflected a deterioration in general economic conditions, industry-specific factors and borrower-specific risks. Within that latter portion, approximately two-thirds had related to broader market, industry and economic factors and approximately one-third to borrower-specific factors. Expected credit-loss provisions were consequently likely to continue increasing as GCF expanded its loan portfolio.

151. Mr. Tan emphasized that the total expected credit-loss provision of approximately USD 235 million remained relatively small in comparison with the overall balance sheet and cash holdings of GCF of approximately USD 12 billion. In view of the strong liquidity position, comparatively low level of borrowing and predominantly equity-funded capital structure of GCF, the Secretariat did not consider the current level of expected credit-loss provisions to represent a material concern at this stage.

152. Noting that there were no further requests for the floor, the Co-Chairs asked whether the Board was ready to adopt the draft decision contained in annex I to document GCF/B.45/12.

153. The Board adopted the decision.

154. The Board took note of document GCF/B.45/12 titled "Audited financial statements of the Green Climate Fund for the year ended 31 December 2025".

155. The Board adopted the following decision:

DECISION B.45/03

The Board, having considered document GCF/B.45/12 titled "Audited financial statements of the Green Climate Fund for the year ended 31 December 2025":

Approves the audited financial statements of the Green Climate Fund for the year ended 31 December 2025 as contained in annex II to document GCF/B.45/12.

Agenda item 7: Report on the activities of the Co-Chairs

156. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/Inf.03/Rev.01 titled "Report on the activities of the Co-Chairs", which summarized the activities the Co-Chairs had undertaken since B.44.

157. The Board was invited to take note of the document.

158. The Board took note of document GCF/B.45/Inf.03/Rev.01 titled "Report on the activities of the Co-Chairs".

159. During the consideration of agenda sub-item 5(a), a Board member referred back to the report on the activities of the Co-Chairs and emphasized the importance of adhering to the Policy on Ethics and Conflicts of Interest for the Board of the Green Climate Fund. The Board member also drew particular attention to the final element of the prohibited practices set out in the Policy on Prohibited Practices and requested that it be fully respected throughout the proceedings of the Board and in interactions with the Secretariat. They recalled that the Board, including the Co-Chairs, was bound by those requirements.

160. No decision was taken under this agenda item.

Agenda item 8: Reports from Board committees, panels and groups

161. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/Inf.10 titled "Reports from committees, panels and groups of the Board of the Green Climate Fund" and its addendum Add.01 titled "Overview of findings and recommendations" (limited distribution), document GCF/B.45/11 titled "Performance review of the members of the Accreditation Panel" and document GCF/B.45/21 titled "Appointment of a member of the independent Technical Advisory Panel".

162. They recalled that the Board had reviewed the structure and functioning of its committees at B.44 and that the updated committee structure had entered into effect in April 2026. They noted that, since then, the Board committees had met 18 times, securing quorum at each meeting and advancing work pursuant to Board mandates.

163. The Co-Chairs explained that document GCF/B.45/Inf.10 covered the period between B.44 and B.45 and reflected the activities of both the predecessor and successor committees during the transition to the updated committee structure, grouped under the mandates of the newly constituted committees. The document contained reports from the following:

(a) Accreditation Panel;

(b) Budget Committee;

(c) Ethics and Audit Committee;

(d) Independent Technical Advisory Panel (iTAP);

(e) Operations and Portfolio Committee;

(f) Performance Oversight Committee of the Executive Director and the Heads of the independent units; and

(g) Risk and Finance Committee.

164. The Co-Chairs thanked the members and Chairs of the committees and the Secretariat for successfully managing the transition, undertaking intersessional work and preparing the reports. They opened the floor for comments.

165. An active observer for civil society organizations welcomed the effective functioning of the reconfigured committees following the adoption of decision B.44/16 at B.44. They reminded the committees that observers were available to contribute their expertise when invited to do so.

166. Referring to the proposed performance review of the members of the Accreditation Panel, the active observer raised several concerns regarding the methodology for the 360-degree assessment. They noted that observers had initially been omitted as a stakeholder group for interview and welcomed assurances from the Secretariat that this omission would be addressed. The observer further noted that gender expertise had been omitted from the list of technical expertise in the methodology, notwithstanding its inclusion, together with environmental and social safeguards and environmental and social management systems, in the terms of reference of the Accreditation Panel.

167. The active observer also expressed concern that the essential competencies identified for the review did not sufficiently assess the quality and consistency with which members applied their technical expertise and accreditation standards. They considered that the methodology could therefore give undue weight to attributes such as teamwork and meeting deadlines. The observer also questioned the discretion afforded to the external consultant to develop the performance assessment criteria, given the existing terms of reference of the Accreditation Panel.

168. The active observer further considered that the proposed four-week timeline would be insufficient for a comprehensive 360-degree assessment, particularly if the review coincided with periods of limited stakeholder availability. They called for a longer timeline to allow the consultant to consult a comprehensive range of stakeholders, including observers, and cautioned that a more limited assessment would not adequately support either the individual members concerned or the objective of ensuring that the Accreditation Panel remained appropriately capacitated to fulfil its mandate.

169. Referring to the reported consideration by the Budget Committee of rising costs associated with the Independent Redress Mechanism and the potential role of the grievance redress mechanisms of accredited entities in addressing complaints, the active observer emphasized that allowing complainants to choose the avenue through which they sought redress represented good practice. They cautioned that limiting the capacity of the Independent Redress Mechanism to investigate complaints fully and provide redress on the basis of cost considerations could result in greater costs to GCF over time in terms of institutional learning, reputation and impact.

170. Seeing no further requests for the floor, the Co-Chairs invited the Board to take note of the reports.

171. The Board took note of document GCF/B.45/Inf.10, titled "Reports from committees, panels and groups of the Board of the Green Climate Fund".

Performance review of the members of the Accreditation Panel

172. The Co-Chairs drew the attention of the Board to document GCF/B.45/11, titled "Performance review of the members of the Accreditation Panel". They explained that several members of the Accreditation Panel were approaching the end of their terms and that, before the Board could consider their possible reappointment, the process for reviewing their individual performance was required to be initiated in accordance with the terms of reference of the Accreditation Panel.

173. The Co-Chairs invited the Board to consider the draft decision contained in annex I to document GCF/B.45/11.

174. There being no objections, the decision was adopted.

175. The Board took note of document GCF/B.45/11 titled "Performance review of the members of the Accreditation Panel".

176. The Board adopted the following decision:

DECISION B.45/04

The Board, having considered document GCF/B.45/11 titled "Performance review of the members of the Accreditation Panel":

(a) *Reaffirms that, prior to the expiry of each of their terms of membership of the Accreditation Panel, each member of the Accreditation Panel shall undergo a performance review and that any such member shall only be eligible for a subsequent term of membership of the Accreditation Panel if the Board considers that the outcome of the relevant performance review is satisfactory;*

(b) *Adopts the updated guiding principles and methodology for the performance review of members of the Accreditation Panel as set out in annex II to document GCF/B.45/11;*

(c) *Endorses the updated terms of reference of the performance review of members of the Accreditation Panel as contained in annex III to document GCF/B.45/11;*

(d) *Requests the Secretariat to promptly procure the independent consultant or firm for conducting the performance review with the aim of presenting the outcome of such review to the Board for its consideration at its forty-seventh meeting; and*

(e) *Also requests the Secretariat to promptly launch the call for experts to the Accreditation Panel, and the Operations and Portfolio Committee to select and nominate members of the Accreditation Panel for the consideration by the Board at its forty-seventh meeting.*

Reappointment and appointment of members of the independent Technical Advisory Panel

177. The Co-Chairs then introduced two matters relating to the membership of the iTAP. They noted that the first concerned the proposed reappointment of two current members following the completion of the reviews of their performance during their previous terms, as outlined in document GCF/B.45/04 titled "Reappointment of members of the independent Technical Advisory Panel". The second concerned the requested endorsement by the Board of the nomination by the Operations and Portfolio Committee of a new member for appointment to the iTAP, as set out in document GCF/B.45/21.

178. In view of the nature of the matters to be considered, including the consideration of a limited distribution document, the Co-Chairs proposed that the Board continue its consideration of the agenda item in executive session.

179. The Board continued its consideration of the agenda item in executive session.

180. Upon returning to open session, the Co-Chairs stated that three decisions had been adopted by the Board during the executive session and that those decisions would be made public together with the other decisions adopted at B.45.

181. The Board took note of document GCF/B.45/04 titled "Reappointment of members of the independent Technical Advisory Panel" and its limited distribution addendum Add.01 titled "Overview of findings and recommendations", and document GCF/B.45/21 titled "Appointment of a member of the independent Technical Advisory Panel".

182. The Board adopted the following decisions:

DECISION B.45/05

The Board, having considered document GCF/B.45/04 titled "Reappointment of members of the independent Technical Advisory Panel" and its limited distribution addendum Add.01:

<u>Endorses</u> the nomination by the Operations and Portfolio Committee for the reappointment of the following members of the independent Technical Advisory Panel for a three-year term starting on the date of the expiration of their current term:

(i) *Ms. Marianne Kjellén; and*

(ii) *Ms. Debbie Menezes.*

DECISION B.45/06

The Board, having considered document GCF/B.45/21 titled "Appointment of a member of the independent Technical Advisory Panel":

<u>Endorses</u> the nomination by the Operations and Portfolio Committee of Mr. Cyrille Arnould (France) to the independent Technical Advisory Panel for one three-year term starting no later than 31 July 2026.

DECISION B.45/07

The Board:

<u>Requests</u> the Operations and Portfolio Committee, with the support of the Secretariat, to consider the process for the future reappointment of members of the independent Technical Advisory Panel, taking into account the comments made by the Board, as part of the broader review of the independent Technical Advisory Panel.

Agenda item 9: Reports on the activities of the independent units

183. The Co-Chairs opened the agenda item and drew the attention of the Board to the following documents:

(a) Document GCF/B.45/Inf.04 titled "Report on the activities of the Information Appeals Panel";

(b) Document GCF/B.45/Inf.05 titled “Report on the activities of the Independent Integrity Unit”;

(c) Document GCF/B.45/Inf.06 titled “Report on the activities of the Independent Evaluation Unit”; and

(d) Document GCF/B.45/Inf.07 titled “Report on the activities of the Independent Redress Mechanism”.

184. The Co-Chairs noted that the reports were presented to the Board for information and that Board members would have the opportunity to engage with the independent units during the meeting, including on the margins and under relevant agenda items.

185. They invited the Board to take note of the reports and opened the floor for comments.

186. An active observer for civil society organizations expressed appreciation for the work of the independent units and their role in strengthening GCF. With regard to the Independent Redress Mechanism (IRM), the observer considered that the increase in the number of cases and pre-cases indicated greater awareness among individuals and communities of how to access redress. The observer welcomed the publication, following decision B.44/10, of the compliance review report concerning FP039, as well as the recommendations of the IRM, which had been adopted in full by the Board.

187. The active observer particularly welcomed the recommendation that the Secretariat develop clear guidance on the due diligence that would be necessary and appropriate in different contexts, as well as risk-based monitoring guidance for projects and programmes that were the subject of ongoing cases before the IRM. The observer noted that the guidance on due diligence should be aligned with relevant international standards and good practices, including the Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework and the sectoral due-diligence guidance of the Organisation for Economic Co-operation and Development. They further emphasized that capacity-related concerns should be addressed rather than treated as a barrier to ambitious due-diligence guidance. The observer stressed that operationalizing the lessons learned from the case would be essential to preventing further harm and ensuring that the Secretariat and accredited entities fulfilled the requirements of policies intended to safeguard human rights.

188. The active observer also welcomed the coordination and cooperation between the IRM and the Independent Integrity Unit, including the sharing of a capacity-building specialist and collaboration on their annual workshop. The observer highlighted the contribution of such alignment and outreach-oriented approaches to strengthening the broader GCF ecosystem of partners, including civil society observers, prospective accreditation applicants and national designated authorities.

189. Finally, the active observer noted that evaluations of the Independent Evaluation Unit no longer included executive summaries. Considering executive summaries to be good practice and important for ensuring that evaluations remained accessible to the general public, the observer requested that they be included in forthcoming evaluations.

190. There being no further comments, the Co-Chairs concluded the agenda item.

191. The Board took note of document GCF/B.45/Inf.04 titled “Report on the activities of the Information Appeals Panel”, document GCF/B.45/Inf.05 titled “Report on the activities of the Independent Integrity Unit” document GCF/B.45/Inf.06 titled “Report on the activities of the Independent Evaluation Unit” and document GCF/B.45/Inf.07 titled “Report on the activities of the Independent Redress Mechanism”.

192. No decision was taken under this agenda item.

Agenda item 10: Status of GCF resources, portfolio and pipeline

193. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/Inf.11 titled "Status of the GCF resources, portfolio and pipeline".

194. The Co-Chairs invited representatives of the Secretariat, Amer Baig (Chief Investment Officer ad interim), Sean Ko (Director of Treasury), Achala Abeysinghe (Director of Investment Services) and Oscar Garcia (Director of Monitoring, Evaluation and Learning), to present the document.

Financial status and resources

195. Mr. Ko reported that, as at 31 May 2026, the commitment authority available for Board decision-making at B.45 stood at USD 1.8 billion. He noted that, since B.44, the Secretariat had received notification from the Government of the United Kingdom of Great Britain and Northern Ireland of a revision of its confirmed GCF-2 pledge from GBP 1.6 billion to GBP 0.8 billion, reducing the total pledged amount for GCF-2 from USD 10.6 billion to USD 9.6 billion. Mr. Ko also reported an additional GCF-2 pledge from Malta of EUR 400,000 for 2026, in addition to EUR 800,000 already provided, and expressed appreciation to Malta.

196. Across the initial resource mobilization, GCF-1 and GCF-2 periods, total pledges stood at USD 28.9 billion, while total received contributions amounted to USD 23.3 billion and total resources, including investment income and reflows, amounted to USD 25.9 billion. Total committed funding amounted to USD 24.1 billion, comprising USD 20.1 billion for approved funded activities, USD 1.3 billion for the Readiness and Preparatory Support Programme and the Project Preparation Facility (PPF), and USD 2.7 billion for institutional provisions, including accredited entity fees, administrative budget, loan cushion and the foreign exchange buffer.

Accreditation, Readiness and Preparatory Support Programme, and Project Preparation Facility

197. Ms. Abeysinghe reported that the GCF accredited entity network comprised 168 Board-approved accredited entities (AEs), including 92 national direct access entities (DAEs), of which 12 were from small island developing States (SIDS), 19 from least developed countries (LDCs) and 27 from African States. She noted that seven AEs had addressed accreditation conditions since B.44, increasing the number of programme-ready AEs to 121. She further reported that 83 entities had submitted applications and paid fees under the first accreditation application window, out of 249 invited applicants, and that nine new entities would be presented to the Board for accreditation at B.45.

198. On the Readiness Programme, Ms. Abeysinghe reported that approved readiness funding had more than doubled over six years, from USD 300 million in 2020 to USD 751 million by June 2026, with USD 535 million disbursed, representing 71 per cent of approved funding. She indicated that, in addition to 81 transition grants already approved under the current phase, 20 multi-year grants had been approved, representing a four-fold increase compared with B.44. Of these, 8 were country window proposals and 12 were DAE window proposals. She also reported that 94 requests for liaison officer support had been received, 69 had progressed to signed memorandums of understanding or letters of agreement, and 56 liaison officers had been placed in countries. Initial feedback from national designated authorities (NDAs) and countries indicated that the programme was strengthening GCF presence in countries, improving coordination with NDAs and partners, and narrowing information and implementation gaps.

199. On the PPF, Ms. Abeysinghe reported that the facility continued to deliver at scale, with 121 approved requests, USD 76.5 million committed to project preparation, and a cumulative

disbursement rate of 78 per cent. She noted that the facility had supported 65 AEs, with DAEs accounting for 63 per cent of approved requests and 53 per cent by value. Of the 58 Board-approved funding proposals supported by the PPF, 35 had been advanced by DAEs, unlocking approximately USD 1.9 billion in GCF financing. She emphasized that the PPF was functioning not only as a proposal preparation instrument but also as a strategic de-risking tool, as some PPF-supported projects had subsequently been withdrawn from the pipeline, avoiding further investment in proposals that no longer met GCF investment criteria or country priorities.

Portfolio and pipeline

200. Mr. Baig reported that, as at 30 April 2026, the GCF portfolio comprised 352 approved projects, representing USD 20.2 billion in total committed funding, and noted that this figure included two projects that had since lapsed or been discontinued following the April reporting cut-off. He recalled that, at B.44, 18 projects had been approved with USD 960 million in financing. Of the portfolio, USD 17.5 billion across 311 projects was under implementation, and disbursements stood at USD 6.6 billion across 284 projects, representing approximately 32 per cent of total approved funding. He noted that disbursements had grown at a faster pace since the end of the previous year, and that the 2025 cohort of approved projects was progressing through funded activity agreement execution, effectiveness and early disbursement milestones more rapidly than earlier cohorts over comparable observation periods. The Secretariat was also in the process of assessing disbursement performance across the portfolio and intended to present findings and proposed actions at a future Board meeting.

201. Mr. Baig further reported that 10 funding proposals had been submitted for consideration at B.45, requesting USD 369.1 million in GCF funding and amounting to USD 700.6 million including co-financing. He acknowledged that this was lower than in recent Board meetings, noting that the Secretariat had started from a pipeline of 22 funding proposals earlier in the year, but that several proposals required additional time and could be brought to future meetings. If all 10 proposals were approved, the portfolio would comprise 360 approved funding proposals, with USD 20.5 billion in GCF funding and USD 81 billion in total value including co-financing. Adaptation would account for 60 per cent in grant equivalent terms and 50 per cent in nominal terms, with 65 per cent of adaptation funding in grant equivalent terms allocated to LDCs, SIDS and African States. He indicated that 20 per cent of GCF funding would be channelled through DAEs. For B.46, the Secretariat anticipated up to 24 funding proposals and USD 2 billion in GCF financing for Board consideration. He further reported strong demand for GCF financing, with USD 11.8 billion requested in the pipeline and proposals totalling USD 6.1 billion in GCF financing endorsed for further development. For 2027, the Secretariat would prioritize proposals aligned with remaining updated Strategic Plan for the GCF 2024–2027 (USP-2) targets, including first-time DAE proposals, private sector proposals, proposals from underserved countries and vulnerable situations, and mitigation proposals to maintain balance between mitigation and adaptation.

Impact and results

202. Mr. Garcia reported that the results presented were drawn from 2025 annual performance reports submitted by AEs, which were under validation. Further details would be presented in the annual portfolio performance report at B.46. He emphasized that climate finance should be assessed not only by the size of the portfolio, but also by the results delivered on the ground and changes to people's lives. He reported that cumulative emission reductions had increased from 96 million tonnes of carbon dioxide equivalent (Mt CO_2 eq) in 2024 to 145 Mt CO_2 eq in 2025, with 20 additional projects reporting emission reductions equivalent to 22 Mt CO_2 eq. Cumulative direct and indirect beneficiaries had increased from 249 million in 2024 to 344 million in 2025, with 28 additional projects reporting 23.3 million beneficiaries. He

further reported that the value of physical assets made more resilient had increased from USD 443 million in 2024 to USD 786 million in 2025, a 77 per cent increase, while hectares of natural resources under improved management practices had increased more gradually, from 33 million in 2024 to 35 million in 2025.

203. The Co-Chairs thanked the Secretariat and opened the floor for comments.

Discussion

204. Board members welcomed the comprehensive presentation and report, noting that the item provided a consolidated view of GCF performance from resources, accreditation and readiness through to pipeline, portfolio, disbursement and results. Several Board members described the report as particularly useful and noted improvements in the quality and structure of reporting over time. One Board member stated that the item was among the most useful at Board meetings because it provided a comprehensive view of the programmatic and investment activities of GCF, while another Board member noted that the report showed that impact orientation was increasingly being used in practice and not merely as a narrative.

205. Several Board members underscored the importance of collecting, reporting and communicating results and positive climate impacts, particularly in the context of GCF-3 and the next strategic period. One Board member noted that the presentation sent a clear message that GCF was making progress, while also emphasizing that reduced contributions and limited commitment authority underlined the need for clear prioritization, quality delivery and maximum impact per dollar.

Progress welcomed by Board members

206. Board members welcomed the increases across key progress indicators as well as the reported improvement in disbursement pace and implementation. Several also welcomed the strengthening of the AE network and progress under the revised accreditation framework (RAF). One Board member commended the large number of applicants under the first call of the RAF and thanked Ms. Abeysinghe for her leadership. Another Board member welcomed the increasing number of ministries of finance seeking accreditation, noting their extensive fiduciary experience and financial management systems, and considered the RAF an important opportunity to facilitate their accreditation.

207. Board members welcomed the continued growth of the private sector portfolio and efforts to increase engagement with private sector actors. One Board member noted that the private sector portfolio had grown from USD 1.3 billion during the initial resource mobilization period to USD 3.7 billion as at B.45 and encouraged this evolution in the context of USP-3. Another Board member encouraged GCF to continue taking appropriate risks to meet the needs of the most vulnerable and to find ways to bring in private sector funding to increase the impact of GCF concessional resources.

208. Board members also welcomed the prioritization exercise aimed at filling gaps in USP-2 targets, the increase in funding through DAEs since 2023, the continued focus on vulnerable regions and adaptation, and the progress made through readiness support and the liaison officer scheme. One Board member expressed strong support for the liaison officer scheme, noting that it had helped countries with project pipeline and portfolio development and had improved countries' ability to access GCF resources. They encouraged its continuation under USP-3 as part of the broader efforts of GCF to strengthen country ownership.

Resources, pledges and commitment authority

209. The Board member from the United Kingdom acknowledged the reduction in GCF-2 funding from the United Kingdom, explaining that it resulted from a broader decision by the United Kingdom Government to reduce official development assistance to 0.3 per cent of gross national income. The Board member stated that the reduction had required difficult choices to be made across the United Kingdom's official development assistance and climate finance portfolio. They expressed regret that the decision had been necessary, and reaffirmed the United Kingdom's commitment to GCF, its mandate, its place in the climate finance architecture and the GCF leadership's vision and reform agenda. The Board member noted that the United Kingdom remained the fourth largest contributor to GCF-2 and to GCF overall, having paid GBP 2.8 billion since the inception of GCF.

210. A second Board member noted that the project pipeline contained approximately USD 3.2 billion in requested financing and that commitment authority was referenced at USD 1.8 billion. The Board member requested, for the discussion on commitment authority to take place at a later stage of the meeting (see agenda item 5 of this report), an indication of how much more of the pipeline could be approved during the current GCF-2 period under the proposed new commitment authority, in order to help the Board understand the value of moving to a risk-based approach to determining commitment authority.

211. A third Board member noted that, while demand in the pipeline remained strong, available resources were more constrained, reinforcing the need for greater selectivity, stronger focus on quality in programming and accelerated efforts to pursue balance sheet optimization. Another Board member similarly noted that reduced contributions and limited commitment authority underscored the need for clear prioritization going forward. A further Board member linked these considerations to the need for disciplined, strategic and innovative use of scarce resources, including in the context of portfolio management, programming and future discussions on multiannual budgets.

Disbursement, implementation and portfolio performance

212. Many Board members welcomed the planned deep-dive analysis on disbursement performance and shortfalls against projections to be presented at B.46. They emphasized the need for continuous improvement in disbursement and implementation.

213. One Board member requested further information on the Secretariat's strategy for increasing disbursements, including practical measures already taken to achieve the recent improvement in disbursement pace. Another Board member requested an early indication of the reforms being considered, especially those within the influence of GCF, and asked that the Secretariat identify what action would be required from the Board to support such reforms. The Board member highlighted that the issue was not a one-way matter and that the Board should have a frank conversation about gaps in Board decisions that may affect delivery.

214. A number of Board members linked disbursement and implementation to the need for stronger execution capacity, realistic project design, institutional streamlining, quality programming and maximum impact per dollar. One Board member noted increasing implementation delays and project restructuring needs and emphasized the importance of advancing work on the restructuring and cancellation policy.

215. A further Board member requested that portfolio concentration updates, which had been periodically provided to the Risk and Finance Committee, be made available to the full Board, either through inclusion in the report on the activities of the Secretariat at each Board meeting or through a separate risk annex for the portfolio.

Direct access, accreditation and country ownership

216. Many Board members welcomed the continued expansion of the AE network and the increase in DAEs. Some emphasized that accreditation should translate into programming volume, access to resources and delivery of climate action. One Board member stressed that accreditation should not be considered an end in itself, noting that many AEs continued to face challenges in moving from accreditation to implementation, whether due to outstanding conditions, limited institutional capacity or difficulties in developing projects. The Board member stated that success should be measured not only by the number of AEs, but by their ability to access resources and deliver climate action.

217. A second Board member encouraged further work to translate the strengthening of the AE network into programming volume through DAEs. A third Board member welcomed the significant increase in funding through DAEs since 2023 but observed a shift in who was bringing proposals forward, noting that DAEs accounted for 63 per cent of proposals in 2023, 41 per cent in 2025 and 31 per cent in 2026, and requested the Secretariat to reflect on that trend.

218. A fourth Board member asked the Accreditation Panel to remain fully up-to-date on the status of the RAF and to recognize the principles of increasing the number of national DAEs, particularly for LDCs and SIDS. The Board member highlighted the distinction under the RAF between institutional capacity and programming capacity, stressing that accreditation should focus on the former and that this distinction should be applied in practice.

219. Another Board member requested clarification on why applications under the RAF had not been ready for consideration at B.45 and asked about the timeline for bringing such applications to the Board. The same Board member encouraged expedited accreditation under the RAF and welcomed the use of the project-specific assessment approach (PSAA) as an important modality for expanding access where appropriate, while cautioning the Secretariat to align its terminology in documents with the Governing Instrument.

Readiness, national adaptation plans and the Project Preparation Facility

220. A number of Board members raised concerns about readiness support. One Board member noted that only three readiness grants had been approved during the reporting period and requested further information on the reasons behind that low number. Another Board member similarly noted that, despite 120 requests having been received and 39 proposals being under review, only three readiness proposals had been approved so far in 2026, and stated that all efforts should be undertaken to redress this. The Board member emphasized that the transition to the new readiness strategy should not slow support to countries at a time of rapidly growing demand for climate finance.

221. Several Board members expressed concern about the low translation of readiness support into concept notes and funding proposals, particularly for DAEs, and requested further information on the reasons for the low conversion rate and what GCF could do to address it.

222. A Board member emphasized that the key question for the Board was no longer only how much readiness funding had been approved, but whether readiness was delivering stronger national institutions and DAEs and a pipeline of quality investments. The Board member suggested that future reporting place greater emphasis on outcomes rather than inputs, including how readiness support strengthened country institutions, increased direct access, accelerated investment pipelines and improved access to climate finance.

223. The same Board member asked the Secretariat to provide an overview of implementation under the previous readiness programme – under which countries could access up to USD 3 million in readiness support – including how many countries had fully utilized the USD 3 million allocation, how many had partially utilized it and how many had yet to access the

full allocation. The Board member further asked what additional measures were envisaged to bridge the persistent gap between adaptation planning and investment, and requested a detailed portfolio of national adaptation plans (NAPs), the entities implementing them and their status, either in future reporting or in a stand-alone document.

224. Another Board member welcomed the update on readiness support and disbursements, noted that countries were making use of these mechanisms, and encouraged the Secretariat to continue working closely with countries.

Private sector engagement and co-financing

225. The Board member from Japan requested efforts be continued to ensure that the GCF-2 share of allocation to private sector projects was maintained at or above the GCF-1 level, noting that this was among the indicators used by Japan to assess GCF performance and inform its support for GCF. Another Board member noted that the private sector portfolio continued to scale up and was primarily using equity instruments. However, they were concerned that only one private sector proposal was to be considered by the Board at B.45, particularly given the need to mobilize more private finance to complement grants and concessional finance.

226. A second Board member expressed concern that Africa's share of private sector funding had declined from 65 per cent during the IRM period to 43 per cent, and that private sector engagement in adaptation remained limited, with most activities still focused on mitigation, particularly energy and transport. The Board member encouraged the Secretariat to outline how it planned to rebalance private sector funding and regionally incentivize private adaptation investments, including through blended finance and de-risking instruments.

227. A third Board member emphasized the importance of engaging high-emitting countries, many of which were already GCF partners and suitable for private sector work due to the scale of financing required. The Board member asked the Secretariat to provide more information on the pipeline and prospects for additional mitigation work in high-emitting countries. Another Board member emphasized that increased private sector engagement should be enabled by greater mobilization of long-term public capital, particularly from the perspective of LDCs, noting that public and private finance were not mutually exclusive but complementary to each other. The Board member highlighted the need for long-term public financing to be matched effectively with public–private partnership frameworks.

228. On co-financing, one Board member requested more detailed reporting distinguishing between projected and disbursed co-financing. Another Board member asked about the apparent reduction in expected co-financing associated with PPF-supported projects.

Portfolio balance

229. Several Board members addressed portfolio balance, including balance between adaptation and mitigation, support for vulnerable countries and distribution across results areas.

230. Some Board members expressed concern that the share of adaptation funding in grant equivalent terms allocated to LDCs, SIDS and African States had declined from 66 per cent during GCF-1 to 65 per cent in the current report. They requested that the Secretariat intensify efforts so that performance over GCF-2 as a whole would meet or exceed the GCF-1 level.

231. One Board member further stated that the decline in the share of SIDS, LDCs and African States in grant equivalent adaptation funding, as well as the decline in Africa's share of the overall portfolio, was not what they wished to see for GCF and USP-3. The Board member also emphasized the need to maintain balance between adaptation and mitigation in grant

equivalent terms, noting that the current portfolio was balanced in nominal terms but not in grant equivalent terms.

232. A second Board member questioned whether, for USP-3, the balance between adaptation and mitigation should be measured in nominal terms rather than grant equivalent terms, given that adaptation relies more heavily on grants while mitigation projects have greater revenue-generation potential. The Board member asked whether grant equivalent balance could affect the amount of financing going to adaptation and whether this should be revisited in light of increasing climate impacts.

233. A third Board member advocated for continued balance between mitigation and adaptation, while also welcoming the strong focus on vulnerable regions and increasing emphasis on adaptation. Another Board member emphasized the importance of monitoring the balance between grants and loans, noting that grants remained essential for adaptation, SIDS and countries with limited fiscal space.

234. Regarding results areas, one Board member asked about prospects for more mitigation outcomes in buildings, cities, industries and appliances, noting that these sectors were important for mitigation and for jobs and growth in the green transition. Another Board member suggested that ecosystems and health were still at the lower end of the results areas and warranted more emphasis, noting that this was also reflected in slower progress on the nature and land indicator. The Board member encouraged the Secretariat to prioritize projects addressing these areas.

Regional balance and equitable access

235. Board members from the Group of Latin America and the Caribbean (GRULAC) were concerned that the region continued to face a significant gap compared to other regions and that no funding proposals from the region were under consideration at B.45. They stressed that this should be treated as a clear signal that additional efforts were needed to strengthen the regional pipeline, especially for adaptation projects and programmes. One Board member encouraged the Secretariat to develop and present a concrete plan to strengthen the regional pipeline. Another noted that, while Latin America and the Caribbean showed strong concept note volume, this demand had not translated into Board-ready proposals at a similar pace, and that the pathway from concept to appraisal for the region needed improvement. The Board member requested thorough monitoring in the future.

236. Another Board member representing GRULAC emphasized that pipeline management was central to equitable access, portfolio balance and developing countries' predictability of access to resources. The Board member stated that the absence of proposals from Latin America and the Caribbean did not reflect a lack of ambition or commitment, as the pipeline showed otherwise, but raised legitimate concerns about equitable access, consistency and predictability in the project cycle. The Board member wished to know what happened between pipeline entry and Board consideration, and stated that the report did not sufficiently explain how demand was being filtered, prioritized, deferred or converted into Board-ready proposals. The Board member requested that future pipeline reports supplement the annex with a breakdown of proposals deferred from B.45, reasons for deferral and the outlook for B.46 and B.47, disaggregated by region, theme, financial instrument, access modality and entity type, including grant-financed proposals.

237. A further Board member noted that South Asia was home to one-fifth of humanity but that the resource pipeline did not reflect equitable geographical distribution for the region. The Board member asked that South Asia not be overlooked in future portfolio management.

238. Another Board member requested that, for countries with no projects or very few projects to date, the Secretariat take a proactive role in leading facilitation of efficient pipeline

development, including by providing AEs with clear information on those countries' climate finance needs and priority investment areas.

Complementarity and coherence with other climate funds

239. Several Board members supported stronger reporting on complementarity and coherence with other climate funds. A Board member recalled that they had requested a dedicated section and systematic reporting on complementarity and coherence at B.44 and stated that addressing the defragmentation of the climate finance landscape was a priority. The Board member requested systematic tracking of how many GCF projects and how much GCF funding built on, scaled up or complemented initiatives from other multilateral climate funds; quantification of how often and to what extent GCF projects leveraged co-financing from other multilateral climate funds; and identification of pipeline projects explicitly designed to create synergies with other funds.

240. Another Board member emphasized that such information was important in the broader geopolitical context and in view of upcoming replenishments of several institutions, so that there would be data and a clear vision to explain which institution was doing what and to make the case to political leaders for investing in climate finance institutions.

Results reporting

241. Several Board members welcomed the strengthening of results reporting and emphasized the importance of telling the story of achieved results. One Board member welcomed the increases in emission reductions and assets made resilient, stating that it was important to actively report and communicate these real achieved results. A second Board member echoed the importance of collecting and communicating results and positive climate impact, particularly as GCF moved towards GCF-3 and a new strategic period. A third Board member stated that strengthened results reporting by the Secretariat would be an important factor in ensuring quality delivery and maximum impact per dollar, and welcomed the fact that the Independent Evaluation Unit was also undertaking impact assessment, which would help in better informing the Board of achieved results.

242. A further Board member requested increased reporting on the private sector portfolio and the inclusion of relevant key performance indicators showing GCF progress in managing its own processes, as had appeared in previous versions of the report.

Reporting frequency

243. One Board member, while acknowledging that the information was useful, questioned whether the status report needed to be presented at every Board meeting and suggested that an annual report might suffice. Another Board member responded that the item was reported at every Board meeting pursuant to decision B.11/11, paragraph 7, and that the Secretariat was fulfilling a request from the Board; unless the Board decided otherwise, the Secretariat would have to continue reporting it at every Board meeting. The same Board member noted that this was an information item and that no decision to change the reporting requirement was expected under the item.

Other matters

244. A Board member noted the apparent decline in the use of the simplified approval process (SAP) and requested an explanation of the factors contributing to that trend.

245. Another Board member reiterated that GCF work should remain aligned with its Governing Instrument, the United Nations Framework Convention on Climate Change and the Paris Agreement.

Active observer comments

246. An active observer for civil society organizations expressed concern that the status of GCF resources reflected inadequate pledges by developed countries, several of which remained undelivered, as well as a significant reduction in a confirmed GCF-2 pledge by a contributor. The observer stated that the non-fulfilment of a pledge already confirmed through a signed contribution agreement was unprecedented in the history of GCF and was not covered in any policy. The observer emphasized that this funding was owed not only to GCF but to peoples of the global South facing the worst impacts of the climate crisis, and that the timing was particularly concerning as GCF prepared for its third replenishment.

247. The active observer also stated that, against the backdrop of the International Court of Justice's advisory opinion, the NCQG decision, the Governing Instrument, the Paris Agreement and the UNFCCC, the Board should affirm that developed countries' obligations to provide climate finance remained the foundation on which GCF was established. The replenishment should not become an exercise in managing scarcity, but should focus on fulfilling obligations and resourcing GCF at the scale required by affected peoples and communities.

248. The observer also expressed concern that large-scale multi-country programmes continued to benefit from GCF financing despite the continued absence and delay of a policy on programmatic approaches. It was also concerning that international access entities (IAEs) continued to receive an overwhelming proportion of GCF financing, which the observer considered contrary to the USP-2 target of increasing flows to DAEs. The observer noted that annex III to document GCF/B.45/Inf.11 showed that requests for restructuring, project changes or partial cancellations had come mostly from IAEs, in particular multilateral development banks, and raised concerns about the effectiveness and accuracy of self-certification and self-assessment in the updated monitoring and accountability framework, noting that only 81 per cent of AEs had submitted annual self-assessment reports within 60 days of the deadline.

249. The observer raised further concerns about increasing GCF investment in blind-pool private equity funds for climate projects, as such funds often lacked indicative pipelines and comprehensive safeguards. They also noted that, while the document reported a 59 per cent financing share for adaptation and 41 per cent for mitigation in grant equivalent terms, figure 9 of the report presented results area numbers in nominal terms that appeared mitigation-heavy. The observer called for enhanced efforts to increase financing for adaptation projects and to course-correct the dominance of energy generation and access in the portfolio.

250. On the pipeline, the observer appreciated the Secretariat's work to investigate the lag between actual and projected disbursements, but noted that many delays stemmed from unrealistic leverage promises in private sector programmes, delaying funded activity agreement signing. The observer called for standardized reporting on resources, portfolio and pipeline and stated that each status of resources report should remind the Board that GCF remained constrained because it lacked resources that developed countries had committed and were obligated to provide.

Secretariat response

251. Mr. Baig thanked Board members and stated that the Secretariat valued the discussion as a useful cross-examination of its work. The Secretariat endeavoured to continue improving, and the objective view provided by the Board helped inform that work.

252. On private sector reporting, Mr. Baig took note of the requests for enhanced reporting. He stated that the Secretariat reported on the private sector portfolio through the report on the activities of the Secretariat and also provided an annual update on implementation of the private sector strategy. He explained that Secretariat processes and efficiencies were intentionally reported in the report on the activities of the Secretariat to avoid duplication, but acknowledged the feedback on reporting regularity and indicated that the Secretariat would consider this as part of the ongoing streamlining of reports to the Board.

253. On USP-2 progress regarding DAEs, Mr. Baig stated that, if the two DAE projects presented at B.45 were approved, the total number of DAEs with approved funding proposals under USP-2 would increase to 18. To achieve the USP-2 target by the end of 2027, an additional 11 DAEs would need to secure approved funding proposals by B.49. He reported that 27 DAE projects were in the pipeline for consideration between B.46 and B.49, and that the Secretariat was using readiness, PPF and PSAA to expand direct access. He reiterated the Secretariat's commitment to supporting DAEs as a core pillar of strengthening country ownership and national capacity.

254. On Latin America and the Caribbean, Mr. Baig acknowledged the concerns raised. He stated that there was inevitable volatility in which proposals became ready for Board consideration at a given meeting, and that while the Secretariat aimed for balance at each Board meeting, it could not always be guaranteed. He highlighted that the Secretariat monitored regional balance while focusing on quality, and that the absence of proposals from Latin America and the Caribbean at B.45 reflected normal programming cycles rather than a shift in priorities. Mr. Baig noted that a more balanced distribution had been expected, but several proposals had been deferred because they were not sufficiently advanced. He reported that six projects from the region had been considered at B.44 and that a similar number was expected at B.46, which would bring the total to more than 10 projects in 2026, compared with 10 in 2025 and 8 in 2024. He stated that, based on current projections, the region's share was expected to remain broadly stable at around 24 per cent, assuming the pipeline materialized, and expressed the Secretariat's readiness to engage bilaterally with the region.

255. On disbursement, Mr. Baig stated that most delays stemmed from factors outside GCF control, particularly country processes, co-financing constraints and implementation capacity. He emphasized that improving performance depended less on accelerating execution after approval and more on ensuring that projects were realistic and as ready as possible from the outset. He stated that the most important factor within GCF control was being realistic at time of approval, including disbursement schedules that reflected known external risks and key design, policy and co-financing issues being resolved before Board approval rather than deferred through conditions that could delay early disbursement. He also noted the importance of limiting post-approval friction, ensuring timely readiness of legal and documentation readiness early, aligning with AEs upfront, and intervening early at the portfolio level as delays compounded over time.

256. On Africa and the private sector portfolio, Mr. Baig stated that the higher concentration of private sector funding in Africa during the IRM period, compared with the more geographically diversified portfolio in GCF-2, did not indicate a reduction in private sector programming in the region. Rather, as the GCF portfolio had expanded, private sector investments had grown across other regions, resulting in a more geographically balanced private sector portfolio overall. He indicated that private sector teams were undertaking country and regional missions to understand country and NDA priorities, and identify partners and project opportunities. He reported that the upcoming Africa pipeline included 49 single-country proposals for just under USD 2 billion and 26 multi-country proposals totalling over USD 2.5 billion, including USD 1.15 billion from the private sector, with potentially seven proposals to be presented for Board consideration at B.46.

257. On the translation of readiness support into GCF-funded projects, Mr. Baig stated that the pathway from readiness to the pipeline was not linear and took time to materialize. He noted that readiness support was often intended for capacity-building, consistent with its purpose, and that the Secretariat was working with NDAs and stakeholders to institutionalize this capacity so that future support could more directly feed into pipeline development. Following the regionalization of the private sector team, readiness was also being used to strengthen market and regulatory conditions to catalyse private sector investment. He stated that country platforms remained directly linked to project pipeline development from the outset.

258. On adaptation and mitigation balance, Mr. Baig stated that whether USP-3 should measure balance in grant equivalent or nominal terms was a decision for the Board. He noted that there was precedent, as USP-2 had switched private sector allocation from grant equivalent to nominal terms. If the Board wished to consider a similar change for adaptation and mitigation balance, the Secretariat could inform the Board of the implications for the portfolio.

259. On SAP, Mr. Baig noted that the report showed increasing demand for medium- and large-sized projects alongside a rise in environmental and social safeguards category B proposals. He stated that the Efficient GCF Initiative and evolution of the RAF had made the regular project approval process more accessible to partners, reducing constraints linked to fiduciary standards and environmental and social safeguards requirements. SAP nevertheless remained an important modality, particularly for DAEs, and the Secretariat continued to receive a steady pipeline of proposals through it. Following the recent independent evaluation, the Secretariat was considering potential refinements to enhance the modality's effectiveness and improve access to GCF resources, with a view to presenting recommendations to the Board in due course.

260. Ms. Abeysinghe thanked Board members for their appreciation of the Secretariat's work and acknowledged the teams supporting the presentation, including those working in real time from Songdo.

261. On the PPF, she stated that five PPF projects had been approved so far in 2026: three from PSAA applicants, one from a DAE and one from an IAE. There were also PPF requests from four DAEs and one PSAA applicant in advanced stages of review, which were expected to be approved in early July. She reported that the portfolio comprised 121 grants and that 58 PPF-supported funding proposals had been approved by the Board. On co-financing, she clarified that changes observed from the previous reporting period reflected post-approval project restructuring rather than changes associated with PPF support itself. Overall, leverage remained strong, with PPF having catalysed USD 10.5 billion in co-financing.

262. On accreditation, Ms. Abeysinghe stated that there were no accreditation conditions under the RAF. She reiterated that 121 entities, including 76 DAEs, had met programming-related conditions and were programme-ready. The remaining entities were actively addressing accreditation conditions, with proactive Secretariat support through readiness, particularly the DAE window.

263. On why no accreditation applications under the RAF were before the Board at B.45, Ms. Abeysinghe explained that GCF was in a 12-month transition period, with the first application window closing on 6 April 2026 and the fee payment deadline on 6 May 2026. Within a month, the Secretariat had moved six applicants to the Accreditation Panel and, by B.45, that number had increased to 10 applicants under Accreditation Panel assessment. She indicated that the Secretariat would work to maintain this pace to stay well within the nine-month review timeline and expected the first batch under the RAF to come to the next Board meeting. On ministries of finance, she stated that the Secretariat was working with the Accreditation Panel, NDAs and applicants, including through a dedicated training session held before the previous Board meeting.

264. On readiness, Ms. Abeysinghe acknowledged that only three multi-year grants had been approved during the reporting period under the current readiness strategy, but emphasized that 20 multi-year readiness proposals had been approved by the time of B.45, including eight under the country window and 12 under the DAE window. She reported that 52 readiness proposals were under review and that regional teams, under the guidance of the regional directors, were working to approve them as soon as possible.

265. On the translation of readiness support into GCF-funded projects, Ms. Abeysinghe stated that GCF readiness funding was intended to support access to broader climate finance and not only GCF finance. She indicated that the Secretariat was monitoring support provided for concept note development, pipeline preparation and engagement of different financing actors. Through support to country platforms, this linkage would become more systemic. She further noted that, in every funding proposal presented to the Board, the Secretariat identified whether a proposal had benefited from readiness funding. For B.45, no funding proposal had directly benefited from readiness support, though one proposal had benefited indirectly through NDA support.

266. On NAPs, Ms. Abeysinghe reported that GCF had provided 144 NAP grants totalling USD 314 million, covering 121 countries, of which 63 countries had submitted NAP documents to the UNFCCC secretariat. Among those 121 countries, 60 had approved NAP grants valued at more than USD 2.9 million, close to the USD 3 million allocation. She noted that countries with remaining amounts under the NAP preparation window could still approach GCF for the balance, but encouraged countries to consider the USD 3 million now available for NAP implementation rather than focusing only on remaining amounts under the previous NAP preparation window.

267. On complementarity and coherence, Ms. Abeysinghe stated that a broader programme was under way with other climate funds. She highlighted that GCF AEs were now recognized by the Fund for responding to Loss and Damage and welcomed the fact that the latter would also be able to provide funding to these entities. In addition, she reported that GCF was in discussions with the Adaptation Fund to continue the Community of Practice for Direct Access Entities and was engaging with DAEs receiving funding under the DAE window on allocating some resources to participate in that community of practice. Mr. Garcia added that the Secretariat would report to the Board on joint work with other climate funds through the annual update on complementarity and coherence, which would be submitted at B.46 within the report on the activities of the Secretariat.

268. Following the Secretariat's response, the Co-Chairs gave the floor to Board members who wished to provide further comments.

269. Two Board members representing GRULAC reiterated concern over the absence of proposals from the Latin America and Caribbean region at B.45 and emphasized the need for bilateral engagement. One Board member stated that delays were not merely administrative but meant delayed access to resilience, adaptation and opportunities for vulnerable communities, affecting more than 600 million people in the region. The Board member noted that the absence of any proposal from the region appeared highly unusual based on recent Board practice and raised concern about how balance would be achieved by the end of the cycle, given the limited number of Board meetings each year. Another Board member noted that some projects from the region that could have been ready for Board consideration at B.45 had been subject to last-minute restructuring requests.

270. A further Board member noted that their questions on high-emitting countries and mitigation beyond energy, including buildings, cities, industries and appliances, had not been answered.

271. In response, Mr. Baig stated that the Secretariat was taking the Latin America and Caribbean pipeline and portfolio issue very seriously and that the absence of proposals from the region, while reflecting volatility, was not an excuse and warranted attention. He confirmed that the Secretariat would engage bilaterally with the region. He also apologized for missing the mitigation questions and indicated that the Secretariat would respond bilaterally.

272. The Co-Chairs then asked whether the Board was ready to take note of the information provided.

273. The Board took note of document GCF/B.45/Inf.11 titled "Status of the GCF resources, portfolio and pipeline" and its limited distribution addendum Add.01 titled "List of funding proposals".

274. No decision was taken under this agenda item.

Agenda item 11: Consideration of funding proposals

275. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/02 titled "Consideration of funding proposals".

276. The Co-Chairs thanked Board members for having submitted written questions and comments. They advised that a technical session had been held on 23 June 2026 to answer questions from the Board and expressed appreciation to the Secretariat and accredited entities (AEs) for their engagement during the sessions.

277. With reference to the Policy on Ethics and Conflicts of Interest for the Board of the Green Climate Fund, they invited any Board members or active observers who wished to declare a conflict of interest in relation to deliberations on any of the funding proposals to do so. The Board member from Canada declared a conflict of interest in relation to FP307 as they were considering funding through an alternative channel for this project. The Board member from Germany declared a conflict of interest in relation to FP305.

278. The Co-Chairs confirmed that the declared conflicts had been duly noted.

279. They explained that the Board would review the overall package of funding proposals, after which individual funding proposals would be considered. For each funding proposal, the Secretariat would provide a brief introduction. The Co-Chairs would then invite the Board to approve the funding proposal for the amount requested and the terms and conditions specified.

280. In addition to new funding proposals, the Co-Chairs stated that a funding proposal requesting a change would be presented to the Board for approval in accordance with the Policy on Restructuring and Cancellation. This request would be considered by the Board after the new funding proposals.

281. In all cases, representatives from the AEs would be available to respond to questions, as needed, when their respective funding proposals were considered.

282. Amer Baig, Chief Investment Officer ad interim, presented an overview of the 10 funding proposals, requesting a GCF funding amount of USD 369.1 million, with a total value of USD 700.6 million, including co-financing.

Discussion

283. Several Board members supported the package of funding proposals and thanked the Secretariat, AEs and countries for their work in bringing it to the Board. They welcomed the quality and country-driven, nature-based solution proposals, noting that several addressed clear climate vulnerabilities and development needs and reflected locally led and context-

specific approaches. One Board member hoped that this would translate into meaningful participation and ownership by communities, Indigenous Peoples, women and vulnerable groups.

284. A Board member representing least developed countries (LDCs) was pleased to see that half of the total funding amount had been allocated to LDCs in Africa and commended the first GCF project in the Central African Republic.

285. However, several Board members noted the relatively small size of the package, which comprised only 10 projects requesting USD 369.1 million in funding, identified as one of the smallest approval rounds in GCF history. One considered it particularly concerning given the increase in climate impacts and unprecedented financial needs, believing it to send the wrong signal following record approvals in 2025 and the upcoming third replenishment of GCF (GCF-3). Another requested clarification on the reasons for the decrease and its implications for the goal of tripling outflows by 2030, while a further Board member underlined the significant workload for Board members if a large number of proposals were to be presented at B.46.

286. With the above in mind, one Board member called for stronger project origination, a strengthened pipeline, streamlined processes and accelerated delivery of high-quality proposals. However, they stressed the importance of maintaining quality alongside increased volume, noting the value of prioritizing locally relevant and contextualized projects over technically or economically questionable solutions. Another urged the Board to better explore the option to process funding proposals between meetings.

287. Several Board members welcomed the focus on adaptation and recognized the importance of responding to the needs of vulnerable countries, particularly LDCs, small island developing States and countries in Africa and Asia. One Board member also believed it important that GCF continued to preserve the role of grant and highly concessional finance, particularly for adaptation activities in countries with limited fiscal space.

288. However, while acknowledging the growing need for adaptation, a number of Board members expressed concerns around imbalance, noting that mitigation accounted for just 11 per cent in grant equivalent in the current package. With this in mind, one Board member called on GCF to maintain the 50/50 adaptation–mitigation balance in line with the Governing Instrument and the current updated Strategic Plan for the GCF 2024–2027.

289. Several Board members also called on the Secretariat to maintain a more balanced regional portfolio, noting the absence of proposals from Latin America and the Caribbean. Others raised concerns that a major regional development project by an African direct access entity (DAE) had not been presented to the Board, highlighting that this was the second proposal from the relevant AE not to be recommended by the independent Technical Advisory Panel (iTAP). One indicated that this represented a loss of funding and a missed opportunity to strengthen regional capacity and country ownership in Africa, considering the matter to raise broader questions as to the efficiency and consistency of the project review process.

290. Some Board members noted limited private sector engagement in the current package, with just one private sector proposal, thus calling for greater balance across public and private sector operations and financial instruments.

291. The Board member from Saudi Arabia was concerned that references to religion and commentary on religion and religious practices had been included in the package of proposals, underlining that this was unacceptable for their seat. They also indicated their substantive disagreements with certain assessments by the iTAP in relation to SAP071 (paras. 25, 45 and 74); FP303 (paras. 6, 10, 18, 28 and 30); FP305 (para. 30); and FP308 (paras. 14 and 43).

292. An active observer representing civil society organizations (CSOs) welcomed the strong focus on adaptation, while indicating that the late publication of proposals was in contravention

of the Information Disclosure Policy, and did not allow for full feedback and engagement from communities and organizations. With this in mind, they emphasized the importance of timely access to information, multilingual proposal summaries and an approach focused on beneficiaries.

293. CSOs commended efforts to advance locally led climate action but called for clearer criteria and parameters to define and assess locally led approaches. They also highlighted the importance of grant-based climate finance for public goods, while cautioning against the use of GCF resources to address financing gaps in the lending portfolios of multilateral development banks.

294. In addition, they raised concerns regarding the policy gap relating to programmatic approaches, including uncertainties associated with ex ante assessments of equity fund proposals, and the practice of bringing forward proposals based in the host country of the relevant Board meeting. In their view, prioritization should remain independent of meeting location.

295. Finally, CSOs welcomed the accreditation of two first-time DAEs, while calling for greater support to enable DAEs to bring forward funding proposals across a wider range of sizes and instruments. They highlighted SAP071 as an example of strong gender documentation at entry by a DAE.

296. Mr. Baig thanked Board members and CSOs for their comments, and noted that the comments had been responded to in the previous session.

297. The Co-Chairs informed the Board that they would now proceed to consider individual funding proposals.

298. When considering individual funding proposals, the Board was also requested to consider the proposed conditions for each relevant funding proposal, as set out in annex II to the mother document GCF/B.45/02.

299. Annex II to the document included general conditions applicable to all funding proposals (table 1) and conditions specific to individual funding proposals recommended by the iTAP and/or the Secretariat, as applicable (table 2).

300. The Board may decide whether the approval of any of the funding proposals should be conditional upon the satisfaction of all or some of the relevant conditions in accordance with their terms, or whether the relevant approval need not include any such conditions. The Co-Chairs would be reading out this paragraph for funding proposals where there were conditions that were recommended by the iTAP and/or the Secretariat. They would first start with the consideration of the simplified approval process funding proposals, followed by regular funding proposals.

Simplified approval process funding proposal 070 titled “Building Flood Resilient Community through Adaptive Livelihood and Runoff Management in Petanglong Area of Central Java Province of Indonesia (BRAVE)” by Kemitraan bagi Pembaruan Tata Pemerintahan (Kemitraan)

301. The Co-Chairs opened SAP070 as contained in document GCF/B.45/02/Add.01.

302. A representative of the Secretariat, Hemant Mandal, Director of the Department of the Asia and the Pacific Region, introduced SAP070.

303. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE) supporting the project, Kemitraan bagi Pembaruan Tata Pemerintahan (Kemitraan), were available in case of questions.

304. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (b) of the draft decision.

305. They invited the Board to approve the decision, thereby approving SAP070 for the requested amount, subject to the specified terms and conditions.

306. There being no requests for the floor, SAP070 was so approved.

Simplified approval process funding proposal 071 titled "Building Climate Resilience of Forest Dependent Communities through Enhanced Livelihood Opportunities and Local Capacity in Karnali Province, Nepal" by the National Trust for Nature Conservation (NTNC)

307. The Co-Chairs opened SAP071 as contained in document GCF/B.45/02/Add.02.

308. A representative of the Secretariat, Hemant Mandal, Director of the Department of the Asia and the Pacific Region, introduced SAP071.

309. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE supporting the project, National Trust for Nature Conservation (NTNC), were available in case of questions.

310. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (c) of the draft decision.

311. They invited the Board to approve the decision, thereby approving SAP071 for the requested amount, subject to the specified terms and conditions.

Discussion

312. Board members expressed strong support for the proposal, welcoming its alignment with Nepal's climate priorities and the mandate of GCF and its focus on a least developed country, and calling for more projects of this nature to be brought to the Board.

313. Several commended the integrated approach combining ecosystem-based adaptation with mitigation, ecosystem restoration, resilient forest-based livelihoods, local adaptation planning and early warning systems. Others appreciated the focus on women, Indigenous Peoples, forest-dependent communities and other marginalized groups in Karnali Province.

314. Board members were also encouraged by the project's locally led adaptation approach and emphasis on strengthening local decision-making and budget management. They opined that locally led adaptation was a core implementation approach, and one Board member saw evidence of increasing efforts by the Secretariat to achieve this in a more organic and efficient manner.

315. Looking ahead, one Board member encouraged the AE and implementing partners to systematically document lessons learned, good practices and implementation experiences to allow for replication and potential scaling at the national level, while strengthening local planning and capacity to identify, prepare and finance adaptation investments.

316. Two Board members also underscored the importance of ensuring the financial sustainability of project outcomes beyond the four-year implementation period by strengthening domestic systems, provincial planning and local budgeting, and ensuring that all relevant safeguards were fully addressed.

317. There being no further requests for the floor, SAP071 was so approved.

Simplified approval process funding proposal 072 titled "WATER-RES - Enhancing the ability to address the risks of water scarcity in areas most affected by climate change and water shortage in Syria" by ACTED

318. The Co-Chairs opened SAP072 as contained in document GCF/B.45/02/Add.03/Rev.01.

319. A representative of the Secretariat, Thomas Eriksson, Director of the Department of the Eastern Europe, Central Asia, and the Middle East Region, introduced SAP072.

320. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE supporting the project, ACTED, were available in case of questions.

321. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (d) of the draft decision.

322. They invited the Board to approve the decision, thereby approving SAP072 for the requested amount, subject to the specified terms and conditions.

Discussion

323. Many Board members supported the proposal, welcoming it as the first GCF project in the Syrian Arab Republic and highlighting the country's significant climate vulnerability and acute water scarcity. They underscored the proposal's clear adaptation rationale and integrated, long-term approach, combining climate-resilient water infrastructure with institutional strengthening, improved water governance, climate information systems and capacity-building. In this respect, one Board member considered it to have the potential to strengthen the resilience of vulnerable communities, protect livelihoods and enhance food and water security.

324. Another Board member underlined the broader significance of the project in the context of the recent conflict in the Syrian Arab Republic, noting the country's resilience and hope for the future. Others commended the involvement of the Syrian authorities, government co-financing, the role of the Syrian executing entity and the long track record of the AE in the Syrian Arab Republic.

325. One Board member underscored that fragility and conflict should be considered operational factors rather than new categories of vulnerability. In their view, the strategic framing and prioritization of GCF should remain anchored in the Governing Instrument and the GCF mandate to support developing countries in building resilience to climate change. Another Board member raised similar concerns.

326. Several Board members welcomed the project's locally led approach and country ownership, with one commending the balance between delivering immediate benefits to communities and establishing foundations for longer-term resilience and recovery. In this respect, another Board member requested further information on the sustainability of institutional reforms and organizational resilience beyond the implementation period.

327. A further Board member cautioned that the core humanitarian mandate of the AE could promote dependency and hinder long-term resilience-building, encouraging implementation approaches promoting local ownership, self-reliance and respect for local knowledge systems. They also called for local civil society organizations (CSOs), farmers and water institutions to be involved in relevant decision-making processes, and for subgrantees to be engaged in a balanced and meaningful manner. In addition, they stressed that due-diligence and partnership requirements should not inadvertently exclude smaller local organizations, and highlighted the need to ensure that repayment requirements under the proposed repayable grant arrangement did not place an undue burden on farmers.

328. On gender, Board members welcomed the Gender Action Plan (GAP) and the dedicated Gender and Safeguarding Specialist. However, several were concerned that in-depth consultations had not taken place with women or women-led organizations during the project design phase. In this respect, one Board member encouraged the AE to consider more ambitious participation targets to engage women-led and disability-focused organizations at the inception stage. Another enquired as to how women's needs and priorities had been reflected in the implementation strategy, decision-making process and results framework.

329. Several Board members believed it important to explore synergies and avoid duplication by coordinating with the World Bank, the Food and Agriculture Organization of the United Nations (FAO), the European Union, United Nations entities, multilateral development banks (MDBs) and other development partners in the water and agriculture sectors. One encouraged an exploration of complementary financing from MDBs, United Nations entities and other donors, as well as municipal tariff-based revenues, and the potential for private-sector co-financing and leverage. The same Board member recommended coordination with an Adaptation Fund project in the basin to ensure geographic complementarity.

330. Finally, members raised concerns regarding the absence of GCF privileges and immunities in the Syrian Arab Republic and requested clarification on the measures being taken by the Secretariat to mitigate associated risks. In this context, support was expressed for the proposed disbursement and due-diligence conditions.

331. An active observer representing CSOs welcomed the proposal's focus on climate-resilient water security for vulnerable communities in the Syrian Arab Republic and highlighted its locally led, participatory approach, including community-based governance structures, capacity-building for farmers and farmers' associations, and direct outreach to households.

332. They commended the early involvement of communities as a contribution to the project's long-term sustainability, as well as the proposed meaningful inclusion of women through their representation in water user associations and targeted support for women-headed households, supported by a dedicated Gender and Safeguarding Specialist and a GAP.

333. CSOs also noted the revolving grant fund providing interest- and fee-free repayable grants to farmers, while stressing the importance of safeguards to ensure that repayment did not place undue burdens on farmers, including non-punitive recovery measures and the absorption of default risk at the grant fund level rather than by individual farmers.

334. Finally, they expressed support for the project and underscored the importance of GCF grant funding for projects of this nature, which had limited access to other sources of climate finance, highlighting the proposal as an example of the strengths and purpose of GCF.

Responses

335. A representative of the AE thanked the Co-Chairs, Board members, Secretariat, CSOs and members of the iTAP for their support.

336. On gender, he underlined that women were disproportionately affected by water scarcity due to reduced access to decision-making, finance and water management institutions. With this in mind, the project's GAP and results framework included specific targets for the inclusion of vulnerable women across all indicators. In addition, measures were in place to strengthen women's participation in water governance at local and national levels and to facilitate their access to climate finance through the revolving loan fund and gender-responsive eligibility criteria.

337. He acknowledged that private sector investment in the Syrian Arab Republic remained limited but noted that the project was designed to create conditions for future investment in the

water sector by improving metering, reducing leakage and strengthening the efficiency and reliability of water supply, potentially enabling future public–private partnerships.

338. In response to concerns regarding the humanitarian mandate of ACTED, he highlighted its evolving focus on resilience and climate change adaptation, its long-standing experience in the Syrian Arab Republic and the water sector, and its intention to build on lessons learned from previous projects in the north-east of the country.

339. On synergy, a second representative of the AE noted that FAO had been engaged during the proposal development stage, including through an in-depth water assessment of the Barada and Awaj basin and related knowledge exchange and analysis with the Syrian Government. While the World Bank had not been directly engaged, he saw significant future opportunity for synergy, particularly given increasing investment in the country.

340. He also confirmed that the AE had engaged extensively with the Syrian Government, including the Ministries of Local Administration and Environment, Agriculture, and Energy, with all relevant stakeholders to participate in the project steering committee. Finally, he further assured the Board that subgrantees would be treated as equal partners, with their voices taken into consideration across project activities.

341. On behalf of the Secretariat, Mr. Eriksson noted that, in countries where GCF did not hold privileges and immunities, implementation was monitored through annual performance reports and other reporting requirements, alongside close engagement with the national designated authority (NDA) and AE. He also highlighted the active engagement of the Syrian NDA and noted that, subject to Board approval, the project was expected to be signed during the week to facilitate accelerated implementation and disbursement.

342. There being no further comments, SAP072 was so approved.

Funding proposal 303 titled "Climate Resilient Water Sanitation and Hygiene (WASH) and Disaster Management services for vulnerable children in the Central African Republic (CRDM-CAR)" by the United Nations Children's Fund (UNICEF)

343. The Co-Chairs opened FP303 as contained in document GCF/B.45/02/Add.04.

344. A representative of the Secretariat, Catherine Koffman, Director of the Department of the Africa Region, introduced FP303.

345. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE) supporting the project, the United Nations Children's Fund (UNICEF), were available in case of questions.

346. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (e) of the draft decision.

347. They invited the Board to approve the decision, thereby approving FP303 for the requested amount, subject to the specified terms and conditions.

Discussion

348. Many Board members supported the proposal, welcoming it as the first GCF project in the Central African Republic and highlighting its focus on one of the world's most climate-vulnerable least developed countries (LDCs). One saw this as evidence of GCF fulfilling its mandate, while several called for similar projects in other undeserved countries within the LDC region.

349. Board members also praised the project's potential co-benefits for women and youth, including improved employment opportunities and reduced time burdens associated with water collection, as well as potential positive outcomes in health and education.

350. Several Board members welcomed the emphasis on climate-resilient water sanitation and hygiene (WASH) services and disaster risk management, with one considering it essential to strengthen resilience and protect lives. Another stressed the importance of investing in durable infrastructure, and saw value in adopting climate risk and impact assessment approaches in order to model vulnerability and accurately target interventions.

351. Several Board members underscored the importance of locally developed infrastructure planning, management and maintenance in order to create employment, strengthen technical capacity and reduce reliance on external expertise. One called for UNICEF to invest additional time in consulting relevant local authorities and communities to establish coherent, transparent and sensible design principles agreed upon by those in charge of maintenance following project completion. In this regard, several Board members encouraged the development of a clear financing and exit strategy to ensure the long-term sustainability of infrastructure and WASH services beyond the project's 20-year lifespan.

352. Board members further stressed the importance of close fiduciary and safeguards monitoring, particularly for the infrastructure component, welcomed the project's links with previous GCF readiness grants and noted the proposal of a new targeted grant to strengthen the national participation of executing agencies and direct access applicant capacity.

353. Finally, the Secretariat was asked to clarify measures to mitigate the absence of GCF privileges and immunities in the Central African Republic.

354. An active observer representing civil society organizations (CSOs) welcomed the proposal's focus on the links between climate change, health and WASH services in the Central African Republic, as well as its recognition of the effects of floods and droughts on vulnerable communities, particularly children. However, they did not believe that the project addressed the systemic challenges facing women and girls, including their safety, and called for a more intersectional approach that took into account differentiated needs and risks related to gender, age, race, indigeneity and disability.

355. CSOs also raised concerns regarding the allocation of resources, believing that the emphasis on infrastructure could leave the enabling environment insufficiently funded. In addition, they highlighted the potential environmental impacts of the project's reliance on grey infrastructure and called on the AE to ensure that interventions did no further harm to ecosystems.

356. While welcoming extensive consultations with Indigenous Peoples in the four target areas of the project, CSOs called for greater consideration of the circumstances of transhumance communities and the integration of customary governance, laws and culturally appropriate conflict-resolution mechanisms.

Responses

357. On privileges and immunities, Ms. Koffman advised that the Secretariat would monitor implementation through annual performance reports as in other countries where privileges and immunities were not in place. In addition, the AE held privileges and immunities in the Central African Republic which would help to mitigate risk.

358. Felix Ackebo, a country representative for UNICEF in the Central African Republic, expressed his appreciation to the Board, the Secretariat and the independent Technical Advisory Panel for their constructive engagement and valuable guidance throughout the development of the proposal.

359. Mr. Ackebo explained that the long-standing presence of the AE in the Central African Republic and close cooperation with the government and communities would support the project's long-term sustainability. In addition, the project activities were embedded in the government's development plan, providing a basis for continued follow-up and dedicated financial support for the operation and maintenance of the infrastructure. Finally, he reassured Board members that their comments would be taken into account during implementation.

360. A second representative of the AE, Thomas Dechentinnes, advised the Board that the AE would work with local contractors to guarantee country ownership. It also intended to train young people to strengthen local capacity and retain skills in the country to promote the sustainability of project outcomes.

361. There being no further comments, FP303 was so approved.

362. The Co-Chairs congratulated the Central African Republic on the project and hoped that it would contribute to the granting of privileges and immunities to GCF in the country.

Funding proposal 304 titled "Enhancing Sustainable Land Management and Climate Resilient Agri-food Systems in Côte d'Ivoire (LARACI)" by the CGIAR System Organization

363. The Co-Chairs opened FP304 as contained in document GCF/B.45/02/Add.05.

364. A representative of the Secretariat, Catherine Koffman, Director of the Department of the Africa Region, introduced FP304.

365. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE supporting the project, CGIAR System Organization, were available in case of questions.

366. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (f) of the draft decision.

367. They invited the Board to approve the decision, thereby approving FP304 for the requested amount, subject to the specified terms and conditions.

Discussion

368. One Board member welcomed the proposal, believing that supporting staple food value chains offered a strategic opportunity to diversify farmers' incomes, enhance resilience and promote inclusive development, notably for youth and women.

369. In addition, they encouraged further interventions to improve water systems management, provide wider access to high-quality seeds, develop processing and storage facilities and increase mechanization across production systems.

370. Also welcoming the proposal, another Board member praised the agroecological approach and called for lessons to be learned from other projects adopting such practices. However, they also stressed the importance of minimizing external dependencies and promoting locally relevant and locally sourced inputs.

371. An active observer representing civil society organizations (CSOs) welcomed the proposal's focus on strengthening climate resilience among smallholder farmers in Côte d'Ivoire as well as its recognition of women's barriers to land access. However, while acknowledging current mechanisms to improve access, they questioned whether the project could do more to actively support women in exercising their existing legal rights.

372. CSOs welcomed the reference to agroecology alongside climate-smart agriculture, while encouraging the integration of agroecological principles and practices throughout the

implementation phase, as well as greater clarity on how the two approaches would be combined.

373. In addition, they were concerned that the large-scale promotion of improved crop varieties may contribute to genetic erosion, and sought clarity as to measures to safeguard agrobiodiversity and whether seeds of genetically modified organisms would be excluded. They also highlighted the risk that the commercialization of cassava, yam and rice crops could undermine household food security, and called for clarity on how food security would be monitored and safeguarded alongside commercial objectives.

Response

374. A representative of the AE clarified that it was a climate-smart agriculture project that also delivered agroecological benefits, including integrated soil fertility management, agroforestry, diversification and reduced inputs, which helped to preserve agrobiodiversity. In the context of the project, the AE would be working with communities to promote improved crop varieties for their benefits and nutritional productivity, while also focusing on system diversification and the maintenance of cultural heritage and genetic diversity.

375. There being no further comments, FP304 was so approved.

Funding proposal 305 titled "Building the resilience of Togo's national health system and vulnerable communities to climate-sensitive health outcomes" by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

376. The Co-Chairs opened FP305 as contained in document GCF/B.45/02/Add.06.

377. A representative of the Secretariat, Catherine Koffman, Director of the Department of the Africa Region, introduced FP305.

378. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE) supporting the project, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, were available in case of questions.

379. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (g) of the draft decision.

380. They invited the Board to approve the decision, thereby approving FP305 for the requested amount, subject to the specified terms and conditions.

Discussion

381. Board members welcomed the proposal's country-driven approach to strengthening the resilience of Togo's health system, considering it an important response to the growing impacts of climate change on public health in the country. Several also highlighted the proposal's focus on women, children and rural communities, and its potential to serve as a replicable model for other African countries.

382. Board members commended the project's comprehensive, integrated and systematic approach, combining climate-resilient health infrastructure with enhanced disease surveillance, improved coordination mechanisms, climate information and early warning systems, and a dedicated climate change unit within the Ministry of Health.

383. Several Board members also highlighted the project's emphasis on institutional strengthening, with one expressing the hope that the AE would continue to strengthen the capacity of the executing entities to enable Togo's national institutions to implement similar programmes through direct access entities in the future. In this regard, another Board member

underlined the importance of well-functioning systems, long-term planning and strong local ownership.

384. Several Board members sought clarification on the conditions proposed by the iTAP, asked whether they would still apply to the proposal and requested the viewpoint of the AE on their feasibility.

385. While acknowledging that the proposal had received an overall recommendation for approval, one observed that several proposed conditions extended beyond the scope of the project, relating to long-term institutional reforms, future government decisions and post-project sustainability arrangements. With this in mind, they requested clarification from the iTAP on how it determined an appropriate balance between identifying implementation risks and establishing conditions that were feasible, proportionate and achievable, particularly when implementation depended on future institutional reforms or government decisions that were outside the direct control of the AE at the time of the Board approval.

386. An active observer representing civil society organizations (CSOs) welcomed the proposal's focus on strengthening climate resilience in the health sector, considering health to be one of the clearest ways in which communities experienced the impacts of climate change. They commended its emphasis on vulnerable populations as well as on climate health surveillance, early warning systems, resilient health infrastructure, institutional capacity and local-level capacity-building.

387. CSOs also welcomed the project's local communities plan and its alignment with international standards and national legislation, while seeking greater clarity on the implementation of environmental and social and gender safeguards. They questioned whether a single gender and environmental and social safeguards adviser would be sufficient to implement the project's safeguarding plans effectively, and requested clarification as to how these responsibilities would be shared across the implementation structure. In addition, they sought further information on the occupational health and safety measures that would protect community health workers, given their exposure to climate-related risks.

388. On the conditions raised by the iTAP, CSOs also welcomed the project's climate rationale and its recognition of the effects of climate change on disease patterns, while encouraging continued strengthening of the monitoring and learning framework. Finally, they considered the proposal an important opportunity to build evidence on adaptation outcomes and institutional resilience beyond project outputs alone.

Responses

389. A representative of the AE thanked the Secretariat for its collaboration and proactive engagement during the planning phase. They considered a number of the iTAP conditions to be feasible and would incorporate them during implementation.

390. However, they had required clarification from the iTAP on a number of conditions they perceived difficult to implement. While procedural constraints had prevented earlier discussions with the iTAP, subsequent exchanges in the week prior to B.45 had clarified the outstanding issues and resulted in agreement on all points.

391. A representative of the iTAP, Rey Guarin, confirmed that the AE and the iTAP had agreed on a way forward and gave the floor to his colleague to elaborate on the matter.

392. A second representative of the iTAP, Kenel Delusca, clarified that the proposed iTAP conditions were intended to address a critical gap and strengthen the project's results framework by ensuring that it adequately captured the project's long-term impacts and institutional sustainability of its health surveillance architecture.

393. He explained that the conditions sought to introduce indicators to monitor key outcomes, relating to health benefits, the effectiveness of health early warning systems, the sustainability of the climate change unit, and the uptake of vector control measures. Some of these additions would build on existing project activities rather than imposing significant additional reporting requirements.

394. The Co-Chairs advised the Board that text had been added to and removed from iTAP conditions one, two and three, requesting that the Secretariat present the revisions on the boardroom screen.

395. There being no further comments, FP305 was so approved.

Funding proposal 306 titled "Forest Landscape Restoration for Climate Benefits and Resilience (Fiji FLR)" by the Food and Agriculture Organization of the United Nations (FAO)

396. The Co-Chairs opened FP306 as contained in document GCF/B.45/02/Add.07.

397. A representative of the Secretariat, Hemant Mandal, Director of the Department of the Asia and the Pacific Region, introduced FP306.

398. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE supporting the project, the Food and Agriculture Organization of the United Nations (FAO), were available in case of questions.

399. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (h) of the draft decision.

400. They invited the Board to approve the decision, thereby approving FP306 for the requested amount, subject to the specified terms and conditions.

Discussion

401. Board members expressed strong support for the proposal, highlighting its relevance in addressing Fiji's significant climate vulnerabilities, including the impacts of increasingly severe cyclones, changing rainfall patterns, sea level rise, soil erosion and forest degradation, and their consequences for agriculture and tourism.

402. They also welcomed the project's expected climate benefits, paradigm shift and potential to enhance resilience for more than 300,000 people, while noting its strong alignment with Fiji's national priorities and climate objectives. In addition, they commended the project's integrated ridge-to-reef approach, which linked upland forest restoration, agroforestry and downstream coastal and marine ecosystem protection.

403. One Board member highlighted the strength of the project's systems-based design, which reflected best practice for small island developing States and would help Fiji to achieve both mitigation and adaptation benefits, as well as positive outcomes for food security and livelihoods.

404. Some Board members noted the emphasis on country ownership and community-led implementation, with one considering participatory approaches to be particularly important in the context of customary land tenure in order to strengthen local ownership, legitimacy and the durability of project outcomes.

405. Board members also recognized the robust integration of gender considerations, including the targeted participation of women, gender-responsive financing mechanisms, and women's inclusion in governance and monitoring processes. One also welcomed the project's

safeguards related to tenure rights and free, prior and informed consent, calling for consistent implementation and oversight at the community level.

406. In addition, Board members highlighted the importance of ensuring the long-term administrative and financial sustainability of project activities beyond the implementation period, with one calling for further clarification on this point.

407. While welcoming efforts to prepare Fiji for future access to carbon markets, including through national strategies and governance frameworks, another noted that carbon finance and ecosystem service mechanisms remained under development and may only materialize after project completion. In this context, they called on GCF to support the transition from readiness to operational carbon market deployment and the creation of predictable revenue streams.

Responses

408. On the financial sustainability of the project, a representative of the AE highlighted that the project activities would not create additional costs beyond the government's existing business-as-usual expenditures. Instead, the proposal aimed to improve land management and investment planning, while strengthening national capacity through carbon finance, enhanced leasing arrangements and ecosystem service mechanisms. These measures were expected to support the integration of forest management activities into national management plans, contribute to their long-term sustainability and reduce dependency on external resources.

409. Mr. Mandal expressed his appreciation for the clarifications provided.

410. There being no further comments, FP306 was so approved.

Funding proposal 307 titled "Mekong Earth Regeneration Fund (MERF)" by the Deutsche Bank AktienGesellschaft AG (Deutsche Bank)

411. The Co-Chairs opened FP307 as contained in document GCF/B.45/02/Add.08.

412. A representative of the Secretariat, Hemant Mandal, Director of the Department of the Asia and the Pacific Region, introduced FP307.

413. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE) supporting the project, the Deutsche Bank AktienGesellschaft AG (Deutsche Bank), were available in case of questions.

414. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (i) of the draft decision.

415. They invited the Board to approve the decision, thereby approving FP307 for the requested amount, subject to the specified terms and conditions.

Discussion

416. Board members welcomed the proposal as an innovative and ambitious private sector initiative to mobilize private finance for equity investment in climate-resilient and low-carbon agriculture, forestry and aquaculture in the Lao People's Democratic Republic and Viet Nam. However, one Board member expressed regret that it was the only true private sector proposal to be presented at B.45.

417. Several Board members highlighted the focus on small- and medium-sized enterprises and smallholder-linked value chains, with one indicating that patient equity capital could help to address barriers to finance. Another noted that access to such financing remained limited in many countries but was critical to supporting sustainable agricultural transformation that benefited smallholders and rural communities.

418. The same Board member requested clarification on the proposed USD 150 million in co-financing, which had not yet been confirmed. They also enquired as to whether committed co-financing would be required prior to disbursement and whether a deadline or sunset clause had been considered after which the commitment would expire. In addition, they requested further information on whether a grant contribution to the technical assistance facility had been explored by GCF, and whether securing funding for the facility would constitute a condition for project signing or disbursement.

419. Another Board member welcomed the project's expected adaptation and mitigation benefits through activities such as regenerative agriculture, agroforestry, sustainable forestry, mangrove restoration and reduced fertilizer use. However, they highlighted the importance of ensuring that the expected climate impacts were effectively realized through robust monitoring, strong climate impact governance and an appropriate role for the climate, environment and social manager in investment decisions. Others emphasized the importance of a clear replication and scaling pathway, and enquired as to which incentives would be offered to agribusinesses and other investees to engage in climate-resilient practices.

420. Some Board members highlighted the importance of ensuring that smallholders derived tangible benefits from the project, with one expressing concern regarding reliance on financial intermediaries and suggesting that more direct support to smallholder farmers could help to ensure immediate benefits and strengthen value for money. Others called for strong environmental and social safeguards, including thorough land rights due diligence, meaningful stakeholder consultation and exclusion of investments with significant environmental or social risks.

421. Two Board members echoed the concerns of the iTAP regarding the balance between profitability and climate impact and requested further clarification on how the project would address this trade-off.

422. An active observer representing civil society organizations (CSOs called on the Board to reject FP307 due to concerns raised by a community organization based in the Lao People's Democratic Republic. In this regard, they questioned the extent to which the project would directly benefit smallholders, noting that benefits may primarily accrue to agribusinesses and financial intermediaries rather than to farmers themselves. They expressed doubt that agribusiness companies would meaningfully engage with smallholders or improve existing practices, arguing for direct GCF support for smallholders.

423. CSOs also raised concerns regarding the allocation of GCF resources, noting that a significant proportion of the GCF contribution would support investment management, reporting and operational costs rather than direct climate impacts and co-benefits. They highlighted that investments had not yet been identified, creating uncertainty around projected climate impacts, and echoed iTAP concerns that actual outcomes may not fully align with expectations. With this in mind, they called for clear guidance on equity funds and programmatic approaches.

424. They welcomed the proposed role of the environmental and social manager, including veto powers, but noted concerns that financial objectives may take precedence over climate outcomes, and called for full transparency regarding programme targets, benefits and potential overlaps to enable independent monitoring.

425. CSOs also questioned the feasibility of mobilizing co-financing through private equity structures and raised concerns regarding the transparency of the proposed funding structure based in Luxembourg, Singapore and the Cayman Islands.

426. Finally, CSOs expressed the view that plantations were not a climate solution and requested clarification on the definition of "degraded land", as well as the safeguards that would

be applied to plantation-related activities to prevent environmental degradation, displacement and changes of legal status on land-affected communities.

Responses

427. A representative of the AE, Kamran Khan, thanked the Board and CSOs for their comments and questions, and emphasized that the project was a paradigm-shifting proposal worthy of GCF support. He continued by explaining the theory of change underpinning the proposal, highlighting the Mekong River Delta's vulnerability to climate change, Deutsche Bank's role as AE and Mekong Capital's 25 years of experience as a private equity fund in South-East Asia, including significant experience in the agriculture sector.

428. Mr. Khan had noted a growing demand from international buyers for sustainable products and agriculture products produced with responsible farming practices, which had led to opportunities for companies to support sustainable supply chains. In this regard, the challenge was to identify companies with sufficient long-term capital to work with small farmers, and support them in adopting regenerative agricultural practices and improving their livelihoods.

429. In response to concerns regarding smallholder benefits, Mr. Khan explained that investments would be made primarily in small micro- or mid-sized enterprises which would be incentivized to increase the amount of produce grown using regenerative farming practices. They would then be required to expand their networks of farmers, support improved farming practices and provide technical assistance, as their ability to access markets would depend on demonstrating that products were produced using such practices.

430. In addition, the approach would be supported by due diligence requirements, oversight arrangements and reporting requirements, as well as by demand from buyers seeking evidence of sustainable production practices. In this regard, there would be no profitability if no impact were achieved.

431. On direct financing to farmers, Mr. Khan explained that the proposal sought to bring about a paradigm shift by creating market incentives rather than relying on continued grant support. While the technical assistance facility would provide grant funding to support implementation, he stressed that no amount of technical assistance funding would be sufficient unless companies themselves were incentivized to engage with and support farmers.

432. A second representative of the AE, Chad Ovel, confirmed that GCF disbursements would be made in proportion to secured co-financing, in accordance with the agreed term sheet, and noted that deadlines for both the first and final fundraising closes were already embedded in the agreement.

433. On the technical assistance facility, he advised the Board that a funding proposal for the anchor contribution had been submitted to Global Affairs Canada and was under due diligence, expressing confidence that this would be secured.

434. Finally, Mr. Ovel confirmed that, in line with iTAP recommendations, the environmental and social manager had been granted full veto rights over investment decisions, with the investment process, environmental and social management system, and impact monitoring system updated accordingly.

435. There being no further comments, FP307 was so approved.

436. Mr. Khan expressed his gratitude for the support from the Secretariat as well as the inputs from the iTAP which had been instrumental in improving the quality of the proposal.

Funding proposal 308 titled "Improving climate resilience of vulnerable communities and enabling conditions for local climate action in Tajikistan" by the World Food Programme (WFP)

437. The Co-Chairs opened FP308 as contained in document GCF/B.45/02/Add.09.

438. A representative of the Secretariat, Hemant Mandal, Director of the Department of the Asia and the Pacific Region, introduced FP308.

439. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE) supporting the project, the World Food Programme (WFP), were available in case of questions.

440. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (j) of the draft decision.

441. They invited the Board to approve the decision, thereby approving FP308 for the requested amount, subject to the specified terms and conditions.

Discussion

442. Two Board members expressed support for FP308, with one noting its focus on strengthening the resilience of vulnerable communities, supporting locally led climate action and building long-term adaptation capacity in Tajikistan. They also expressed their appreciation to the government and people of Tajikistan for their hospitality in hosting B.45, and indicated their support for FP309, which would benefit Tajikistan and Kyrgyzstan.

443. An active observer representing civil society organizations (CSOs) welcomed the project's focus on decentralizing adaptation planning to the district level and linking it with institutional assets, capacity-building and knowledge-sharing, while noting that sequencing and coordination would be important given its implementation across 14 geographically diverse districts.

444. They also appreciated the use of lessons learned from previous initiatives and the role of local groups in co-monitoring but noted that consultations in the remaining districts should have been completed prior to the Board meeting. In this respect, they emphasized that participation should remain genuinely inclusive and influential, rather than merely procedural.

445. CSOs also welcomed the project's attention to the differentiated impacts of climate change on women and vulnerable groups but called for further strengthening of the gender action plan to address the needs of women facing multiple vulnerabilities, including women with disabilities, women-headed households, widows and other marginalized groups. They also called for greater attention to structural barriers to resilience, including unequal access to land, finance, climate information and local decision-making, as well as measures to prevent and respond to gender-based violence.

446. The CSO observer highlighted the recommendation by the independent Technical Advisory Panel to strengthen links between district-level investments and broader watershed management, and welcomed the commitment to deepen coordination in this area. They also recommended formalizing shared outcomes with other initiatives addressing upstream catchment management in districts covered by the project.

447. Overall, CSOs considered the project relevant, with strong potential to support locally led resilience, and encouraged continued attention to coordination, adaptive management and learning to sustain resilience beyond the implementation period.

448. There being no further comments, FP308 was so approved.

Funding proposal 309 titled "Resilient Water Systems for All (RWS4All): Deep Adaptation Pathways for Water Infrastructure in Kyrgyz Republic and Tajikistan" by the European Bank for Reconstruction and Development (EBRD)

449. The Co-Chairs opened FP309 as contained in document GCF/B.45/02/Add.10.

450. A representative of the Secretariat, Thomas Eriksson, Director of the Eastern Europe, Central Asia and the Middle East Region, introduced FP309.

451. The Co-Chairs thanked the Secretariat representative and informed the Board that the representatives of the accredited entity (AE) supporting the project, the European Bank for Reconstruction and Development (EBRD), were available in case of questions.

452. They drew the attention of the Board to annex I to document GCF/B.45/02, and therein, paragraph (k) of the draft decision.

453. They invited the Board to approve the decision, thereby approving FP309 for the requested amount, subject to the specified terms and conditions.

Discussion

454. Board members thanked the AE and the Secretariat for their responses and expressed support for the proposal, highlighting its timely nature and relevance to growing climate risks affecting water security in Tajikistan and Kyrgyzstan. They welcomed its climate-resilient investment, institutional strengthening, utility reform, climate risk management and long-term planning, while highlighting the potential employment and socioeconomic benefits of water infrastructure development.

455. Board members underlined the importance of the proposed approach, with one believing this necessary to reduce vulnerability and build resilience at the local level. Another considered adequate local resources, including for policy dialogue, to be crucial given the programme's ambition and the number of utilities and stakeholders involved. A further Board member called for community preparedness, local adaptation planning and household-level water demand management.

456. One Board member encouraged greater complementarity and coordination with existing initiatives on disaster risk reduction, weather and climate services, cryosphere monitoring, mountain resilience and preparedness systems.

457. Another Board member underscored the importance of appropriate fiduciary standards and due diligence given that the targeted beneficiaries were *Vodokanals* (water supply companies). A further Board member reiterated that grants should remain the most relevant grant instrument of GCF.

458. An active observer representing civil society organizations (CSOs) welcomed the programme's comprehensive approach to strengthening the resilience of water systems, including legislative and regulatory reform and capacity-building for smaller municipal utilities, but considered the engagement and empowerment of water users and local communities to be insufficiently addressed. With this in mind, they emphasized the importance of community participation, feedback and agency, particularly in the context of proposed increases in water tariffs and cost recovery.

459. CSOs also questioned whether dedicated funding for the proposed social support plan had been secured before tariffs were increased, and whether GCF grant resources would be used for this purpose. While expressing strong support for grant funding for adaptation measures that directly benefited end users, they also questioned whether the GCF grant

component was instead being used primarily to address the financial viability gap for multilateral development bank sovereign debt financing.

460. In addition, they opined that the EBRD should be using its own resources to address climate resilience given its long-standing engagement in water-sector reform, institutional strengthening and infrastructure investment in both countries. Concerns were also raised that the climate-resilience quality of subprojects might not be maintained across the portfolio, potentially diluting climate outcomes.

461. CSOs considered the gender action plan to be comprehensive but under-resourced, with only EUR 330,000 allocated. They also raised concerns that the plan had been developed through a desk-based review without primary data collection or engagement with gender groups during the proposal stage. In their view, this could result in initial measures and targets being based on assumptions, with their validation deferred until implementation and the development of utility-level gender assessments and gaps at the end of the programme in late 2030.

462. There being no further comments, FP309 was so approved.

463. Following the approval of all funding proposals, the Co-Chairs invited the Board to adopt the Board decision as a whole, set out in annex I to document GCF/B.45/02.

464. The decision was so adopted.

465. The Board took note of document GCF/B.45/02 titled "Consideration of funding proposals", its addenda Add.01–02, Add.03/Rev.01, Add.04–10 (general distribution) and Add.11–12 (limited distribution), and limited distribution document GCF/B.45/Inf.13 titled "Funding proposal package for a proposal not recommended by the independent Technical Advisory Panel".

466. The Board adopted the following decision:

DECISION B.45/08

The Board, having considered document GCF/B.45/02 titled "Consideration of funding proposals":

(a) *Takes note of the following funding proposals:*

(i) *Simplified approval process funding proposal 070, titled "Building Flood Resilient Community through Adaptive Livelihood and Runoff Management in Petanglong Area of Central Java Province of Indonesia (BRAVE)" by Kemitraan bagi Pembaruan Tata Pemerintahan, as contained in document GCF/B.45/02/Add.01;*

(ii) *Simplified approval process funding proposal 071, titled "Building Climate Resilience of Forest Dependent Communities through Enhanced Livelihood Opportunities and Local Capacity in Karnali Province, Nepal" by the National Trust for Nature Conservation, as contained in document GCF/B.45/02/Add.02;*

(iii) *Simplified approval process funding proposal 072, titled "WATER-RES - Enhancing the ability to address the risks of water scarcity in areas most affected by climate change and water shortage in Syria" by ACTED, as contained in document GCF/B.45/02/Add.03/Rev.01;*

(iv) *Funding proposal 303, titled "Climate Resilient Water Sanitation and Hygiene (WASH) and Disaster Management services for vulnerable children in the Central African Republic (CRDM-CAR)" by the United Nations Children's Fund, as contained in document GCF/B.45/02/Add.04;*

(v) *Funding proposal 304, titled "Enhancing Sustainable Land Management and Climate-Resilient Agri-food Systems in Côte d'Ivoire (LARACI)" by the CGIAR System Organization, as contained in document GCF/B.45/02/Add.05;*

(vi) *Funding proposal 305, titled "Building the resilience of Togo's national health system and vulnerable communities to climate-sensitive health outcomes" by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, as contained in document GCF/B.45/02/Add.06;*

(vii) *Funding proposal 306, titled "Forest Landscape Restoration for Climate Benefits and Resilience (Fiji FLR)" by the Food and Agriculture Organization of the United Nations, as contained in document GCF/B.45/02/Add.07;*

(viii) *Funding proposal 307, titled "Mekong Earth Regeneration Fund (MERF)" by Deutsche Bank AG, as contained in document GCF/B.45/02/Add.08 and Add.11;*

(ix) *Funding proposal 308, titled "Improving climate resilience of vulnerable communities and enabling conditions for local climate action in Tajikistan" by the World Food Programme, as contained in document GCF/B.45/02/Add.09; and*

(x) *Funding proposal 309, titled "Resilient Water Systems for All (RWS4All): Deep Adaptation Pathways for Water Infrastructure in Kyrgyz Republic and Tajikistan" by the European Bank for Reconstruction and Development, as contained in document GCF/B.45/02/Add.10;*

(b) *<u>Approves</u> simplified approval process funding proposal 070, submitted by Kemitraan bagi Pembaruan Tata Pemerintahan (Kemitraan), for the amount of USD 9,310,960, in accordance with the term sheet agreed between the Secretariat and Kemitraan and set out in document GCF/B.45/02/Add.12, and subject to the conditions set out in annex I;*

(c) *<u>Also approves</u> simplified approval process funding proposal 071, submitted by the National Trust for Nature Conservation (NTNC), for the amount of USD 8,509,500, in accordance with the term sheet agreed between the Secretariat and NTNC and set out in document GCF/B.45/02/Add.12, and subject to the conditions set out in annex I;*

(d) *<u>Further approves</u> simplified approval process funding proposal 072, submitted by ACTED, for the amount of USD 25,000,000, in accordance with the term sheet agreed between the Secretariat and ACTED and set out in document GCF/B.45/02/Add.12, and subject to the conditions set out in annex I;*

(e) *<u>Approves</u> funding proposal 303, submitted by the United Nations Children's Fund (UNICEF), for the amount of USD 69,093,470, in accordance with the term sheet agreed between the Secretariat and UNICEF and set out in document GCF/B.45/02/Add.12, and subject to the conditions set out in annex I;*

(f) *<u>Also approves</u> funding proposal 304, submitted by the CGIAR System Organization (CGIAR), for the amount of USD 40,000,000, in accordance with the term sheet agreed between the Secretariat and CGIAR and set out in document GCF/B.45/02/Add.12, and subject to the conditions set out in annex I;*

(g) *<u>Further approves</u> funding proposal 305, submitted by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, for the amount of EUR 37,600,000, in accordance with the term sheet agreed between the Secretariat and GIZ and set out in document GCF/B.45/02/Add.12, and subject to the conditions set out in annex I;*

(h) *<u>Approves</u> funding proposal 306, submitted by the Food and Agriculture Organization of the United Nations (FAO), for the amount of USD 29,350,964, in accordance with the term sheet agreed between the Secretariat and FAO and set out in document GCF/B.45/02/Add.12, and subject to the conditions set out in annex I;*

(i) *<u>Also approves</u> funding proposal 307 submitted by Deutsche Bank AG (Deutsche Bank), for the amount of USD 50,000,000, in accordance with the term sheet agreed between the Secretariat and Deutsche Bank and set out in document GCF/B.45/02/Add.11, and subject to the conditions set out in annex I;*

(j) *<u>Further approves</u> funding proposal 308, submitted by the World Food Programme (WFP), for the amount of USD 30,000,000, in accordance with the term sheet agreed between the Secretariat and WFP and set out in document GCF/B.45/02/Add.12, and subject to the conditions set out in annex I;*

(k) *<u>Approves</u> funding proposal 309, submitted by the European Bank for Reconstruction and Development (EBRD), for the amount of EUR 55,000,000, in accordance with the term sheet agreed between the Secretariat and EBRD and set out in document GCF/B.45/02/Add.12, and subject to the conditions set out in annex I;*

(l) *<u>Reaffirms</u> that pursuant to annex IV to decision B.17/09 the Executive Director or his/her delegate(s) is authorized to negotiate and enter into legal agreements on behalf of GCF 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*

(m) *<u>Authorizes</u> 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.*

Consideration of funding proposals: Consideration of funding proposals: Consideration of a request for changes to the scope of funded activity FP034 ("Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda")

467. The Co-Chairs drew the attention of the Board to document GCF/B.45/07 titled "Consideration of a request for changes to the scope of funded activity FP034 ('Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda')".

468. A representative of the Secretariat, Catherine Koffman, Director of the Department of the Africa Region, introduced the request for changes of scope to FP034.

469. The Co-Chairs thanked Ms. Koffman and informed the Board that the representatives of the accredited entity, the United Nations Development Programme (UNDP), were available in case of questions.

470. They invited the Board to approve the draft decision in annex I to document GCF/B.45/07, thereby approving the request for changes to the scope of FP034, subject to the specified terms and conditions.

Discussion

471. One Board member expressed deep regret over the tragic loss of young lives during project implementation and emphasized the collective responsibility to prevent such incidents from occurring in GCF-funded projects. With this in mind, another underlined the need for continued care in project approval and implementation.

472. Two Board members also expressed serious concerns regarding the unusually high number of complaints to the IRM, highlighting the resulting reputational risk for GCF.

473. In this context, one Board member questioned whether the Secretariat's existing oversight mechanisms were sufficiently robust and whether adjustments or strengthened arrangements were needed for project supervision and risk management. In addition, they considered it important that the new monitoring and accountability framework ensured that project officers had the capacity to respond quickly to emerging risks. This view was echoed by another Board member, who called for such commitments to be upheld throughout USP-3.

474. However, Board members acknowledged the corrective actions taken by the Secretariat and AE, with one also commending the IRM and underlining the vital importance of functional and easily accessible redress mechanisms.

475. Overall, Board members supported the proposed restructuring and further opportunities for engagement to better understand the issues raised by the project and the response by GCF. One indicated that the effectiveness of the revised approach would depend not only on improved design but on disciplined execution, while another requested that the Secretariat comment on the lessons learned, next steps, and potential implications.

476. An active observer representing CSOs expressed concern that the proposed restructuring represented a significant deviation from the original funding proposal and constituted a belated corrective measure to provide livelihood support to households that should have benefited earlier from the project. They argued that the restructuring reflected unfulfilled commitments and harms resulting from failures to adequately centre beneficiary experiences and needs. In addition, they noted that reduced targets for wetland and catchment restoration were driven by the need to extend timelines and allocate limited remaining funds to alternative livelihoods for some affected households, while many others would remain without support.

477. CSOs also highlighted four cases brought through the IRM, indicating that they revealed failures to prioritize livelihood support and community safety, which raised concerns regarding oversight, project management and due diligence. They noted that the restructuring included an updated environmental and social safeguards approach partly in response to IRM findings and pointed to the documentation's recognition that addressing gaps in livelihood support was a critical risk mitigation measure.

478. They also cited the Independent Evaluation Unit's impact evaluation, which identified limited outcomes despite almost 80 per cent of GCF funds having been dispersed. They questioned whether the underlying implementation issues would have been identified without the IRM cases and argued that the project had disrupted livelihoods and created largely unfulfilled expectations of alternative livelihood support.

479. While recognizing the importance of adaptive management, CSOs emphasized that substantial changes under the policy on restructuring and cancellation should be brought to the Board for decision, particularly where implementation had caused harm to communities and created potential reputational risks for the GCF. They stressed the importance of Board oversight and transparency regarding major deviations from the original project commitments and intent, suggesting that the restructuring could amount to a partial exit by GCF in an effort to limit reputational consequences.

Responses

480. Amer Baig, Chief Investment Officer ad interim, advised that the Secretariat took such matters very seriously and would be pleased to engage with Board members wishing to discuss the matter further.

481. Ms. Koffman outlined the next steps at project and portfolio levels, noting that, subject to Board approval of the restructuring, the revised approach would be implemented rapidly, with

strengthened monitoring and reporting on livelihood delivery. At the portfolio level, the Secretariat had intensified engagement with UNDP, strengthened monitoring processes, and initiated broader portfolio-level reviews to identify systemic risks.

482. On lessons learned, the case had highlighted the importance of sequencing livelihood support alongside ecosystem interventions, maintaining consistency between project design and implementation, and ensuring strong safeguards, documentation and grievance mechanisms throughout implementation. The experience had informed adjustments to supervision and risk management, including earlier escalation, more proactive engagement, strengthened risk-based monitoring, and greater use of contractual and supervisory tools where risks emerged. In addition, limitations in the Secretariat's desk review of project reports would be addressed through more frequent use of ad hoc checks.

483. Finally, Ms. Koffman indicated that supervision had been applied in line with existing frameworks and progressively intensified as risks became more evident. She acknowledged practical limitations, particularly reliance on information reported by the AE, but advised the Board that these had been taken into account in the strengthened supervision approach to be applied going forward.

484. There being no further comments, the decision was so adopted.

485. The Board took note of document GCF/B.45/07 titled "Consideration of funding proposals: Consideration of a request for changes to the scope of funded activity FP034 ('Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda')" and its limited distribution addendum Add.01.

486. The Board adopted the following decision:

DECISION B.45/09

The Board, having considered document GCF/B.45/07 titled "Consideration of funding proposals: Consideration of a request for changes to the scope of funded activity FP034 ('Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda')" and its limited distribution addendum Add.01:

(a) *<u>Approves</u> the Major Change with respect to funded activity FP034 titled "Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda" as described in document GCF/B.45/07; and*

(b) *<u>Authorizes</u> the Secretariat to negotiate and execute relevant amendments to the funded activity agreement for FP034 to reflect the changes hereby approved.*

Consideration of funding proposals: Extension of the deadline in respect of SAP047 (Climaventures: Harnessing the Domestic Private Sector Ecosystem for Climate Action in Pakistan)

487. The Co-Chairs drew the attention of the Board to document GCF/B.45/06 titled "Consideration of funding proposals: Extension of the deadline in respect of SAP047 'Climaventures: Harnessing the Domestic Private Sector Ecosystem for Climate Action in Pakistan'" and its addendum Add.01 (limited distribution) titled "Request letter submitted by accredited entity, and the evidence of consultation with the national designated authority".

488. A representative of the Secretariat, Hemant Mandal, Director of the Department of the Asia and the Pacific Region, introduced the extension request for SAP047.

489. The Co-Chairs thanked Mr. Mandal and informed the Board that the representatives of the accredited entity, National Rural Support Programme, were available in case of questions.

490. They invited the Board to approve the draft decision in annex I to document GCF/B.45/06, thereby approving the extension request for SAP047, subject to the specified terms and conditions.

491. There being no comments, the decision was so adopted.

492. The Board took note of document GCF/B.45/06 titled "Consideration of funding proposals: Extension of the deadline in respect of SAP047: 'Climaventures: Harnessing the Domestic Private Sector Ecosystem for Climate Action in Pakistan'" and its limited distribution addendum Add.01 titled "Request letter submitted by accredited entity, and the evidence of consultation with the national designated authority".

493. The Board adopted the following decision:

DECISION B.45/10

The Board, having considered document GCF/B.45/06 titled "Consideration of funding proposals: extension of the deadline in respect of SAP047: 'Climaventures: Harnessing the Domestic Private Sector Ecosystem for Climate Action in Pakistan'" and its limited distribution addendum Add.01:

Decides to extend until the day which is one day after the last day of the forty-seventh meeting of the Board the deadline for the execution of the funded activity agreement for the following approved funding proposal:

(i) *SAP047, titled "Climaventures: Harnessing the Domestic Private Sector Ecosystem for Climate Action in Pakistan".*

Status of approved funding proposals: Waiver of Board condition in respect of FP050 (Bhutan for Life)

494. The Co-Chairs drew the attention of the Board to document GCF/B.45/08 titled "Status of approved fundings proposals: Waiver of Board condition in respect of FP050 (Bhutan for Life)".

495. A representative of the Secretariat, Hemant Mandal, Director of the Department of the Asia and the Pacific Region, introduced the request for changes to FP050.

496. The Co-Chairs thanked Mr. Mandal and informed the Board that the representatives of the accredited entity, the World Wildlife Fund, were available in case of questions.

497. They invited the Board to approve the draft decision in annex I to document GCF/B.45/08, thereby approving the extension request for FP050, subject to the specified terms and conditions.

498. There being no comments, the decision was so adopted.

499. The Board took note of document GCF/B.45/08 titled "Status of approved fundings proposals: Waiver of Board condition in respect of FP050 (Bhutan for Life)".

500. The Board adopted the following decision:

DECISION B.45/11

The Board, having considered document GCF/B.45/08 titled "Status of approved fundings proposals: Waiver of Board Conditions in respect of FP050 (Bhutan for Life)":

(a) *Approves the waiver of the Board condition as described in document GCF/B.45/08;*

(b) *Agrees that the following condition for FP050 that was set out in decision B.18/08, annex XIII, table 2:*

"(i) Submission by the Accredited Entity of the following documents:

(1) APRs, including technical and financial monitoring and reporting on BFL to ensure that:

- *All Activities planned in a given year, as specified in the Funding Proposal are implemented; and*
- *All Milestones and Indicators Targets, as specified in the Funding Proposal, relevant to a given year are achieved.*

(2) ...

(3) Evidence showing RGoB budget allocation for the BFL project corresponding to a 20% real increase for the first year, and a 5.2% real increase for each subsequent year until the end of the 14 years Transition Fund period;

(4) Evidence showing that the RGoB through the Bhutan Trust Fund for Environmental Conservation contributes at least 500,000 USD per year to support BFL activities throughout the 14 year life of the Transition Fund in addition to the RGOB budget increases specified in point (3) above; and

(5) ..."

shall be modified to read as follows:

"(i) Submission by the Accredited Entity of the following documents:

(1) APRs, including technical and financial monitoring and reporting on BFL to track the extent to which:

- *Activities planned in a given year, as specified in the Funding Proposal, are implemented; and*
- *Progress against outputs and Indicators Targets, as specified in the Funding Proposal, relevant to a given year, has been demonstrated.*

(2) ...

(3) Evidence showing RGoB budget allocation for the BFL project corresponding to a 20% real increase for the first year, and a 5.2% real increase for each subsequent year until the end of the 14th year of the Transition Fund period;

(4) Evidence showing that the RGoB through the BTFEC contributes at least 500,000 USD per year to support BFL activities for the first 14 years of the Transition Fund in addition to the RGoB budget increases specified in point (3) above; and

(5) ..."; and

(c) *Authorizes the Secretariat to negotiate and execute the relevant legal agreements to reflect the changes approved in paragraph (b) above.*

Consideration of funding proposals: Extension of deadline in respect of FP224 (Renewstable Barbados Project)

501. The Co-Chairs drew the attention of the Board to document GCF/B.45/09 titled "Consideration of funding proposals: Extension of deadline in respect of FP224 (Renewstable Barbados Project)" and its addendum Add.01 (limited distribution) titled "Request letter submitted by the Accredited Entity".

502. A representative of the Secretariat, Kristin Lang, Director of the Department of the Latin America and the Caribbean Region, introduced the request for changes to FP224.

503. The Co-Chairs thanked Ms. Lang and informed the Board that the representatives of the AE, the International Finance Corporation, were available in case of questions.

504. They invited the Board to approve the draft decision in annex I to document GCF/B.45/09, thereby approving the extension request for FP224, subject to the specified terms and conditions.

505. There being no comments, the decision was so adopted.

506. The Board took note of document GCF/B.45/09 titled "Consideration of funding proposals: Extension of deadline in respect of FP224 (Renewstable Barbados Project)" and its limited distribution addendum Add.01 titled "Request letter submitted by the accredited entity".

507. The Board adopted the following decision:

DECISION B.45/12

The Board, having considered document GCF/B.45/09 titled "Consideration of funding proposals: Extension of deadline in respect of FP224 (Renewstable Barbados Project)" and its limited distribution addendum Add.01:

> *Decides to extend until the day which is one day after the last day of the forty-eighth meeting of the Board the deadline for the submission by the accredited entity of a certificate or legal opinion, in form and substance satisfactory to the Secretariat, confirming that the accredited entity has obtained all final internal approvals needed by it and has the capacity and authority to implement the proposed project for the following approved funding proposal:*
>
> (i) *FP224, titled "Renewstable Barbados Project".*

Status of approved funding proposals: Adding a host country in respect of FP252 (Acumen Resilient Agriculture Fund II)

508. The Co-Chairs drew the attention of the Board to document GCF/B.45/10 titled "Status of approved funding proposals: Adding a host country in respect of FP252 ("Acumen Resilient Agriculture Fund II")".

509. A representative of the Secretariat, Catherine Koffman, Director of the Department of the Africa Region, introduced the request for changes to FP252.

510. The Co-Chairs thanked Ms. Koffman and informed the Board that the representatives of Acumen Fund, Inc. were available in case of questions.

511. They invited the Board to approve the draft decision in annex I to document GCF/B.45/010, thereby approving the extension request for FP252, subject to the specified terms and conditions.

512. There being no comments, the decision was so adopted.

513. The Board took note of document GCF/B.45/10 titled "Status of approved funding proposals: Adding a host country in respect of FP252 ('Acumen Resilient Agriculture Fund II')" and its limited distribution addendum Add.01.

514. The Board adopted the following decision:

DECISION B.45/13

The Board, having considered document GCF/B.45/10 titled "Status of approved funding proposals: Adding a host country in respect of FP252 ('Acumen Resilient Agriculture Fund II')" and its limited distribution addendum Add.01:

(a) *<u>Approves</u> the inclusion of Kenya as a host country for FP252; and*

(b) *<u>Authorizes</u> the Secretariat to negotiate and execute the relevant legal agreements to reflect the approval set out in paragraph (a) above.*

Further comments

515. Following the conclusion of the agenda item, one Board member raised broader concerns regarding the funding approval process, emphasizing the importance of institutional checks and ensuring that each GCF body operated within its mandate. In this regard, they argued that the independent Technical Advisory Panel (iTAP) was established to assist the Board in its decision-making rather than supplant the Board's authority to approve funding proposals and expressed concern that increasingly burdensome bureaucratic processes were making it more difficult for developing countries to access scarce climate finance.

516. They also raised concerns regarding the slow pace of the Accreditation Panel's approval of requests and the implications of treating the accreditation framework as a pilot. They urged other Board members to consider the broader institutional and political context when seeking to strengthen the technical viability and soundness of proposals.

517. Finally, they emphasized that GCF served a broader political purpose than a conventional bank by helping developing countries unlock further financing and providing financing where private actors may be reluctant to engage due to higher risks. They therefore called for the Board to remain focused on the primary purpose and objectives of GCF, including its role in addressing the financing needs of developing countries.

518. For transparency purposes, another Board member enquired as to how a closed session relating to a specific funding proposal would be addressed by the Board.

519. The Co-Chairs advised that the closed session had been constructive, and that iTAP and the Secretariat were continuing their discussions in order to resolve their differences.

Agenda item 12: Consideration of accreditation proposals

520. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/03 titled "Consideration of accreditation proposals and activities" and its addenda Add.01–09 (general distribution) and Add.10 (limited distribution).

521. The Co-Chairs indicated that the Board had been invited to submit written questions ahead of B.45. No questions had been received and a technical session had also been held on 23 June 2026. The Co-Chairs thanked the Secretariat and the Accreditation Panel (AP) for

responding to questions during the session, as well as Board members, advisers and active observers for their engagement.

522. The Co-Chairs informed the Board that, under this agenda item, the Secretariat would deliver a presentation, followed by remarks from the AP. This would be followed by a round of general comments, after which the Board would proceed to consider the accreditation proposals individually.

523. With reference to the Rules of Procedure of the Board and the Policy on Ethics and Conflicts of Interest for the Board of the Green Climate Fund, the Co-Chairs invited any Board members or active observers who wished to declare a conflict of interest in relation to deliberations on any particular entity to do so.

524. A Board member declared a potential conflict of interest on behalf of the Group of Latin America and the Caribbean seat, noting that a member of the constituency was affiliated with an entity undergoing accreditation.[2]

525. No further conflicts of interest were declared.

Secretariat and Accreditation Panel presentations

526. Achala Abeysinghe, Director of Investment Services, provided an update on progress in operationalizing the revised accreditation framework (RAF), the 12-month transition period of which would end on 31 October 2026. She noted that the previous and revised accreditation frameworks continue to operate in parallel during the transition period.

527. Ms. Abeysinghe reported that the first application window under the RAF had closed on 6 April 2026 and that, following the deadline for payment of accreditation fees on 6 May 2026, 83 applications were under review. A further 101 pre-screening questionnaires had been under review as at 6 May 2026 for possible invitation to the second application window, which would open on 15 July 2026.

528. Ms. Abeysinghe explained that applications were subject to a combined nine-month service standard for review by the Secretariat and the AP, excluding periods during which clarification was sought from applicants. Ten applications submitted under the RAF had entered AP review by the time of the meeting, and the Secretariat remained on track to meet its target of referring 35 to 40 applications to the AP during 2026. She added that the Secretariat intended to advance the fast-track modality with the African Development Bank and confirmed that the first applicants under the RAF were expected to be presented to the Board at B.46.

529. Ms. Abeysinghe noted that the Secretariat and the AP were sequencing reviews in accordance with the prioritization criteria established by the Board, including priority for direct access applicants, particularly from countries without a direct access entity (DAE); entities from least developed countries (LDCs), small island developing States (SIDS) and African States; entities advancing locally led climate action for vulnerable groups; and private sector entities supporting climate action in developing countries. She reported that 57 countries had one or more DAEs. She added that, in addition to the entity from Ecuador recommended at B.45, 15 other countries that currently had no accredited entity (AE) had at least one applicant from the first application window, and that review of those applications was being prioritized. The Secretariat would also strengthen its upstream engagement with national designated authorities and potential applicants in countries without an entity in the pipeline.

530. Diana Isiye, Chair of the AP, presented nine applicants for the Board’s consideration. She noted that, together with the applicants considered at B.44, this brought the number presented

[2] Secretariat note: The Board member did not specify which Board member or which applicant entity the potential conflict of interest concerned.

to the Board in 2026 to 21, comprising 19 accreditation applications and 2 applications for upgrades to accreditation scope. If approved, the applicants would contribute to an increase of approximately 32 per cent in the number of entities accredited by the Board over the preceding two and a half years.

531. Ms. Isiye highlighted the diverse mix of national, regional and international applicants, noting that six of the nine were DAEs and that one would become the first national DAE for its country. She explained that the AP was concluding its assessment of the remaining applicants under the updated accreditation framework (UAF), while also reviewing the first applications submitted under the RAF. Three applicants remained under review under the UAF, while 10 applications had entered AP review under the RAF. She added that the AP had continued to engage with applicants, including through one site visit to a DAE, and to work on closing accreditation conditions.

532. The Co-Chairs thanked the Secretariat and the AP and opened the floor for comments.

Board discussion

533. Many Board members expressed appreciation for the work of the Secretariat and the AP in advancing the accreditation pipeline and operationalizing the RAF. Several also welcomed the inclusion of six DAEs among the nine applicants and emphasized the importance of direct access for strengthening country ownership and national institutional capacity.

534. A Board member expressed concern that accreditation assessments appeared to take into account the wider portfolios of applicant entities, which they considered was not required under the RAF or the updated monitoring and accountability framework for AEs. The Board member regarded this as a misapplication of Board policy and an inequitable burden on entities from developing countries, and requested that the RAF be implemented as agreed.

535. A second Board member requested information on the number of applications referred by the Secretariat to the AP annually, the number subsequently recommended by the AP, the normal timelines for the process and the average time required by the AP to complete its due diligence and present applicants to the Board.

536. The Co-Chairs noted that some of the requested information was contained in document GCF/B.45/03 and had also been addressed in the Secretariat's presentation. They further observed that, as the accreditation process was changing under the RAF, historical statistics might not be fully indicative of future processing timelines.

537. A Board member aligned with the concern regarding the scope of accreditation assessments. They recalled that the RAF had been developed to address delays under the previous system, in which assessments had covered both institutional capacity and potential programming. The Board member understood that the RAF was intended to focus accreditation screening on the relevant institutional and fiduciary requirements, with programming-related assessments undertaken at a later stage, and encouraged the AP to adhere to that division so as not to recreate the bottlenecks that the reforms had sought to address.

538. A further Board member recalled the adoption of the RAF as an ambitious reform intended to address accreditation being a barrier to access, particularly for DAEs. As part of the SIDS constituency, the Board member considered the RAF a fit-for-purpose basis for a more efficient, proportionate and accessible process. They encouraged the Secretariat to continue proactively facilitating applications, and the AP to prioritize the timely assessment of DAEs, emphasizing that accreditation should enable country ownership rather than remain a bottleneck. Noting that several applications from SIDS remained under assessment and that the constituency had expected some to be presented at B.45, the Board member requested

information on progress to date, the status of applications under review, challenges encountered or anticipated, and the expected timeline for their presentation to the Board.

539. Another Board member welcomed the inclusion of six DAEs and indicated readiness to approve the proposals. They noted that three of the applicants, Corporación Financiera de Desarrollo SA (COFIDE), PT Indonesia Infrastructure Finance (PT IIF) and Equity Group Holdings PLC (EGH), were increasingly engaged in sustainable finance but did not appear to have clear fossil fuel exclusion policies, explicit portfolio-wide net-zero commitments or quantitative climate targets. The Board member asked whether the entities were positioning themselves to become credible partners aligned with the Paris Agreement, whether they were reducing their portfolio exposure to fossil fuels and at what stage of their future engagement with GCF those matters would be assessed. Regarding PT IIF, the Board member noted the institution's exposure to downstream gas and its operation in a context that remained highly dependent on coal, and requested timelines and milestones for its stated intention to phase out carbon-intensive investments and increase renewable energy financing. Regarding EGH, the Board member considered its target of allocating 5 per cent of group-wide lending to climate-related activities insufficiently ambitious. They also encouraged GCF to support DAEs in the financial sector in improving the tracking of greenhouse gas emissions at the portfolio level, including through partnerships with larger DAEs or international access entities with relevant expertise.

540. A further Board member commended progress in operationalizing the RAF, noting that 83 applications had entered review following the first application window, including 58 from national and regional direct access applicants, and that several applicants could become the first national DAE for their respective countries. The Board member encouraged the Secretariat to continue prioritizing and supporting DAEs and welcomed the inclusion at B.45 of two applicants from LDCs and a regional DAE operating in several LDCs. Referring to the extensive conditions attached to APL177, Town Development Fund, including requirements relating to environmental and social capacity, internal audit, ethics, investigations, conflict-of-interest risk management, monitoring and evaluation and institutional gender planning, the Board member emphasized the need for adequate pre- and post-accreditation support and assistance to strengthen the programming capacity of DAEs. They noted that strengthening DAEs would enhance country ownership, build national and local capacity, promote sustainability and reinforce accountability to national authorities and populations.

541. A Board member expressed concern regarding the volume of applications being managed under the previous and revised accreditation frameworks, including applications from highly vulnerable countries awaiting AP review. The Board member encouraged the AP to expedite the assessment of DAEs from the most vulnerable countries and supported the call for accreditation assessments to remain within the scope established by the Board.

542. Another Board member supported the accreditation of Banco de Desarrollo del Ecuador B.P. (BDE) and COFIDE, noting that they would strengthen direct access in Latin America and the Caribbean. They welcomed the prospect of BDE becoming Ecuador's first national DAE and noted that COFIDE would expand Peru's national capacity to access and implement GCF resources. The Board member nevertheless observed that many countries in the region, particularly in the Caribbean, still lacked a DAE and called for continued efforts to reduce accreditation barriers and establish a more predictable and proportionate system that enabled institutions from SIDS and other vulnerable countries to participate effectively.

543. A further Board member welcomed progress in the transition to the RAF, including the introduction of fixed application windows, service standards, guidance materials and the pre-screening process. They highlighted the strong interest from developing country institutions, noting that the 83 applications under review included 58 national and regional direct access applicants, of which 31 were from Africa, and that 18 applicants from 15 countries could

become their countries' first national DAEs. The Board member welcomed the prioritization of DAEs, African States, LDCs and locally led adaptation and encouraged the Secretariat and the AP to maintain that focus. The member also observed that the applications under review, the more than 100 pre-screening questionnaires and the forthcoming second application window would result in a substantial increase in workload over the coming months.

Active observer intervention

544. An active observer for civil society organizations welcomed the nine applicants, including the six DAEs and the proposed entity that would be the first national DAE for Ecuador. The observer noted that the applicants represented 9 of the 12 entities that had elected to continue under the UAF and anticipated that B.46 could include applicants under both the previous and revised frameworks, providing an opportunity to compare the thoroughness of the two assessment frameworks.

545. The observer noted that all nine applicants had been recommended for accreditation subject to conditions, which would no longer be possible under the RAF. The observer highlighted weaknesses in the grievance redress mechanisms set out in several applications, and emphasized that access to redress required operational and accessible mechanisms rather than the mere existence of a policy. The observer questioned whether applicants with outstanding institutional gaps would have met the requirements of the RAF and cautioned against the relaxation of GCF standards.

546. The observer further noted that PT IIF and Climate Fund Managers B.V. (CFM) were partly or wholly owned by existing GCF AEs. The observer stated that PT IIF was wholly owned by five existing AEs but that this was not mentioned in its accreditation assessment, whereas the assessment of CFM referred to its partial ownership by Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden (FMO). The observer requested consistent disclosure of substantial ownership relationships involving existing AEs. Regarding CFM, the observer also questioned the additional value that it would bring to GCF, noting that three of the four climate-related projects in its track record were already supported by GCF through other entities, and encouraged greater prioritization of DAEs that would bring new relationships and approaches to the partnership.

547. The observer welcomed the 58 direct access applicants under the first RAF application window, including 9 civil society organizations and 18 applicants from 15 countries that could become their countries' first national DAEs. The observer emphasized the importance of supporting newly accredited DAEs in developing successful funding proposals, both to double the number of DAEs with approved funding proposals and to increase the share of GCF financing channelled through DAEs under the updated Strategic Plan for the GCF 2024–2027.

548. Following the intervention of the active observer, a Board member expressed concern regarding the manner in which the Co-Chairs had responded to their earlier request for information on accreditation timelines. The Board member emphasized the importance of equal and respectful treatment of members from both constituencies and requested that the Co-Chairs exercise their facilitation role impartially. The Co-Chairs accepted the criticism and apologized, acknowledging that their spontaneous response had not been appropriate.

Response from the Accreditation Panel and the Secretariat

549. Ms. Isiye clarified that the nine applications before the Board had been assessed under the UAF, rather than the RAF. Ten applications submitted under the RAF had entered AP review but had not yet been presented to the Board. She explained that, under the UAF, conditions were imposed where gaps in an applicant's institutional systems, policies, procedures or capacities

could not be closed before completion of the assessment, and that the AP continued to work with AEs to support the closure of those conditions.

550. Regarding timelines, Ms. Isiye noted that applicants varied in size and complexity and that both speed and assurance were important. The applications before the Board had taken an average of nine months to complete. She added that the combined service standards under the RAF similarly provided for a nine-month review period and emphasized the responsibility of the AP to ensure that recommendations presented to the Board were sound and aligned with Board-approved standards. She confirmed the commitment of the AP to assessing DAE applications as they were transmitted to the panel by the Secretariat.

551. Ms. Abeysinghe explained that the Secretariat conducted the initial pre-screening and, following submission of a full application and payment of the applicable fee, performed a completeness check before transmitting the application to the AP. This helped to ensure that applications were sufficiently complete and well-prepared but did not guarantee a successful screening report, determine the recommendation of the AP or ensure presentation at a particular Board meeting. Final recommendations and accreditation decisions rest with the AP and the Board.

552. Ms. Abeysinghe reported that 10 applications had been referred to the AP and reiterated the target of referring 35 to 40 applications to the AP during 2026, and 40 to 50 applications annually from 2027. She recalled that the combined review period was nine months, excluding periods during which an application was with the applicant for clarification. As assessments under the RAF had only recently begun, more detailed information on the respective processing times of the Secretariat and the AP would be provided at a later Board meeting.

553. Regarding applications from SIDS, Ms. Abeysinghe noted that most accreditation fees for the first RAF window had been paid on or shortly before 6 May 2026, meaning that the review process had been under way for less than two months by B.45. With 10 applications already transmitted to the AP, the process remained on track to meet the nine-month service standard. Of the 83 applicants in the RAF pipeline, 8 were national direct access applicants from SIDS and 2 were regional direct access applicants based in and operating from SIDS, while other regional and international applicants would also be able to operate in SIDS if accredited.

554. On support for DAEs, Ms. Abeysinghe noted that several applicants before the Board had received pre-accreditation support through the Readiness and Preparatory Support Programme. Once accredited, national and regional DAEs would also be eligible for up to USD 1 million under the DAE window of the Readiness Programme during the 2024–2027 readiness strategy period. She confirmed that the Secretariat and the AP were prioritizing applicants from countries without a DAE and entities from LDCs, SIDS and African States in accordance with Board guidance.

555. Responding to the active observer, Ms. Abeysinghe recalled that the absence of conditions under the RAF reflected a Board decision. She reported that 121 entities had already met programming-related conditions and that the Secretariat and the AP continued to work with the remaining entities to close outstanding conditions. She emphasized that screening under the RAF focused on whether an entity was institutionally fit to partner with GCF, while remaining elements linked to fiduciary standards would be assessed at the programming stage.

556. Following the responses from the Secretariat and the AP, a Board member reiterated that, although the applicants before the Board had been assessed under the UAF, the consideration of their wider portfolios had also not been required under that framework. The Board member questioned why such a burden was being placed on DAEs and entities from climate-vulnerable countries and further raised concerns regarding fairness, noting that many of the largest financiers of carbon-intensive activities were not based in developing countries.

557. Ms. Isiye requested clarification as to the specific policy requirement that the Board member considered inapplicable. The Board member stated that their concern had been registered and proposed discussing the matter bilaterally so as not to prolong the agenda item. The Co-Chairs confirmed that the intervention would be reflected in the record of the meeting.

558. The Co-Chairs drew the Board's attention to the draft decision contained in annex I to document GCF/B.45/03 and outlined the procedure for adoption. The Board first took note of the accreditation assessments conducted by the Secretariat and the AP for the applicants, as reflected in paragraph (a) of the draft decision.

559. The Board then proceeded to consider the accreditation proposals individually.

Consideration of accreditation proposals

560. During the consideration of the individual proposals, Board members made the following comments:

561. For APL173 (Banco de Desarrollo del Ecuador B.P.), a Board member welcomed the proposal to accredit Ecuador's first national DAE, noting that it represented the outcome of more than six years of sustained institutional effort. The Board member highlighted that accreditation would strengthen national capacity and country ownership and help ensure that climate finance responded effectively to national priorities and needs.

562. For APL175 (Mali-Folkecenter – NYETAA), a number of Board members congratulated the entity and the Government of Mali on the accreditation of the country's second DAE. They highlighted Mali's status as an LDC and an African State, while one member also noted its status as a landlocked developing country and its vulnerability to drought and climate change. One Board member requested continued support from the Secretariat to enable the entity to develop funding proposals, while several members expressed the hope that the achievement would encourage or be followed by the accreditation of entities from other highly vulnerable countries. Another Board member emphasized the importance of full adherence to applicable fiduciary, environmental and social, and integrity standards in any future programming with the entity, in view of the challenges associated with its operating environment.

563. For APL179 (Climate Fund Managers B.V.), a Board member welcomed the recommendation for accreditation and clarified that the Netherlands had no direct relationship with the company. They noted, however, that the Ministry of Foreign Trade and Development Cooperation of the Netherlands had contracted the entity to manage investments in climate-related projects, including a fund supporting the development of promising early-stage initiatives into scalable projects.

564. No comments were made by Board members on the remaining applications.

565. The Board subsequently approved the accreditation of all nine applicants.

566. Following the consideration of all accreditation recommendations, the Co-Chairs invited the Board to adopt the decision as a whole.

567. There being no objections, the decision was adopted.

568. The Board took note of document GCF/B.45/03 titled "Consideration of accreditation proposals and activities", its addenda Add.01–09 (general distribution) and Add.10 (limited distribution).

569. The Board adopted the following decision:

DECISION B.45/14

The Board, having considered document GCF/B.45/03 titled "Consideration of accreditation proposals and activities":

(a) *Takes note with appreciation of the assessments conducted by the Secretariat and the Accreditation Panel contained within the relevant documents for the following applicants for accreditation:*

   (i) *Applicant 173 (APL173), Banco de Desarrollo del Ecuador B.P. (BDE), based in Ecuador, as contained in document GCF/B.45/03/Add.01;*

   (ii) *Applicant 174 (APL174), Corporación Financiera de Desarrollo S.A. (COFIDE), based in Peru, as contained in document GCF/B.45/03/Add.02;*

   (iii) *Applicant 175 (APL175), Mali-Folkecenter – NYETAA (MFC), based in Mali, as contained in document GCF/B.45/03/Add.03;*

   (iv) *Applicant 176 (APL176), PT Indonesia Infrastructure Finance (PT IIF), based in Indonesia, as contained in document GCF/B.45/03/Add.04;*

   (v) *Applicant 177 (APL177), Town Development Fund (TDF), based in Nepal, as contained in document GCF/B.45/03/Add.05;*

   (vi) *Applicant 178 (APL178), Equity Group Holdings PLC (EGH), based in Kenya, as contained in document GCF/B.45/03/Add.06;*

   (vii) *Applicant 179 (APL179), Climate Fund Managers B.V. (CFM), based in the Netherlands, as contained in document GCF/B.45/03/Add.07;*

   (viii) *Applicant 180 (APL180), HELVETAS Swiss Intercooperation (Helvetas), based in Switzerland, as contained in document GCF/B.45/03/Add.08; and*

   (ix) *Applicant 181 (APL181), People in Need (PIN), based in the Czech Republic, as contained in document GCF/B.45/03/Add.09;*

pursuant to paragraph 45 of the Governing Instrument for the GCF, subject to, and in accordance with, the recommendation of the Accreditation Panel contained in the relevant addendum for each of the applicants, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13;

(b) *Approves, pursuant to paragraph 45 of the Governing Instrument for the GCF, the accreditation of APL173, Banco de Desarrollo del Ecuador B.P. (BDE), based in Ecuador, subject to, and in accordance with, the recommendation on accreditation of the Accreditation Panel contained in section 4.2 of document GCF/B.45/03/Add.01, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13;*

(c) *Also approves, pursuant to paragraph 45 of the Governing Instrument for the GCF, the accreditation of APL174, Corporación Financiera de Desarrollo S.A. (COFIDE), based in Peru, subject to, and in accordance with, the recommendation on accreditation of the Accreditation Panel contained in section 4.2 of document GCF/B.45/03/Add.02, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13;*

(d) *Further approves, pursuant to paragraph 45 of the Governing Instrument for the GCF, the accreditation of APL175, Mali-Folkecenter – NYETAA (MFC), based in Mali, subject to, and in accordance with, the recommendation on accreditation of the Accreditation Panel contained in section 4.2 of document GCF/B.45/03/Add.03, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13;*

(e) *Approves, pursuant to paragraph 45 of the Governing Instrument for the GCF, the accreditation of APL176, PT Indonesia Infrastructure Finance (PT IIF), based in Indonesia, subject to, and in accordance with, the recommendation on accreditation of the Accreditation Panel contained in section 4.2 of document GCF/B.45/03/Add.04, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13;*

(f) *Also approves, pursuant to paragraph 45 of the Governing Instrument for the GCF, the accreditation of APL177, Town Development Fund (TDF), based in Nepal, subject to, and in accordance with, the recommendation on accreditation of the Accreditation Panel contained in section 4.2 of document GCF/B.45/03/Add.05, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13;*

(g) *Further approves, pursuant to paragraph 45 of the Governing Instrument for the GCF, the accreditation of APL178, Equity Group Holdings PLC (EGH), based in Kenya, subject to, and in accordance with, the recommendation on accreditation of the Accreditation Panel contained in section 4.2 of document GCF/B.45/03/Add.06, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13;*

(h) *Approves, pursuant to paragraph 45 of the Governing Instrument for the GCF, the accreditation of APL179, Climate Fund Managers B.V. (CFM), based in the Netherlands, subject to, and in accordance with, the recommendation on accreditation of the Accreditation Panel contained in section 4.2 of document GCF/B.45/03/Add.07, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13;*

(i) *Also approves, pursuant to paragraph 45 of the Governing Instrument for the GCF, the accreditation of APL180, HELVETAS Swiss Intercooperation (Helvetas), based in Switzerland, subject to, and in accordance with, the recommendation on accreditation of the Accreditation Panel contained in section 4.2 of document GCF/B.45/03/Add.08, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13; and*

(j) *Further approves, pursuant to paragraph 45 of the Governing Instrument for the GCF, the accreditation of APL181, People in Need (PIN), based in the Czech Republic, subject to, and in accordance with, the recommendation on accreditation of the Accreditation Panel contained in section 4.2 of document GCF/B.45/03/Add.09, and subject to the issuance of a certificate/confirmation evidencing their accreditation in accordance with the transitional arrangements in respect of the revised accreditation framework adopted in paragraph (m) of decision B.42/13.*

Agenda item 13: Fifteenth report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change

570. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/15/Rev.01 titled "Fifteenth report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change".

571. They invited Alisher Mamadzhanov, Multilateral Governance Senior Specialist, to introduce the document.

572. Mr. Mamadzhanov explained that the document comprised an introductory cover text and two annexes: annex I contained the draft decision for consideration by the Board, and annex II contained the draft report to the Conference of the Parties (COP). He noted that the document had been circulated to the Board for written consultation from 5 to 12 June 2026 and had been finalized taking into consideration the comments received during that period.

573. Mr. Mamadzhanov highlighted several improvements introduced under the guidance of the Co-Chairs. While retaining the official reporting format required for the report to the COP, the Secretariat had continued efforts initiated in the previous year to reduce the overall length of the report and eliminate repetitive information. A revised approach had also been applied to the executive summary, which consolidated key statistics and messages, summarized major achievements, acknowledged existing challenges and included visual representations of key data intended to facilitate their use by decision makers, negotiators and Parties, in general. The section outlining the response of GCF to guidance from the COP had also been retained near the beginning of the report for ease of reference.

574. Mr. Mamadzhanov noted that, under the draft decision, the Board was invited to request that the Co-Chairs, assisted by the Secretariat, finalize the report, taking into consideration the comments made and decisions taken at B.45, and submit the revised report to the United Nations Framework Convention on Climate Change (UNFCCC) secretariat no later than 12 weeks prior to the thirty-first session of the COP (COP 31). He explained that most of the data currently reflected in the document were as at 31 March 2026 and would be updated as at 31 July 2026, in accordance with the annual reporting period of 1 August to 31 July.

Board discussion

575. Some Board members raised concerns regarding references to fragile and conflict-affected states and emphasized that the terminology used in the report should remain consistent with the Governing Instrument. One of those members expressed the expectation that such references would be removed and indicated that their seat could support the report on that basis. Another Board member requested that such references be avoided unless they formed part of the official title of a funding proposal or otherwise constituted a factual description. They also requested that references to contributors be formulated consistently with the language of the Governing Instrument.

576. In addition, the same Board member asked that the reference to "sociocultural factors" in paragraph 190 be adjusted, considering that the term had not been used in an appropriate context, and that section 9.2 be further developed to contain additional information in the next iteration of the report.

577. The Co-Chairs highlighted that the following day was the last day of the meeting and encouraged Board members seeking changes to provide concrete textual proposals so that those proposals could be considered and, where appropriate, agreed.

578. The previous Board member clarified that they had provided comments for consideration by the Co-Chairs during the finalization of the report, recalling that the draft decision requested the Co-Chairs, assisted by the Secretariat, to finalize the document, taking into consideration comments made at B.45.

579. Another Board member welcomed the report and the progress made by GCF in responding to guidance from the COP. They noted that the guidance encouraged GCF to continue improving complementarity, coherence and coordination with other multilateral climate funds and that the Secretariat would provide an annual update on that work at B.46. The Board member looked forward to the Board's discussion of the matter at that meeting.

580. The Co-Chairs encouraged Board members to indicate during the discussion whether they objected to proposed changes. Recalling difficulties experienced during the previous year, when comments had been received after the meeting and the guidance of the Board had consequently been unclear to the Co-Chairs, they explained that the absence of an objection would mean that the Co-Chairs would proceed on the basis of one Board member's request for a change.

581. A Board member welcomed the report and considered that it provided a fair, clear and comprehensive overview of the development and implementation of GCF policies and projects and adequately served its accountability purpose. They commended the Secretariat staff responsible for preparing and editing the document, and suggested that future reports could be shortened further to reduce the burden on the Secretariat. The Board member did not consider it necessary to change the existing terminology in the report but indicated that they could consider specific textual proposals should these be provided.

582. Another Board member noted that it was difficult to respond to proposed changes without seeing the precise wording and asked the Co-Chairs how comments and reactions to those comments should be sequenced. They considered that amending the document on-screen during the meeting would not be an efficient use of the remaining time, particularly given the other important agenda items still requiring consideration. The Board member noted that B.46 would take place before COP 31 and expressed support for approximately 95 per cent of the text presented, while remaining available to engage in further consultations between the constituencies on the remaining issues.

583. The Board member who had earlier requested a number of adjustments to the text clarified that their approach was consistent with the procedure followed in previous years, whereby the report was presented at the penultimate Board meeting of the year, Board members provided comments and the Co-Chairs subsequently finalized the report using updated information. The Board member referred to UNFCCC decision 7/CP.20, which required submission of the report no later than 12 weeks prior to the session of the COP, and emphasized that the interventions made during the meeting constituted comments for consideration by the Co-Chairs rather than an attempt to edit the report in session. They requested that the Secretariat clarify the applicable process.

Secretariat response

584. Mr. Mamadzhanov explained that previous practice provided different procedural options for addressing comments on the report. In some instances, such as at B.33, comments had been incorporated during the meeting, after which the revised document had been circulated, adopted and annexed to the relevant decision and report of the meeting. Alternatively, the mandate contained in the draft decision allowed the Co-Chairs, assisted by the Secretariat, to take the comments made at B.45 into consideration when preparing the updated report for submission to the UNFCCC secretariat. He noted that the report was required to be submitted 12 weeks prior to COP 31.

585. Mr. Mamadzhanov further clarified that, in accordance with established practice, the Co-Chairs, assisted by the Secretariat, would update the report to reflect decisions taken at B.45 and data available as at 31 July 2026. The relevant independent units would likewise be able to update their respective sections using information available by that date.

586. Regarding complementarity and coherence, Mr. Mamadzhanov explained that the Secretariat prepares an annual update in line with the operational framework for complementarity and coherence. A detailed update on collaboration with other climate funds and the work undertaken by the Secretariat would therefore be submitted to the Board at B.46 as an addendum to the report on the activities of the Secretariat.

587. On the length of the report, Mr. Mamadzhanov acknowledged the suggestion that it be made more concise. He explained, however, that the arrangements between the COP and GCF required certain information and sections, particularly annexes, to be included. The Secretariat had nevertheless reduced the report from approximately 200 pages to slightly more than 100 pages over the past two years and would continue to consider opportunities for further improvement.

Active observer intervention

588. An active observer for civil society organizations stated that, as the principal accountability document of GCF to the COP, the report should not only describe actions taken in response to guidance but should also provide sufficient context to assess progress, identify continuing challenges and explain where further action was required. The observer considered that the report frequently highlighted achievements without providing the accompanying analysis necessary to fully understand the performance of GCF.

589. Regarding the balance between adaptation and mitigation, the active observer noted that the report emphasized near parity through grant equivalent accounting while also indicating that energy generation and access remained the largest mitigation result area, representing 39 per cent of the mitigation portfolio. The observer recommended presenting nominal and grant equivalent figures side by side, accompanied by a brief explanation of how the figures should be interpreted, to provide a clearer picture of the portfolio. The observer further stated that the report highlighted record approvals, portfolio growth and mobilized co-financing but gave comparatively less attention to delivery. In particular, of approximately USD 17.26 billion in funding for projects under implementation, only USD 6.5 billion had been disbursed, and the report contained limited analysis of the causes of disbursement delays or the measures being taken to address them.

590. The active observer also noted that, although the number of direct access entities continued to increase, programming through those entities had advanced only at a modest pace. While the report referred to dedicated readiness support of up to USD 1 million for direct access entities, it provided limited information on how the underlying barriers constraining their access to finance would otherwise be addressed and did not sufficiently emphasize that the proportion of GCF funding channelled through direct access entities had remained at approximately 20 per cent.

591. With respect to gender, the active observer noted that the report focused principally on the process for preparing the updated Gender Action Plan and did not sufficiently acknowledge issues that remained under discussion, including alignment with the Belém Gender Action Plan and the findings of the Independent Evaluation Unit's evaluation of the GCF approach to gender. The observer also welcomed enhanced coordination among multilateral climate funds but considered that the role of GCF as chair of a group that included institutions outside the Financial Mechanism of the UNFCCC raised broader governance implications. The observer requested clarification of the basis for that role and how it had been considered by the Board.

The observer concluded that the report should provide a more balanced assessment of GCF performance, including areas where implementation was lagging, challenges persisted and further action was being undertaken.

Decision

592. The Co-Chairs stated that, in finalizing the report in accordance with the regular procedure, they would consider both the comments requesting possible refinements to the text and the interventions expressing support for the draft as presented. They expressed appreciation for the mandate entrusted to them and their teams by the Board, as reflected in the proposed decision.

593. Following the discussion, the Co-Chairs asked whether the Board was ready to adopt the draft decision.

594. There being no further comments, it was so adopted.

595. The Board took note of document GCF/B.45/15/Rev.01 titled "Fifteenth report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change".

596. The Board adopted the following decision:

DECISION B.45/15

The Board, having considered document GCF/B.45/15/Rev.01 titled "Fifteenth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change":

(a) *Requests the Co-Chairs, assisted by the Secretariat, to finalize the "Fifteenth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change", presented in annex II to document GCF/B.45/15/Rev.01, taking into consideration the comments made and decisions taken at the forty-fifth meeting of the Board, and submit the revised report to the United Nations Framework Convention on Climate Change secretariat, no later than 12 weeks prior to the thirty-first session of the Conference of the Parties, in accordance with decision 7/CP.20, paragraph 23; and*

(b) *Also requests the Co-Chairs, assisted by the Secretariat, to develop an addendum to the "Fifteenth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change" capturing the progress and decisions to be made during the forty-sixth meeting of the Board and submit the addendum to the United Nations Framework Convention on Climate Change secretariat.*

Agenda item 14: Updated country ownership guidelines, including a no-objection and consultation procedure

597. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/Inf.09 titled "Updated country ownership guidelines, including a no-objection and consultation procedure".

598. They recalled that the updated Strategic Plan 2024–2027 (USP-2) had called for a more dynamic and inclusive approach to country ownership, including through updated guidelines. The Co-Chairs further recalled that, at B.41, the Board had requested the Secretariat to consider issues identified through the proposed comprehensive review of the no-objection procedure

(decision B.41/02, para. (b)). This discussion would provide an opportunity for the Board to consider the Secretariat's proposed updates in response to these mandates. They then invited the Secretariat to introduce the document.

599. Amer Baig, Chief Investment Officer ad interim, explained that the Secretariat was returning to the Board with the item for discussion following the circulation of a draft proposal before B.44. The presentation was intended to update the Board on the development of the policy package, seek guidance on issues arising from consultations and outline the next steps.

600. Mr. Baig emphasized that country ownership was a core principle of GCF and should be understood as a continuous process of substantive engagement across the GCF business cycle, from readiness and project development to approval, implementation, monitoring and closure. He noted, however, that the procedural means of demonstrating alignment with national climate strategies should be tailored to different project contexts.

601. Mr. Baig explained that the existing no-objection procedure relied on a formal no-objection letter (NOL) for all proposals, without distinguishing between single-country and multi-country activities, single project and programmatic approaches, or contexts involving private sector or Indigenous Peoples organizations. In practice, this could create delays, implementation challenges and barriers to engagement with GCF.

602. He recalled that the Secretariat had therefore proposed at B.44 a differentiated approach under which no-objection would remain necessary for every proposal but could be demonstrated either through a formal letter or, where more appropriate, through robust evidence of meaningful consultation. As feedback had diverged significantly, Mr. Baig invited the Board to consider these central questions: whether no-objection could be demonstrated in different ways and, if so, how such an approach should be operationalized. He noted that possible options include establishing an objection window or allowing countries to opt out of the differentiated approach.

603. Achala Abeysinghe, Director of Investment Services, summarized the consultations undertaken with Board members, national designated authorities (NDAs), accredited entities (AEs), civil society and private sector organizations, the Indigenous Peoples Advisory Group and relevant Secretariat teams. She explained that the policy package comprised the updated country ownership guidelines and the proposed no-objection and consultation procedure, which were conceptually linked but had received different levels of support.

604. Ms. Abeysinghe reported that feedback on the updated guidelines had been broadly positive and had been incorporated into the version presented at B.45. The revisions clarified that the GCF business cycle extended beyond the project cycle to include planning, readiness and learning, and placed greater emphasis on the need to have strong NDAs with cross-government convening authority, complementarity and coherence with other funds, enabling environments, and AE accountability to NDAs, particularly during implementation.

605. Raj Bavishi, Assistant General Counsel, presented the proposed no-objection and consultation procedure. He recalled that the B.44 proposal had differentiated primarily according to the type of financial instrument and had also envisaged possible alternative pathways for Indigenous Peoples organizations and locally led organizations.

606. Mr. Bavishi stated that consultations had revealed strongly divergent views on differentiation but broad agreement that early and substantive engagement strengthened country ownership more effectively than a late-stage NOL alone. NDAs had reported that proposals were often presented for no-objection only after major strategic and design decisions had already been taken, leaving them limited scope to influence the substance of the proposed activity. At the same time, because the NOL frequently served as the principal point of engagement between the AE and the NDA, communication could diminish once the letter had been issued. The NOL could therefore become merely a clearance requirement rather than

evidence of continuous country involvement in project development and oversight. Direct access entities (DAEs) had generally found the existing procedure workable but emphasized the importance of strategic direction from NDAs. International access entities (IAEs) had identified particular difficulties in obtaining formal letters for private sector and multi-country activities.

607. Mr. Bavishi further reported that AEs had raised concerns regarding unclear procedures, unpredictable timelines, varying NDA responsiveness, political changes and limited familiarity with private sector structures. These challenges could cause delays, increase transaction costs and result in countries being removed from multi-country proposals. They were less pronounced where NDAs had clear mandates and procedures, early and continuous engagement was possible, and GCF actively facilitated country-level relationships.

608. Mr. Bavishi invited the Board to provide guidance on whether no-objection could be demonstrated in different ways; the safeguards required under any differentiated approach; how the existing NOL process could be strengthened; and how GCF should approach programming in countries without a recognized NDA. He stated that the Secretariat intended to undertake further written, technical and bilateral consultations and submit a revised final proposal for consideration at B.46.

609. The Co-Chairs thanked the Secretariat and invited comments from the Board.

Board discussion

610. Board members widely reaffirmed that country ownership was a fundamental principle of GCF and was essential to the effectiveness, sustainability and transformative impact of GCF-supported activities. They generally agreed that country ownership could not be reduced to a procedural requirement or a single NOL and should instead be reflected through national leadership, alignment and substantive engagement across investment planning, project origination, approval, implementation, monitoring, evaluation and learning.

611. Several Board members emphasized that projects could achieve lasting and transformative results only where countries led the process and where national institutions, policies and systems were able to sustain the outcomes. One Board member considered the gatekeeping function of NDAs to be an essential safeguard for ensuring alignment with national priorities, while another Board member described the NDA not as a gatekeeper but as a key supporter of programmes.

612. Board members generally supported continued work towards a final package for consideration at B.46. One Board member considered that, in view of the forthcoming development of the updated Strategic Plan 2028–2031 (USP-3), it was timely for the Board to approve a single and coherent country ownership framework.

Elements welcomed by Board members

613. Many Board members welcomed the updated guidelines and the effort to consolidate previously fragmented principles and procedures into a coherent framework. A Board member noted that the seven guiding principles provided a clear and robust foundation for country ownership.

614. Several Board members also welcomed the recognition of country ownership as a continuous process and the stronger emphasis on early and sustained engagement between AEs and NDAs. One Board member noted that this responded to the long-standing concern that countries were sometimes engaged only after major project design choices had been made.

615. A number of Board members welcomed the proposed emphasis on national coordination mechanisms and country platforms, direct access, readiness support, the use of

country systems, stronger information-sharing during implementation and clearer roles for NDAs and AEs. One Board member emphasized the role of NDAs in coordinating GCF financing with other sources through mechanisms such as country platforms. Another Board member welcomed country-driven prioritization and the recognition of complementarity and coherence with other climate funds and financial institutions, noting that GCF should operate as part of a broader financing ecosystem, promote an appropriate division of labour and avoid duplication.

616. A Board member welcomed the broader role that GCF, as the largest multilateral climate fund, could play in promoting and cementing country ownership. Another Board member welcomed the references to international frameworks on country ownership and recalled that country ownership had also been emphasized at the United Nations Fourth International Conference on Financing for Development held in Seville, Spain, the previous year.

617. Some Board members also welcomed stronger expectations for IAEs to support DAEs, transfer knowledge and build national capacity, although questions were raised concerning the enforceability and monitoring of those expectations.

Role and form of the no-objection requirement

618. Board members expressed divergent views on whether a formal NOL should remain mandatory for all funding proposals.

619. Several Board members emphasized the importance of retaining a formal NOL as a safeguard for national authority and country ownership. One Board member supported a mandatory NOL for all proposals, supplemented by modular and voluntary measures selected by the NDA, including early engagement, meetings, workshops and written exchanges. The Board member considered that the process surrounding the letter could be tailored without allowing no-objection itself to be demonstrated in another manner.

620. Another Board member stated that a formal letter and an affirmative act of government should always be required and should not become a last-minute formality. The Board member opposed the approach described in document GCF/B.45/Inf.09, annex II, paragraph 10(b), under which evidence of consultation could replace a letter for instruments that did not create direct or contingent government financial liability. In that member's view, such an approach risked changing the role of the NDA from that of a decision maker to an actor whose consultation was merely documented by the AE. The Board member considered that country ownership should be determined by development impact and national priorities rather than by the financial structure of a proposal, noting that non-sovereign activities could still have consequences for national territory, resources, regulatory frameworks and the country's standing before GCF. The Board member further considered that the purpose of consultation under paragraph 46 of the Governing Instrument was to ensure consistency with national climate strategies and plans and that the country must therefore retain a formal means of refusing a proposal.

621. A number of Board members cautioned that flexibility and efficiency should not weaken national leadership, reduce NDA involvement or create a means for private sector or multi-country proposals to bypass national priority setting. One Board member described the NOL as one of the few formal levers available to countries and stressed that reforms should not come at the cost of that safeguard. Another Board member emphasized that country ownership was a material rather than merely procedural issue and that no project could succeed without government buy-in.

622. Other Board members, however, supported exploring a differentiated approach. They considered that the existing one-size-fits-all procedure could impede efficiency, access and implementation and that the form of no-objection should reflect differences among countries, sectors, entities and project structures. One Board member strongly supported differentiation,

particularly for private sector AEs, whether national or international, and requested that the Secretariat present different options for consideration at B.46. Another Board member encouraged consideration of an alternative to the NOL where a proposal required no commitment from the government.

623. One Board member supported differentiation but considered the basis proposed at B.44 to be unnecessarily complex. The Board member proposed that an NOL be required where a proposal created direct or contingent financial liability for a country, but that the distinction between grant and non-grant instruments be removed. The Board member observed that many GCF proposals combined several financial instruments and included at least a small grant component, which could result in nearly all proposals continuing to require an NOL under the proposed formulation.

624. Several Board members supporting greater flexibility emphasized that differentiation should not weaken country ownership. They called for early, meaningful and documented consultation with NDAs and continued adherence by AEs to relevant national laws and policies. One Board member considered the proposed no-objection and consultation procedure to offer a pragmatic way forward, provided that it reduced unnecessary hurdles for the private sector while preserving national authority and stakeholder inclusion.

625. Another Board member supported allowing countries to opt out of a differentiated procedure but further proposed that, in the spirit of country ownership, a country should also be able to opt out of the formal NOL process where it chose to do so in order to improve its competitiveness in accessing climate finance.

Safeguards and clearer standards

626. Several Board members requested clearer and more practical standards for meaningful consultation and evidence of country ownership. They considered that the concepts should be translated into operational requirements that could be consistently understood and applied by NDAs, AEs and the Secretariat.

627. One Board member requested that any differentiated procedure include an explicit NDA output, minimum consultation standards, evidence of early engagement, adequate disclosure of project information to NDAs and a clear prohibition against treating the absence of an NDA response as consent. Another Board member similarly emphasized that consultation should be early, meaningful and documented.

628. A number of Board members highlighted that silence from an NDA must not be interpreted as no-objection. They noted that NDAs had differing capacities and levels of engagement and that a failure to respond could not be treated as approval.

629. One Board member requested that the B.46 package preserve strong country ownership, clarify consultation standards, strengthen implementation guidance and define the responsibilities of all actors. Another Board member requested greater clarity regarding the relationship between country ownership and the procedure proposed in document GCF/B.45/Inf.09, annex II, paragraph 10(b).

Timing, predictability and efficiency of the NOL process

630. Several Board members supported measures to improve the timing and predictability of the NOL process. One Board member noted that project development could extend over several years and considered that no-objection should be maintained throughout the project cycle, including before submission to the Board, because national priorities and institutional arrangements could change over time.

631. Some Board members were open to indicative timelines or service standards for NDA responses, provided that national decision-making processes and capacity constraints were respected. A Board member observed that the Board had required service standards from the Secretariat and encouraged NDAs to consider similar standards as a matter of efficiency. Another Board member cautioned against rigid deadlines but considered that indicative timelines could improve predictability.

632. A Board member suggested that greater transparency and constructive engagement could be promoted through indicative timelines and the communication of reasons where an NDA was unable to provide an NOL. Another Board member requested that, where a proposal endorsed by an NDA did not proceed, GCF provide written feedback explaining the specific criteria that had not been met.

633. One Board member favoured requiring no-objection or the relevant consultation confirmation only at the funding proposal stage. The Board member acknowledged the value of engagement from the concept note stage but considered that requiring a formal procedural checkpoint at that stage would impose unnecessary burdens on countries, AEs and the Secretariat because many concept notes did not progress to full proposals.

634. Many Board members emphasized that the current procedure could cause delays, increase administrative and transaction costs, deter prospective partners and impede access to climate finance. One Board member strongly requested revisions to reduce the workload placed on IAEs in obtaining NOLs and to facilitate private sector engagement. Another Board member regretted that private sector actors were sometimes unwilling to engage with GCF because of the NOL requirement and requested further simplification while preserving country ownership.

635. A further Board member cautioned that the revised guidelines could increase administrative burdens by requiring extensive evidence of stakeholder engagement in addition to a formal NOL. The Board member suggested that the Secretariat consider a simple checklist or declaration that an NDA could endorse as part of the no-objection process.

Private sector activities

636. Many Board members recognized the need to improve GCF engagement with the private sector and reduce procedural barriers. They acknowledged that private sector projects could involve structures and timelines for which the existing NOL procedure was not well-suited.

637. Board members nevertheless differed on the implications for the formal NOL. Several Board members supported alternative or differentiated procedures for private sector activities, subject to safeguards and continued NDA engagement. Other Board members stressed that private sector proposals should remain subject to a formal national decision and should not be permitted to bypass NDAs because they did not create direct government financial liability.

638. One Board member referred to the historical underperformance of GCF in mobilizing the private sector and called for unnecessary bureaucracy to be reduced, while emphasizing that efficiency gains should not undermine national authority or stakeholder inclusion.

Multi-country projects

639. Several Board members considered that issues related to the application of the NOL to multi-country proposals remained unresolved and required more specific treatment.

640. One Board member questioned how a country could provide no-objection where the extent of implementation, country-specific activities and other material aspects of a multi-country proposal had not yet been defined. The Board member considered that this could

amount to requesting a blank no-objection and recommended that the review focus specifically on addressing the challenges arising from multi-country proposals.

641. A second Board member noted that, beyond difficulties in obtaining NOLs, there had been no implementation in many countries under approved multi-country proposals. A third Board member similarly observed that some multi-country activities were not implemented at the country level and that countries could face difficulties withdrawing from such programmes. The same Board member also considered that, where an NOL was not provided for a multi-country proposal, consultations with the country should continue. The Board member suggested that non-issuance of the letter could indicate that the country did not wish to participate and called for stronger consultation regarding participation, implementation and withdrawal.

642. Another Board member stressed that any differentiated approach must not allow multi-country proposals to bypass NDAs or national priority setting.

Roles, capacity and support for national designated authorities

643. Many Board members emphasized that the expanded responsibilities proposed for NDAs should be accompanied by adequate capacity-building, readiness resources, technical assistance and practical guidance. They noted that NDAs would be expected to lead strategic planning, coordinate national stakeholders, guide pipelines, assess proposals and oversee implementation, and that many countries did not currently have sufficient resources or institutional capacity to fulfil all those functions.

644. Some Board members emphasized that such support was particularly important for capacity-constrained countries. One Board member requested broader engagement with NDAs in small island developing States (SIDS) in the continuing consultations and asked whether SIDS had participated in the eight structured interviews and how many had responded to the NDA survey. The Board member also requested that future outreach reflect the diversity of SIDS across regions.

645. Another Board member requested stronger provisions for the post-approval role of NDAs, stating that national authorities should be empowered to participate meaningfully in implementation and oversight rather than focusing only on ex ante approval. A further Board member asked how GCF would ensure and monitor implementation of the guidelines at the country level, which the member considered decisive to the success of the framework.

Support for direct access entities and retention of national capacity

646. Some Board members welcomed the stronger provisions on direct access and support for DAEs. One Board member, however, noted that similar expectations for IAEs to support DAEs, transfer knowledge and strengthen local capacity had previously remained aspirational and had not produced the intended results. The Board member asked how the Secretariat would monitor and verify compliance with the new provisions and ensure that the resulting capacity was retained within countries.

Country systems, enabling environments and stakeholder participation

647. A Board member expressed concern that the guidelines seemed to prescribe new responsibilities to governments in relation to enabling environments and asked what those responsibilities entailed and why they formed part of the country ownership discussion.

648. Another Board member welcomed the use of country systems where feasible but emphasized that such systems should be transparent and inclusive of civil society, local

government and the private sector. The Board member further requested that the Readiness Programme proactively support greener country systems, including procurement systems, fiscal policies and public financial management.

649. Some Board members emphasized the importance of inclusive, whole-of-society engagement involving civil society organizations, local communities, Indigenous Peoples and the private sector. One Board member called for the guidelines to support the establishment and design of national country platforms through which inclusive and transparent climate action could be planned across government and society.

Transparency of GCF priorities and coordination with other sources of finance

650. A Board member stated that GCF should provide NDAs with clear and accessible information on the investment criteria and priorities of GCF in order to guide national actors and develop pipelines. Where portfolio constraints or investment preferences influenced the types of proposals that could proceed, those considerations should be set out in an official document that NDAs could consult and cite rather than emerging only through feedback on individual proposals. The Board member requested that the B.46 package include a mechanism for documenting and making such constraints and preferences accessible, together with a commitment to regular engagement between the Secretariat and each NDA.

651. Some Board members emphasized the importance of complementarity and coherence between GCF investments and other sources of climate and development finance. A Board member noted that countries had a key role in coordinating among different funds but that the GCF should also take account of other initiatives when undertaking country programming.

Alignment with national strategies

652. One Board member proposed that simplified approval process proposals and standard funding proposals submitted to the Board contain a dedicated section in which the relevant NDA could explain why the project had been selected and how it contributed to the country’s nationally determined contributions and development strategy. The Board member considered that such a section would complement the NOL and provide a more substantive explanation of national alignment.

Countries without a recognized national designated authority

653. One Board member supported the development of alternative pathways for GCF programming in countries without a recognized NDA. The Board member noted that other multilateral institutions and financial mechanisms under the United Nations Framework Convention on Climate Change had found ways to operate in such situations and considered that the NOL requirement could otherwise prevent AEs from addressing climate vulnerability in those countries. The Board member requested that alternative pathways be considered as part of the policy package.

Other matters

654. A Board member requested that a clear distinction be made between the NOL requirements applicable to Project Preparation Facility applications and those applicable to funding proposals, noting that the two should not be conflated.

655. Another Board member requested that, before the Board considered a final proposal at B.46, the Secretariat undertake an impact mapping of the pipeline potentially affected by the

proposed changes to the no-objection procedure, disaggregated by region, modality, financial instrument and entity type.

656. After the intervention of the active observer below, a Board member recalled that speaking time was limited and requested that the applicable time limit be observed.

Active observer intervention

657. An active observer for civil society organizations welcomed the consultation draft, the recognition that further consultation was required before adoption and the proposed strengthening of the NDA role beyond issuing NOLs towards strategic leadership in planning, project development and implementation. They also welcomed the recognition of DAEs as central actors in strengthening country ownership.

658. The active observer nevertheless expressed concern that allowing projects without direct or contingent government financial liability to proceed on the basis of evidence of meaningful consultation rather than a formal NOL could weaken NDA oversight, particularly for private sector and multi-country proposals. They noted that the NOL was often the principal formal mechanism through which countries could ensure alignment with national priorities, plans and stakeholder consultations, and emphasized that projects could entail social, environmental, health or reputational consequences even where no financial liability arose. At the same time, they supported tailored arrangements for Indigenous Peoples organizations and women-led organizations where political circumstances impeded access to an NOL.

659. The active observer further cautioned that the additional responsibilities envisaged for NDAs, including coordination, pipeline management and implementation oversight, should be matched by adequate long-term institutional support. They therefore requested that the Readiness Strategy 2028–2031 be sufficiently resourced to enable NDAs to fulfil those responsibilities.

660. The active observer welcomed the stronger expectations for IAEs to support DAEs, transfer knowledge and strengthen national capacity, but noted that similar provisions had not previously produced lasting results. They requested that those provisions be strengthened and that the Secretariat clarify how compliance would be monitored.

661. The active observer also welcomed the proposed strengthening of NDA access to information and oversight during implementation and evaluation, particularly for programmatic approaches and subprojects. Finally, they identified an inconsistency between the policy rationale, which described stakeholder engagement as often ad hoc rather than systematic, and the operative text, which called for civil society and Indigenous Peoples engagement only "where appropriate". The active observer requested that the qualifier be removed.

Secretariat response

662. Ms. Abeysinghe, Director of Investment Services, thanked Board members for their guidance and specific suggestions. She noted that the purpose of the discussion had been to obtain direction for the further development of the package for B.46 and that the Secretariat would therefore not respond to every intervention, but would address specific requests for clarification. She emphasized that Board members, the Secretariat and observers agreed that country ownership was a fundamental principle of GCF operations, embedded in the Governing Instrument, and that the Secretariat would continue to reflect that principle in proposals submitted to the Board.

663. In response to the question on enabling environments, Ms. Abeysinghe explained that USP-2 had identified the strengthening of enabling environments as a strategic priority. She stated that the guidelines reflected the need to strengthen policy, regulatory, institutional and market conditions as components of country ownership. The guidelines also encouraged the use of readiness support to identify and sequence reforms that could unlock climate investment, strengthen national coordination mechanisms and country platforms, integrate climate priorities into development planning, and build the institutional capacity required for sustainable country-led pipelines.

664. Regarding requests for stronger operational clarity and implementation guidance, Ms. Abeysinghe stated that the guidelines already contained substantial operational detail but that the Secretariat would return with a clearer approach to implementation once the Board had determined the final content of the country ownership guidelines and the no-objection and consultation procedure.

665. In response to the question on SIDS participation, Ms. Abeysinghe reported that feedback had been received from the Bahamas, Barbados, Grenada, Kiribati, the Marshall Islands, Micronesia (Federated States of), Timor-Leste, Trinidad and Tobago, Tuvalu and Vanuatu.

666. Ms. Abeysinghe acknowledged the importance of supporting NDAs through readiness resources, including under the forthcoming Readiness Strategy 2028–2031. She noted that the guidelines contained provisions for readiness support at the upstream stage to assist countries with planning and prioritization, and during implementation.

667. In response to the question concerning meaningful consultation, Ms. Abeysinghe stated that the guidelines provided further detail on engagement between AEs and NDAs throughout the GCF business cycle and set out the respective roles and responsibilities of the parties.

668. Regarding support for DAEs, Ms. Abeysinghe explained that IAE candidates were expected to provide information during the accreditation process on how they intended to support DAEs. She recalled that, following several years in which expectations placed on IAEs had not resulted in sufficient support, GCF had introduced a dedicated DAE window under the Readiness Programme.

669. Ms. Abeysinghe requested that Board members submit their feedback in writing so that the Secretariat could take it into account when preparing the next version of the country ownership guidelines and the no-objection and consultation procedure for B.46.

670. Mr. Bavishi, Assistant General Counsel, thanked Board members for their substantive comments and stated that the Secretariat would continue to work through the issues and discuss them further with members. He emphasized that the differentiated approach proposed at B.44 had not been developed lightly, given the importance of the NOL in the existing process. He recalled that the procedure originated in decision B.08/10 and in UNFCCC decision 3/CP.17, through which the Conference of the Parties had requested the Board to develop the transparent no-objection procedure referred to in paragraph 46 of the Governing Instrument to facilitate effective direct and indirect public and private sector financing by GCF.

671. Mr. Bavishi stated that the evidence gathered by the Secretariat suggested that the existing procedure could be made more effective. He assured the Board that NDAs would not be bypassed under any proposal brought to B.46, as their role was essential to GCF. The precise form of that role under any revised procedure would be discussed further with Board members with a view to addressing the concerns raised.

672. Regarding multi-country programmes, Mr. Bavishi clarified that the existing procedure, as amended, did not require a country to provide no-objection for each subproject. The NOL

related to the overall funding proposal and the concept or idea described therein, and its issuance did not make the country legally bound or liable.

673. Mr. Bavishi further acknowledged the question concerning separate NOLs for Project Preparation Facility applications and funding proposals and stated that the matter would be discussed further during bilateral consultations.

674. The Co-Chairs thanked Ms. Abeysinghe and Mr. Bavishi for their responses and emphasized the importance of continued engagement. They noted that the Secretariat would continue to consult with Board members in preparation for the Board's consideration of the full policy package at B.46 and closed the agenda item.

675. The Board took note of document GCF/B.45/Inf.09 titled "Updated country ownership guidelines, including a no-objection and consultation procedure".

676. No decision was taken under this agenda item.

Agenda item 15: Policy on Fees

677. The Co-Chairs opened the agenda item and drew the Board's attention to document GCF/B.45/18/Rev.01 titled "Revisions to the Policy on Fees" and its addenda Add.01 (general distribution) and Add.02 (limited distribution). They recalled that, through decision B.36/06, paragraph (d),the Board had requested the Secretariat to present a revised policy on fees.

678. They invited Timothy Breitbarth, Investment Operations Manager, to present the document.

679. Mr. Breitbarth recalled that the Independent Evaluation Unit (IEU), in its evaluation of the relevance and effectiveness of GCF investments in the African States, had recommended that GCF revise its Policy on Fees to account for the higher operating costs faced by accredited entities (AEs) working in Africa, particularly in least developed countries (LDCs), small island developing States (SIDS) and fragile and conflict-affected contexts. The evaluation had also recommended that the policy account for the additional responsibilities of AEs, including project monitoring and reporting and institutional learning.

680. He explained that the current Policy on Fees, adopted through decision B.19/09, provided separately for project management costs and AE fees. GCF financed a proportionate share of the costs of implementing a funded activity through project management costs, which were included in the approved project budget. Additional documentation was required where project management costs exceeded the applicable threshold. AE fees were paid separately to help cover the costs incurred in overseeing GCF proceeds and ensuring compliance with GCF policies. Fees for public sector grant-funded projects were subject to percentage caps based on project size, while fees for private sector and non-grant public sector projects and programmes were negotiated on a case-by-case basis.

681. Mr. Breitbarth reported that the proposed revised policy would consolidate the cost components previously included under AE fees and project management costs into a single project management cost budget. It would replace hard fee caps with documentation thresholds above which additional supporting information would be required. International access entities (IAEs) would additionally be subject to United States dollar (USD)-denominated limits above the proposed thresholds.

682. He further explained that the documentation thresholds would be adjusted upward for projects implemented by direct access entities (DAEs) and for projects in SIDS, LDCs and African States. In fragile and conflict-affected contexts, evidence of the relevant operating conditions could be used to justify higher or additional expenses. Partners would also be permitted to

include a reasonable contingency within the project management cost budget to address unforeseen implementation expenses.

683. Mr. Breitbarth stated that partners would prepare project management cost estimates from the bottom up through an itemized budget reflecting the needs and expected costs of the specific project. The proposed costs would need to be consistent with the list of eligible expenses and the forthcoming budget approach document, avoid duplication with other GCF financing and distinguish incremental costs arising from GCF requirements from the core business costs of an AE.

684. He explained that the share of project management costs paid by GCF would be negotiated between the partner and the Secretariat. GCF could finance from zero up to a share equivalent to the proportion of GCF financing relative to the total project cost. Sovereign and subsovereign co-financing could, however, be treated as GCF financing for the purpose of calculating the GCF share of project management costs, in order to avoid increasing country debt burdens.

685. Mr. Breitbarth said that the proposal was intended to enhance responsiveness to different operating contexts and the varying capacities of GCF partners, while promoting the effective and efficient use of resources. The Board would retain authority over the policy's core principles and objectives, while the Secretariat would have discretion to make technical updates and operational adjustments in response to experience and market conditions, following appropriate consultations with stakeholders.

Board discussion

686. Many Board members welcomed the Secretariat's work and supported the overall objective of developing a more flexible, transparent and context-responsive framework. They recognized that project management and supervision costs varied according to project size, institutional capacity, financial instrument, implementation conditions and country context and should not be treated uniformly across the GCF portfolio.

687. A Board member emphasized that the policy should strike an appropriate balance between maximizing resources for delivery and reflecting the actual costs of doing so. Several Board members considered that the revised framework should improve access to climate finance and strengthen country ownership.

688. A further Board member, while recognizing the positive direction of the proposal and the improvements made following consultations, stated that their seat was not yet in a position to support the policy as drafted and considered that further work was needed.

Direct access and country ownership

689. Many Board members welcomed the greater recognition of the costs and operational circumstances faced by DAEs and by institutions working in SIDS, LDCs and African States. They also welcomed the proposed incremental adjustments and the increased flexibility available in preparing project management cost requests. One Board member considered that the policy could help improve access to climate finance by simplifying processes, although its expected benefits should be articulated more clearly.

690. Several Board members emphasized that direct access was central to country ownership and to the long-term strengthening of national institutional capacity. They stressed that the revised policy should support, promote and reinforce direct access rather than place DAEs at a disadvantage relative to IAEs. A Board member noted that DAEs in LDCs had long argued that

the existing fee structure was based on the cost assumptions of large international organizations and did not adequately enable learning by doing.

691. Another Board member noted that institutions in SIDS operated in contexts characterized by limited economies of scale, small administrations, geographic dispersion, remoteness, high transaction costs and elevated climate risks. The Board member stressed that weakening the resources available to those institutions could undermine GCF efforts to build permanent national capacity through direct access.

692. Some Board members emphasized the substantial fiduciary, safeguard, gender, monitoring, reporting and compliance responsibilities borne by DAEs. One Board member observed that the proposed adjustments might not fully reflect those obligations and encouraged the Secretariat to monitor whether the revised arrangements translated into stronger operational capacity, improved access and increased implementation by DAEs in practice. They also called for continued consultations with DAEs and national designated authorities during implementation and future reviews.

693. Another Board member stressed that the higher thresholds and greater flexibility should be implemented in a manner that genuinely eased access and reduced case-by-case negotiations. They called for clear guidance, predictable standards, dedicated training and targeted capacity support so that smaller DAEs could make full use of the proposed flexibilities without incurring additional administrative burdens.

694. A further Board member underscored the importance of maintaining a broad pool of international, direct and regional AEs. They observed that a larger number of AEs would increase competition, expand implementation capacity and provide developing countries with more options when choosing a partner. The fee structure should therefore support, rather than unintentionally discourage, the participation of AEs.

Adequacy of cost recovery and potential reductions for direct access entities

695. Several Board members expressed concern that the revised arrangements could reduce the resources or cost recovery available to DAEs. One Board member highlighted the particular risk for DAEs implementing micro and small projects, which made up a significant share of SIDS programming implemented through SIDS DAEs, and noted that implementation costs were proportionately higher for such projects.

696. A second Board member observed that, even after the proposed incremental adjustments, the applicable level for some small projects implemented by DAEs in SIDS could remain below the level of support available under the current policy. They requested that the revision not leave DAEs, especially those in SIDS and others in vulnerable contexts, in a worse position than under their existing arrangements.

697. The same Board member asked whether project management costs would be disbursed in direct proportion to project expenditure and, if so, whether this could disproportionately affect DAEs. They also requested that the same principles of adequate and context-sensitive support be applied consistently to the Readiness and Preparatory Support Programme and the Project Preparation Facility.

698. A third Board member similarly noted that, under the current policy, a small project could receive up to 12 per cent in combined AE fees and project management costs, whereas the proposed standard documentation threshold in the revised policy was 9 per cent. The Board member asked why a revision intended to respond to inadequacies identified by the IEU began from a lower baseline than the current policy.

699. Another Board member expressed concern that removing the separate AE fee without demonstrating that the consolidated project management cost framework would provide an

equivalent level of cost recovery could undermine the institutional and financial sustainability of DAEs. They emphasized that AEs bore continuing institutional obligations that extended beyond the implementation of individual projects and could not necessarily be absorbed within project-specific budgets.

700. The same Board member requested the Secretariat to explain how the proposal responded to the findings and recommendations of the IEU evaluation. They asked what evidence demonstrated that replacing the AE fee with a consolidated project management cost framework would strengthen, or at least maintain, the institutional and financial sustainability of DAEs. The Board member also asked whether a comparative assessment of the expected effects on different categories of AEs, particularly DAEs in Africa, had been undertaken and whether such analysis could be shared with the Board.

701. A further Board member suggested providing DAEs with a predictable floor on which they could rely, while retaining the ability to request additional resources based on actual implementation needs.

Consolidation of accredited entity fees and project management costs

702. One Board member supported the consolidation and considered that it could simplify the overall structure, while other Board members expressed concern that consolidation could reduce transparency and the Board's ability to distinguish between resources used for project implementation and those used for AE oversight and supervision. Some Board members requested further explanation of the rationale for consolidating AE fees and project management costs, while others asked how transparency and Board visibility over implementation and oversight expenses would be maintained.

703. A Board member cautioned that transferring AE oversight activities and their financing into the project budget could create a potential conflict between the oversight function and project implementation interests. They asked whether removal of the separate AE fee could directly or indirectly weaken the first-level responsibility of AEs.

704. The same Board member noted that consolidation could result in lower GCF financing while accredited and executing entity responsibilities remained unchanged. They also highlighted the absence of secured financing for costs incurred after project completion, including final evaluations and audits, which had previously been covered by AE fees, and questioned whether AEs would be able to fulfil all oversight responsibilities if the resources available to them were reduced.

705. Another Board member asked how the consolidated arrangements would align with the Trustee's existing reporting on AE fees and emphasized the need to retain clear reporting on expenses associated with oversight and supervision.

706. A further Board member requested the Secretariat to explain how the proposal compared with the practice of other multilateral climate funds and to address concerns reportedly raised by AEs regarding the consistency of the proposed approach with relevant United Nations General Assembly decisions on indirect fees.

Documentation thresholds, caps and administrative burden

707. Several Board members requested further information on the evidence base and methodology underlying the proposed documentation thresholds and incremental adjustments.

708. A Board member considered that the proposed additional adjustment of 0.5 per cent for projects in SIDS and LDCs appeared low in view of the operational complexity and higher costs

in those contexts. The Board member cautioned that extensive supporting documentation requirements could themselves become an additional barrier to accessing GCF resources.

709. A number of Board members stressed that documentation requirements should be proportionate, transparent, predictable and operationally feasible. They cautioned against creating additional burdens for the institutions that the policy was intended to support.

710. Views differed regarding the shift from caps to documentation thresholds. Some Board members welcomed the removal of hard caps and the greater flexibility to reflect actual implementation costs. One Board member, however, expressed a preference for caps, noting that they helped control costs, applied equally to all entities and avoided time-consuming negotiations to justify and substantiate higher expenses. The Board member considered that project management expenses were generally comparable and therefore did not necessarily warrant a threshold-based approach.

711. Another Board member asked whether the increased flexibility would encourage AEs to improve efficiency or instead incentivize more intensive negotiations, cost escalation and reduced comparability across projects. They also asked about the additional transaction costs and workload for the Secretariat and emphasized that the overall effect of the revision should be reduced implementation costs. A second Board member expressed a related concern that a threshold-based approach could increase negotiation and administrative burdens.

712. A further Board member supported refining the documentation thresholds through more granular project-size categories but considered the proposed level for projects above USD 250 million to be too low. They noted that projects of that size were frequently programmatic, multi-country or designed to crowd in additional financing and requested that fee caps for projects above USD 250 million be restored to 5 per cent. The Board member considered that doing so would provide a more appropriate incentive for programmatic approaches and country platforms.

713. The same Board member questioned the rationale for setting lower documentation thresholds for non-grant instruments. They observed that loans could involve greater risks, longer periods of post-approval follow-up and heavier monitoring and reporting requirements and cautioned against penalizing reimbursable instruments, which could be among the most transformational.

Treatment of international access entities

714. Several Board members questioned the proposed USD-denominated limits for IAEs. They noted that IAEs comprised institutions with widely differing operating models, institutional capacities and cost structures, and questioned whether a uniform limit could adequately reflect variations in project type, geography and implementation complexity.

715. One Board member observed that the distinction between direct and IAEs did not fully reflect the diversity within either category. They noted that IAEs ranged from non-governmental organizations to large multilateral development banks, while DAEs likewise included both small institutions and large development banks. The Board member suggested that project size, institutional capacity and portfolio characteristics might constitute more objective criteria.

716. Another Board member similarly stressed that classification as an IAE did not in itself imply excessive project management costs. They cautioned that an overly uniform approach could undermine the quality of supervision and implementation, private sector participation or collaboration with IAEs and private companies.

717. A further Board member requested additional information on the factors and approach that would be used to determine the limits applicable to IAEs. They requested that the budget

approach document contain a detailed written methodology and be submitted to the Board for approval. The Board member suggested that subsequent adjustments necessitated by evolving market conditions or implementation experience could be considered through a written procedure in order to avoid overburdening the Board.

718. The same Board member suggested that the additional contextual flexibility available for projects in vulnerable contexts should also apply to IAEs operating in those contexts and that the relevant thresholds could be adjusted in the future where implementation evidence demonstrated that doing so enhanced access to finance.

Allocation between accredited and executing entities

719. Some Board members emphasized the need for a fair and transparent allocation of project management costs between AEs, executing entities and other implementation partners.

720. One Board member recommended that the operational guidance include benchmarks or thresholds for an appropriate allocation of project management costs between accredited and executing entities. They noted that, where the two functions were performed by different organizations, AEs needed sufficient resources to supervise the project independently and fulfil their responsibilities. Without appropriate guidance, AEs could be unable to secure the resources necessary to discharge their oversight role.

721. Another Board member stressed that increased project management costs should not simply be passed down to subnational implementers or executing entities where implementation had been delegated. They also emphasized that the treatment of sovereign and subsovereign co-financing should ensure that GCF-financed project management costs benefited relevant co-financiers and communities in the countries where projects were implemented.

722. A further Board member similarly recommended that guidance be provided to AEs on fees or costs associated with executing entities.

Co-financing arrangements

723. One Board member requested a more precise definition of sovereign and subsovereign co-financing sources that would be exempted from contributing proportionately to project management costs. They proposed clarifying that the exemption applied only to sovereign or subsovereign co-financing from the recipient country or countries of the relevant project. The Board member noted that the current proposed wording could otherwise be interpreted as also exempting sovereign co-financing provided by contributor countries.

Gender, safeguards, Indigenous Peoples, monitoring and evaluation

724. Some Board members emphasized that sufficient resources should remain available for the implementation and oversight of gender action plans, environmental and social safeguards, safeguards relating to Indigenous Peoples, and monitoring, evaluation and learning. They stressed that those requirements should not be weakened as a consequence of the revised fee structure and that the associated expenditures should be clearly reported.

725. A Board member supported including resources within project management cost budgets for the implementation of gender action plans and safeguard instruments, provided that the use of those resources could be clearly tracked and reported.

726. Another Board member observed that the proposed thresholds might not fully reflect the significant fiduciary, environmental and social safeguard, reporting and compliance obligations that DAEs were expected to fulfil.

Operational guidance and Board oversight

727. Several Board members expressed concern that important parameters determining how the policy would operate in practice would be developed through the budget approach document only after the policy had been approved. They sought greater visibility over that document, including the eligible cost categories, benchmarks and other operational guidance.

728. A Board member requested confirmation of the timeline for preparing the budget approach document and how it would be made visible to the Board. They noted that the proposed USD-denominated limits for IAEs were central parameters that were not specified in the policy itself.

729. A second Board member requested that the budget approach document be submitted to the Board for approval. A third Board member stated that delegating substantial authority to the Secretariat over access to fees and the terms on which they would be provided should be accompanied by an appropriate accountability mechanism. They asked how the Board would retain meaningful oversight over subsequent adjustments and whether changes would be reported back for review rather than simply implemented.

730. Several Board members called for robust monitoring and regular reporting, while some also requested a clear process for reviewing and refining the policy based on implementation experience.

731. A Board member proposed reviewing the impact of the policy after three years, including its effect on overall project management cost levels. Another Board member encouraged the Secretariat to analyse the observed effects of the changes and report implementation lessons to the Board.

Complementarity and coherence with other climate funds

732. Several Board members requested further explanation of how the proposal aligned with the policies and practices of other multilateral climate funds and contributed to complementarity and coherence across the climate finance landscape. Some asked why GCF proposed to consolidate AE fees and project management costs when other climate funds used different arrangements, and whether the proposed approach could reduce transparency, harmonization and comparability.

733. One Board member suggested that a more detailed discussion on the harmonization of procedures and processes across multilateral climate funds could be taken up under the Board's work on complementarity and coherence.

Fragile and conflict-affected contexts and alignment with the Governing Instrument

734. A Board member underscored that countries experiencing crisis, conflict and fragility could face additional costs that others did not and sought assurance that the policy provided a means for those costs to be duly considered.

735. Some Board members objected to incorporating references to fragile and conflict-affected contexts into GCF policy documents without prior guidance from the Conference of the Parties or an explicit Board decision. They emphasized that their concerns related to principle, process and alignment with the Governing Instrument rather than to the substantive needs of countries experiencing fragility or conflict.

736. One Board member stated that their seat supported assistance to people living in those circumstances but did not support the gradual introduction of the terminology into policy documents where the Board had not sought guidance from the Conference of the Parties.

737. Another Board member stressed that differentiated treatment should remain anchored in the country groupings expressly identified in the Governing Instrument, namely LDCs, SIDS and African States. They cautioned that expanding the categories could become open-ended and emphasized that adherence to the Governing Instrument protected all countries from arbitrary treatment.

Streamlining implementation requirements

738. One Board member called for the Secretariat to review and streamline project implementation procedures systematically, with the explicit objective of reducing the transaction costs that contributed to project management costs. The Board member suggested that possible measures could include more aggregated financial reporting, simplified reporting templates, agreement on evaluation methodologies at the accreditation stage to avoid repetitive questions during implementation and reducing duplicate data entry in the GCF portal for annual reporting. They stressed that reporting requirements and review steps should be retained only where they clearly contributed to fiduciary assurance or development impact.

739. Another Board member supported further consideration of measures to alleviate administrative burdens on AEs.

Other matters

740. A Board member raised broader concerns regarding the quality, timeliness and publication of the documentation provided to the Board and whether policy documents had been prepared consistently with applicable GCF requirements. They considered that the number of interventions on the agenda item reinforced their earlier concerns about the limited time available to address substantive issues before the meeting.

741. The same Board member requested clarification of the definition of the Readiness and Preparatory Support Programme used in the proposed policy. They were concerned that the wording could unintentionally introduce conditionality regarding what would qualify as an effective readiness proposal and asked the Secretariat to identify the source of the definition.

Active observer comments

742. An active observer for civil society organizations welcomed the proposal’s recognition that implementation costs varied across contexts and supported the additional flexibility for DAEs and projects in LDCs and SIDS. They also welcomed the proposed differentiation between grant and non-grant financial instruments. The active observer considered, however, that differentiation should extend beyond country-level categories to funding approaches with particular management requirements, including locally led climate action and programmes involving unidentified subprojects. They noted that such approaches could involve significant variation in project management requirements that had not been adequately recognized in the proposal.

743. The active observer stressed that AEs should share appropriate resources with executing entities, including Indigenous Peoples’ organizations and women’s groups involved in locally led climate action. This would be consistent with the requirement to delineate project management costs clearly between accredited and executing entities.

744. The active observer supported the proposed USD-denominated limits for IAEs and did not consider that such limits would prevent those entities from accessing GCF funding fairly. They referred to a four-to-one imbalance in approved GCF funding in favour of IAEs as evidence that those entities had not faced equivalent barriers to accessing GCF resources.

745. The active observer proposed deleting paragraph (c) of the draft decision, which requested the Secretariat to recommend annual targets for total project management costs committed as a percentage of total project financing for funding proposals. They cautioned that such targets could prescribe parameters for the portfolio under the guise of efficiency and introduce a bias against grant-funded projects, particularly those implemented by DAEs or in LDCs and SIDS, which could legitimately require higher project management costs.

746. They also expressed concern regarding the proposed incremental cost approach, which sought to distinguish between project management activities routinely undertaken by an entity and additional activities arising from GCF-specific requirements. The active observer considered that this distinction could be difficult to operationalize and could result in unequal treatment depending on the negotiating power of AEs.

747. The active observer further noted that many provisions determining how the policy would operate, including which project management expenses would be covered, would be specified only in guidance documents issued by the Secretariat after policy approval. They considered that this would delegate significant decision-making authority over key operational parameters and subsequent adjustments to the Secretariat and reduce the Board's oversight role.

748. Regarding resources for gender action plans, Indigenous Peoples and environmental and social safeguards, the active observer cautioned that the proposed wording could unintentionally encourage those considerations to be treated as separate activities rather than mainstreamed throughout project design, implementation and budgeting. They requested clarification that resources included in project management costs were intended to support additional oversight and monitoring and were not a substitute for adequately financing those requirements within the main project budget.

749. Following the active observer's intervention, a Board member reiterated that any differentiated treatment provided through the policy should be clearly anchored in the Governing Instrument. While acknowledging the difficult circumstances faced by countries experiencing conflict and fragility, the Board member stated that the seat could not accept categories beyond those already agreed in the Governing Instrument.

Secretariat response

750. Mr. Breitbarth thanked Board members for their comments and acknowledged the wide range of views expressed, noting that many of the observations reflected issues raised during the consultations undertaken during the preparation of the proposal.

751. Regarding flexibility, he emphasized the diversity of GCF partners and their operating models and explained that the policy sought to provide sufficient flexibility to accommodate that diversity. He clarified that the proposed documentation thresholds were not caps but levels above which additional supporting information would be required. He stated that the thresholds had been derived from costs observed in the existing GCF portfolio.

752. On the consolidation of AE fees and project management costs, Mr. Breitbarth explained that the existing separation created arbitrary cost levels for each category because project management costs were subject to a documentation threshold while AE fees were subject to caps. The proposal would remove that separation and extend the flexibility currently available for implementation costs to oversight and supervision costs. He emphasized that the functions of implementation and supervision would remain separate and that expenses for each would be individually identified within the project management cost budget. It would therefore remain clear which resources were intended for project implementation, and which were intended for AE oversight and supervision. Mr. Breitbarth further stated that the Secretariat would work with the Trustee to ensure that amounts corresponding to AE oversight and supervision

expenses continued to be reported. The analogous amounts currently reported as AE fees could therefore remain visible in Trustee reporting at the portfolio level. He added that the full project management cost budget would form part of the project budget presented to the Board, thereby providing visibility over all expenses associated with the project.

753. Regarding the budget approach document, Mr. Breitbarth explained that it was not possible to anticipate every situation that could arise in a project. The Secretariat had therefore proposed a principle-based policy, accompanied by operational guidance that could be refined over time as experience was gained. He stated that, if the policy were approved, the Secretariat would prepare the budget approach document later in 2026 and circulate it to stakeholders well in advance of the policy's effectiveness date. Stakeholders would have an opportunity to provide feedback, which would be incorporated before the policy became effective.

754. Finally, Mr. Breitbarth acknowledged the concerns raised regarding references to fragile and conflict-affected contexts. He explained that the proposal had not been intended specifically to target such contexts but had included those references in response to recommendations contained in the IEU evaluation.

755. The Co-Chairs concluded that further discussion was required and, following consultations with the constituencies, established a small group comprising an equal number of representatives from the developed and developing country constituencies to continue work on the proposal. They suspended consideration of the agenda item pending the group's deliberations.

Part 2

756. The Co-Chairs reopened the agenda item on the fourth and final day of the Board meeting.

757. They reported that extensive discussions had taken place in plenary session and within the small group and noted that, although the exchanges had been constructive and had provided a valuable opportunity to discuss the proposal, several differences of opinion remained and it had not been possible to conclude consideration of the matter during the meeting.

758. The Co-Chairs invited Board members to submit any additional comments on the policy to the Secretariat by 15 July 2026. They stated that the Secretariat would take those comments into account, further revise the proposal, conduct additional consultations with all stakeholders and return the matter to the Board for consideration at a future meeting.

759. The Board took note of document GCF/B.45/18/Rev.01 titled "Revisions to the Policy on Fees", its addendum Add.01 titled "Response matrix for comments received on the draft document"(general distribution) and Add.02 (limited distribution).

760. No decision was taken under this agenda item.

Agenda item 16: Review of the Policy on Restructuring and Cancellation

761. The Co-Chairs opened the agenda item and drew the Board's attention to document GCF/B.45/16 titled "Implementation review of the Policy on Restructuring and Cancellation". They noted that the item served as a status update on work in progress and that the policy itself would be presented for decision at B.46.

762. They invited Gareth Zahir-Bill, Head of the Office of the Chief Investment Officer, to present the document.

763. Mr. Zahir-Bill recalled that the Policy on Restructuring and Cancellation had been adopted in February 2019 through decision B.22/14 as the GCF framework for managing post-approval changes to funded activities and explained that the review responded to the Board's request at B.43 for further implementation evidence and lessons learned. The review had assessed the clarity of the policy, opportunities to improve the efficient use of GCF resources following Board approval and the effectiveness of its provisions in preserving country ownership.

764. Mr. Zahir-Bill explained that the review had drawn on a desk review, peer benchmarking, evaluations by the Independent Evaluation Unit, stakeholder consultations and the implementation experience of Secretariat staff. He reported that 608 requests had been processed between February 2019 and the end of 2025, including 55 approved by the Board. Peer benchmarking had found the policy to be broadly consistent with comparable institutional frameworks, although those frameworks generally distinguished more clearly among categories of change and corresponding approval pathways.

765. With respect to the policy text, Mr. Zahir-Bill reported that stakeholders had identified uncertainty regarding what constituted a "Major Change", particularly because of the use of terms such as "material" and "material and adverse". This had created uncertainty over the applicable approving authority and had sometimes delayed the processing of requests. He added that certain procedural requirements might be better addressed through operational guidance and noted that delays could also arise because requests could be initiated only by accredited entities (AEs), which did not always submit them promptly.

766. On country ownership and engagement with national designated authorities (NDAs), Mr. Zahir-Bill stated that stakeholders strongly supported preserving country ownership but had identified practical challenges in applying the current consultation requirements. He reported that NDAs had noted that consultations were not always timely or supported by sufficient information, while AEs had identified challenges relating to administrative matters, government restructuring, commercially sensitive information and multi-country programmes.

767. Turning to agile and responsive portfolio management, Mr. Zahir-Bill noted that restructuring had become a routine portfolio management tool as the GCF portfolio had grown. He stated that the evidence pointed to the benefits of clearer standards and more differentiated approval pathways.

768. Mr. Zahir-Bill explained that the enhanced review had also considered the relationship between the policy and implementation and disbursement delays, which could arise from numerous factors. The policy could affect processing times where implementation challenges required extensions or modifications, particularly where requests were submitted late, consultation evidence was incomplete or the applicable approval pathway was unclear. He added that delays in restructuring were inevitable where an AE did not present a restructuring proposal, as the Secretariat was not currently able to submit one on behalf of the AE. Mr. Zahir-Bill stated that, while there could be linkages between disbursement delays and the policy, that link was not material. Improving the policy could support greater efficiency and predictability, while broader disbursement performance depended on a wider range of factors.

769. Mr. Zahir-Bill concluded that the policy remained broadly fit-for-purpose but would benefit from targeted refinements. On clarity, the categories of Major Change and certain procedural matters would benefit from clearer drafting and guidance. On efficiency, there were opportunities to streamline decision-making, support timely adaptive management and enable proactive action by the Secretariat to drive restructuring through Secretariat-generated proposals, while preserving Board oversight, country ownership, transparency and accountability. On country ownership, further work was needed to clarify expectations regarding NDA consultation, including its form, timing and depth, the supporting evidence required and the distinction between single-country and multi-country programmes.

770. Mr. Zahir-Bill invited the Board's guidance on the next steps. Subject to that guidance, possible next steps included revising the policy to clarify the circumstances requiring Board approval and provide for more streamlined decision-making, with a revised proposal to be presented for Board consideration following further consultations. He added that, should the Board conclude that the findings did not warrant a revised policy, the Secretariat could nevertheless pursue operational improvements, including published guidance on the categories of Major Change and consideration of delegating extensions of all deadlines to the Secretariat. He also noted that the Secretariat was developing operational guidance on consultation requirements pursuant to decision B.33/09, paragraph (d), and expected to make greater use of mechanisms under the updated monitoring and accountability framework to support proactive portfolio management by AEs.

771. The Co-Chairs recalled that the Board had first considered the review of the policy at B.43 and had requested further clarification, resulting in the enhanced review before the Board. They invited further views and guidance, with a view to finalizing the work at B.46.

Board discussion

772. Board members broadly welcomed the enhanced review and the additional work undertaken by the Secretariat. Many Board members supported revising or further refining the policy and bringing it back to the Board for consideration.

773. Some Board members observed that restructuring had become a normal feature of portfolio management rather than an exceptional mechanism, reflecting the growth and increasing complexity of the GCF portfolio. They considered that the policy should reflect the increasingly routine role of restructuring in managing funded activities.

774. Several Board members emphasized the importance of advancing the work expeditiously to support implementation. One Board member noted that effective stewardship of a portfolio exceeding USD 20 billion required GCF to be agile and capable of facilitating the delivery of the intended mitigation and adaptation outcomes, stressing that project approvals alone were insufficient.

Definition of Major Change and approval pathways

775. Many Board members called for greater clarity regarding what constituted a "Major Change", agreeing that the use of terms such as "material" and "material and adverse" created uncertainty regarding the applicable approval authority and could contribute to delays.

776. Some Board members supported clearer definitions, objective criteria and practical guidance. One Board member specifically requested concrete examples and decision criteria to distinguish major from minor changes. The Board member also supported separating procedural details from the policy text and placing them in operational guidance, and requested that such guidance establish standard timelines and documentation requirements for changes requiring Board approval.

777. Several Board members supported considering a more efficient role for the Secretariat in relation to operational or non-material matters, based on clear criteria. One Board member also supported enabling both the Secretariat and AEs to propose timely modifications, with a view to fostering proactive problem-solving and continuous improvement.

778. Another Board member suggested examining the circumstances in which Board involvement was required and considering whether decisions could, where necessary, be taken between Board meetings.

779. Some Board members emphasized that any delegation to the Secretariat should be subject to clear criteria and appropriate safeguards. One Board member stated that delegation should be limited to non-material changes and remain subject to transparency, accountability and regular reporting to the Board. Another Board member stressed that the Board should retain authority over changes materially affecting the objectives, risk profile or policy basis of an approved funding proposal. The Board member asked the Secretariat to clarify the principles it intended to use to distinguish operational matters suitable for delegation from changes that should continue to require Board approval, particularly where development impact, financial structures, risk profiles or country ownership could be affected.

780. A further Board member proposed that minor changes, including extensions, be approved by the Secretariat, with the Board focusing on changes affecting project objectives or policy matters. The Board member also proposed differentiating the requirements for single-country and multi-country cases, introducing time-bound silent consent, simplifying administrative and critical changes, and providing guidance on the handling of sensitive information.

Country ownership and national designated authority consultation

781. Several Board members emphasized that country ownership and NDA engagement should remain central to the revised policy. They supported clarifying the consultation requirements and addressing practical challenges arising in circumstances such as changes of government, administrative restructuring and the handling of commercially sensitive information.

782. Some Board members supported differentiating between single-country and multi-country programmes. They noted that multi-country programmes presented particular challenges regarding consultation requirements and changes affecting only one participating country.

783. One Board member requested a clear, country-centred pathway for cases in which a country needed to withdraw, suspend or restructure its participation because implementation was not proceeding as originally envisaged, without delaying or preventing activities that continued to perform well in other participating countries. The Board member further stated that multi-country projects should identify country-level allocations, expected resources, activities and implementation responsibilities from the concept note stage onwards. Where allocations differed significantly among countries, proposals should provide a clear justification and confirm that each NDA had been consulted. The Board member added that no country should be included in a multi-country project without receiving meaningful support and implementation on the ground, and requested clear responsibilities, timelines and country-level options for restructuring or reallocating resources.

784. Another Board member stressed that the challenges identified in the review related to the quality and timing of consultation rather than to the principle of consultation itself. The Board member therefore called for strengthened operational guidance and clearer expectations rather than any weakening of NDA engagement.

Implementation and disbursement delays

785. A few Board members emphasized the importance of receiving the deeper analysis of disbursement delays requested at B.43. One Board member requested that the forthcoming analysis identify clearer links and interrelations between the causes of disbursement delays and the revision of the policy.

786. Another Board member recalled that the earlier request had also covered the potential implications of revisions to the policy for other GCF policies and their coherence with the Governing Instrument. While acknowledging that the enhanced review had identified some possible factors affecting disbursement, including delays by AEs in submitting requests and differences of interpretation between AEs and the Secretariat regarding what constituted a Major Change, the Board member considered that a fuller evidence-based analysis of the underlying causes and bottlenecks was still needed. They emphasized that such analysis could inform the Board's consideration of the refined commitment authority framework, particularly its assumptions regarding future disbursement rates, and considered that it should ideally have preceded consideration of that framework.

787. Some Board members noted that disbursement delays arose from a broader range of factors than the policy alone. One Board member cautioned against framing revision of the policy as the principal solution to low disbursement and encouraged the Secretariat to continue identifying and addressing the underlying causes of implementation delays. Another Board member noted that the link with the refined commitment authority might not be significant, given the multi-year disbursement schedules of many projects and the objective of making more productive use of committed but undisbursed resources.

788. A further Board member stated that, although the policy was not the sole cause of disbursement delays, it was clearly one contributing factor and supported revising it to accelerate implementation. Another Board member echoed earlier comments on low disbursement rates and the need to address the underlying causes and operational challenges.

Inactive projects

789. One Board member requested information on the proportion of the portfolio that was currently inactive and, to the extent possible, the reasons for inactivity, in order to support an accurate assessment of the portion of the portfolio concerned and facilitate consideration of the policy at the next Board meeting. The Board member suggested examining approaches used by other vertical funds, including the possible automatic cancellation of projects that had remained inactive for more than 12 months. The Board member also suggested complementing the policy with contingency measures involving both the AE and the NDA to encourage proactive solutions where a project had stalled.

Other matters

790. A Board member emphasized the importance of the agenda item for the private sector and stated that greater private sector allocations could help minimize implementation delays and accelerate private sector and adaptation operations.

791. A second Board member requested that the policy on local currency financing presented at B.43[3] be reflected in the information to be presented at B.46, noting that restructuring had been identified as one mechanism for managing local currency financing risk.

792. Another Board member encouraged the Secretariat to make greater use of mechanisms available under the updated monitoring and accountability framework.

793. A further Board member emphasized the need to ensure that there was no discrimination in fees between direct access entities and international access entities.

[3] Secretariat note: Annex I of document GCF/B.43/Inf.06, titled "Reports from committees, panels and groups of the Board of the Green Climate Fund".

Active observer intervention

794. An active observer for civil society organizations welcomed the review but cautioned against devolving Board responsibilities to the Secretariat in the name of efficiency where implementation challenges were severe or posed reputational risks to GCF. They considered that such cases were best addressed with the Board maintaining oversight to ensure transparency and accountability, particularly where restructuring requests related to funded activities for which serious concerns had been raised, including through redress cases involving alleged harm to communities.

795. The active observer referred to FP034 as an example of a funded activity that had been the subject of multiple grievance cases before the Independent Redress Mechanism and had subsequently come before the Board for restructuring. They stated that such cases warranted a higher level of Board attention because restructuring decisions might not be purely technical or financial but could also involve fundamental questions of accountability.

796. The active observer noted that only between 4.9 and 7.5 per cent of requests processed under the policy during the previous three years had been brought to the Board for consideration and questioned whether that level of Board involvement was overly burdensome or a significant impediment to portfolio implementation. They also noted that the review had identified avoidable delays affecting only a "very small number of projects".

797. The active observer observed that the challenges identified in relation to multi-country programmes involved AE–NDA relationships and communication, including cases in which private sector AEs experienced difficulty explaining the basis for a change request without disclosing commercially sensitive information. They supported clearer and more objective criteria for determining what constituted a Major Change, to ensure that significant decisions, including those with serious social or environmental implications, were not taken informally without Board consideration.

798. The active observer requested that the comparative review of policies from other institutions be included as an annex when the draft revised policy was circulated for inclusive consultation before Board consideration at a later meeting. They described the enhanced review as a useful first step towards a necessary and transparent policy-revision process.

Secretariat response

799. Mr. Zahir-Bill thanked Board members and the active observer for their comments and took note of the direction to bring forward further recommendations on revised policy text at B.46. He noted the apparent unanimity regarding the need for greater clarity in certain definitions, whether in the policy text or in accompanying operational guidance.

800. Mr. Zahir-Bill confirmed that the Secretariat was continuing its analysis of disbursement delays beyond those relating to the policy and stated that the evidence-based analysis would be presented at B.46 or at another meeting determined by the Co-Chairs and the Board.

801. Responding to comments on NDA consultation and country ownership, Mr. Zahir-Bill explained that the draft updated country ownership guidelines included high-level guidance intended to facilitate coordination and effective consultation between AEs and NDAs, including specific recommendations concerning restructuring and cancellation scenarios. He noted that the guidelines remained subject to further consultation and Board decision and would be supplemented by additional operational guidance under development by the Secretariat.

802. Mr. Zahir-Bill confirmed that, should the Board request the preparation of a revised policy, the Secretariat would assess its coherence with other GCF policies and the Governing Instrument. He further stated that the Secretariat would consult Board members and

stakeholders on the appropriate definition of Major Changes when developing the revised policy text.

803. Mr. Zahir-Bill also took note of the request for further analysis of the size of the inactive portfolio and the causes of inactivity, and confirmed that this would be included in future analysis. He added that the broader analysis of disbursement delays being prepared with a view to presentation at B.46 would consider matters governed or affected by the policy, wider factors within and outside the control of AEs, and measures being implemented by the Secretariat to address delays before and after project approval.

Decision

804. The Co-Chairs thanked Board members and the active observer for the productive discussion and introduced the draft decision, which they described as procedural. They explained that the decision would take note of the implementation review and would request the Secretariat to present a revised Policy on Restructuring and Cancellation for Board consideration. They invited the Board to adopt the decision.

805. The Board took note of document GCF/B.45/16 titled "Implementation review of the Policy on Restructuring and Cancellation".

806. The Board adopted the following decision:

DECISION B.45/16

The Board, having considered document GCF/B.45/16 titled "Implementation review of the Policy on Restructuring and Cancellation":

(a) *<u>Takes note</u> of the review of the implementation of the Policy on Restructuring and Cancellation undertaken pursuant to paragraph 36 thereof; and*

(b) *<u>Requests</u> the Secretariat to present a revised Policy on Restructuring and Cancellation for Board consideration, taking into account comments from the Board during its forty-fifth meeting and on the basis of further consultations to be held with the Board, national designated authorities, accredited entities, and active observers.*

Agenda item 17: Updated Gender Action Plan for the GCF 2026–2031

807. The Co-Chairs opened the agenda item and drew the attention of the Board to document GCF/B.45/17, titled "Updated Gender Action Plan for the GCF 2026–2031", and its addendum Add.01 titled "Response matrix for comments received on the draft document". The Co-Chairs invited the Secretariat to introduce the proposal.

808. The Executive Director, Mafalda Duarte, thanked the Government of Tajikistan for its hospitality and introduced the item, noting its importance and recalling that the Secretariat had heard for some time the need to update the previous Gender Action Plan (GAP). Ms. Duarte stated that the Secretariat had taken the time to reflect on the implementation of the previous GAP and had drawn on the work of, and engagement with, the Independent Evaluation Unit (IEU). She emphasized that evidence showed that intentionally engaging women and girls, not only as persons disproportionately affected by climate change but also as agents of change, could deliver stronger and more lasting outcomes for communities. She underlined that gender equality was therefore not only a matter of values but also of performance.

809. Ms. Duarte further noted that the updated GAP was anchored in the updated Strategic Plan 2024–2027 (USP-2) and was designed to be embedded in the updated Strategic Plan 2028–

2031 (USP-3). She recalled that GCF had a strong Gender Policy and that the previous GAP had laid important foundations, including by embedding gender across the project cycle and through accreditation requirements for accredited entities (AEs). She also referred to examples from the GCF-10 Impact Report, including Bangladesh, Barbados and Rwanda, to illustrate how placing women at the centre of project design and delivery had strengthened project performance. Ms. Duarte stated that the task was to make such outcomes the rule rather than the exception.

810. The Executive Director noted that the Secretariat's assessment, consistent with the findings of the IEU, showed that implementation of the Gender Policy had been more focused on compliance. Ms. Duarte stated that the updated GAP sought to move GCF from procedural compliance to measurable gender outcomes, including by strengthening accountability at the institutional and programmatic levels and widening access for those at the margins of climate finance. She emphasized the commitment of GCF management to grow institutional capacity and learning, improve results through honest and evidence-based reporting, and treat gender not as a parallel workstream but as a core element of GCF operations.

811. The Head of Sustainability and Inclusion, Eleni Kyrou, then presented the proposal. She recalled that gender equality had been part of GCF since its inception and was embedded in the Governing Instrument, with the first Gender Policy approved in 2015 and revised in 2019. Ms. Kyrou noted that the GAP was the primary management tool for implementing the Gender Policy and that the previous GAP, implemented from 2020 to 2023, had been operationalized across five priority areas: governance; competencies and capacity development; resource allocation, accessibility and budgeting; operational procedures; and knowledge generation and communication.

812. Ms. Kyrou explained that the update had been informed by a review of the implementation of the 2020–2023 GAP up to June 2025, with achievements and lessons learned captured in the Orientations Report.[4] The review had drawn on internal and public documentation, and consultations with senior Secretariat staff and the IEU. Ms. Kyrou also reported that extensive stakeholder consultations had been conducted, including technical sessions with the Board and active observers, bilateral engagements with Board seats, and eight targeted webinars. She noted that 154 pages of written submissions had been received.

813. The Head of Sustainability and Inclusion stated that consultation feedback had converged around several areas: strengthening monitoring, reporting and project-level indicators; clarifying resources, budgetary implications and financing; tightening accountability, roles, responsibilities, governance and oversight; strengthening alignment with external frameworks and peer fund collaboration, including in view of USP-3; improving implementation quality across the project cycle; building capacity and sustained gender expertise internally and across the partner ecosystem; ensuring resourcing realism; advancing transformative and intersectional ambition; and improving engagement and access for women's and women-led organizations.

814. Ms. Kyrou explained that the updated GAP sought to shift GCF from a compliance-oriented approach towards measurable, value-generating outcomes. She identified three main areas of focus: accountability, evidence and outcomes, and capacity. On accountability, she noted that the GAP sought to sharpen the distinction between institutional and programming actions, introduce a robust governance framework for implementation, enhance the transparency and effectiveness of gender-related resource allocation through improved budgeting, tracking and reporting, and strengthen due diligence in monitoring, reporting and adaptively managing project-level GAP implementation. On evidence and outcomes, Ms. Kyrou stated that the Secretariat would enhance data, learning and knowledge-sharing systems to

[4] See annex III to document GCF/B.45/17.

scale evidence-based gender-responsive climate finance, create feedback loops for continuous improvement, and assess the relevance and value of integrating gender-lens investing into the GCF model to inform the scope of USP-3 and complement compliance-driven gender mainstreaming. On capacity, she indicated that the Secretariat would undertake targeted and meaningful capacity-strengthening for its staff and the broader GCF partner ecosystem, and pursue structured engagement with women's and women-led organizations through an engagement-to-access pathway aimed at targeted outreach, ecosystem strengthening and improved access.

815. With respect to the five priority areas, the Head of Sustainability and Inclusion stated that efforts under the governance priority aimed to strengthen institutional and portfolio-level governance through clearer accountability, defined roles and enhanced oversight. She indicated that this would be pursued, at the institutional level, through: (i) the establishment of an intra-Secretariat steering committee; (ii) the development of a centrally guided accountability framework; (iii) periodic monitoring of the implementation of the Gender Policy, the GAP and the Policy on Sexual Exploitation, Abuse and Harassment; (iv) the advancement of gender parity across functions and positions in the Secretariat; and (v) institutional certification against a recognized external standard. At the programming and portfolio level, she noted that the Secretariat would draw on a gender advisory group of experts and strengthen monitoring and reporting on the volume, effects and benefits of support for gender through the Readiness Programme and the Project Preparation Facility.

816. Under competency and capacity-strengthening, Ms. Kyrou noted that the Secretariat would develop and deliver competency-based training on gender issues for all staff and provide targeted training for investment teams on specialist areas, including the nexus between gender and climate, gender and fragile and conflict-affected states, and gender-lens investing, as relevant. For the broader partner ecosystem, she indicated that the Secretariat would: (i) deliver tailored gender capacity-development programmes for national designated authorities, accredited entities, delivery partners and other relevant stakeholders; (ii) launch an engagement-to-access pathway for women's and women-led organizations; (iii) review, update and disseminate the gender and climate change toolkit and develop additional guidance materials as needed; and (iv) track the effectiveness of gender-related capacity-building activities.

817. On resource allocation, accessibility and budgeting, Ms. Kyrou explained that the updated GAP would enhance the transparency and effectiveness of gender-related allocations through improved budgeting, tracking and reporting at all levels. She stated that, at the Secretariat level, this would include allocating, tracking and reporting on the share of the administrative budget supporting implementation of the GAP; and, at the programming level, tracking and reporting on the share and use of project-level GAP budgets.

818. Under operational procedures, she highlighted measures to embed gender considerations more firmly across the project life cycle and to strengthen monitoring and outcome-level reporting. These included: (i) updating project operational processes as needed to reflect the provisions of the GAP; (ii) monitoring the adherence of funding proposals to gender requirements, including gender-equitable stakeholder engagement and consultations; (iii) strengthening adaptive management in the implementation of project-level GAPs; (iv) improving systems for collecting, aggregating and analysing sex-disaggregated data and indicators across the portfolio; (v) adopting gender markers; (vi) conducting periodic assessments of project-level GAPs; (vii) launching a voluntary pilot on gender outcomes verification; and (viii) assessing the relevance of gender-lens investing for the GCF portfolio.

819. Under knowledge generation and communication, Ms. Kyrou stated that the Secretariat would enhance data, learning and knowledge-sharing systems to scale evidence-based gender-responsive climate finance and reporting. She referred, in this regard, to: (i) the development of

a GCF knowledge portal on gender-responsive climate finance; (ii) the establishment of gender-related best-practice learning mechanisms; (iii) the promotion of complementarity and coherence with peer climate funds; and (iv) support for the implementation of the United Nations Framework Convention on Climate Change (UNFCCC) Belém GAP.

Board discussion

820. Board members expressed broad support for the updated GAP and thanked the Secretariat for its work, consultations and engagement. Many Board members welcomed the shift from compliance towards implementation, results and impact. Several Board members welcomed the recognition of women and girls as agents of change and emphasized that gender-responsive climate finance could improve climate outcomes. Some welcomed the alignment of the GAP time frame with the strategic planning period and USP-3, noting that continuity and longevity would support the delivery of measurable results. A few Board members also welcomed the strengthened institutional accountability arrangements, clearer roles and improved monitoring frameworks, while others welcomed the proposed engagement-to-access pathway for women's and women-led organizations. Some Board members reaffirmed the importance of a zero-tolerance approach to sexual exploitation, abuse and harassment.

821. On accountability, baselines, targets and reporting, many Board members emphasized that the updated GAP should have clearer baselines, targets and indicators to strengthen accountability and enable the Board to track progress. One Board member stated that the action table was a strong step forward as it linked actions, indicators, responsibilities and timelines, but that the absence of clear baselines and targets limited accountability. The Board member requested the Secretariat to integrate missing baselines and targets, including for the objectives of the five priority areas, and to report systematically through existing mechanisms, including the report on the activities of the Secretariat, the annual portfolio performance report and the report to the Conference of the Parties to the UNFCCC (COP), and to share the midterm and final assessments with the Board. Some Board members supported strengthened outcome-level indicators and portfolio-wide reporting, including indicators focused on portfolio quality, accountability and implementation performance, supported where needed by process indicators.

822. Several Board members emphasized that the GAP should be integrated into core GCF systems, including USP-3, the investment framework and the harmonized results management framework (HRMF), so that gender considerations would inform investment decisions, funding priorities and resource allocation. One Board member asked whether the HRMF indicators would come back to the Board for approval. Another Board member cautioned that the central test of the GAP should not be the breadth or sophistication of the framework but whether it produced measurable improvements in outcomes across the portfolio. The Board member noted that the proposal appeared dispersed, with a wide set of actions not always clearly prioritized or linked to a small number of high-impact results, and cautioned against creating a complex implementation and reporting architecture that added procedural weight without commensurate results on the ground.

823. On calls for greater ambition, many Board members encouraged a more gender-transformative approach, including one that addressed structural barriers, root causes of inequality and gender-based discrimination and violence. One Board member emphasized that gender was not peripheral to climate action but a fundamental consideration that must be integrated into mitigation and adaptation, and that no formal document alone could achieve its intended impact without addressing informal norms, patriarchal structures and persistent inequalities. The Board member also stressed that the GAP should not replace the updated GCF Gender Policy, which should remain the overarching guidance document. Another Board member stated that climate finance should recognize women and girls not only as beneficiaries

but also as leaders, decision makers and agents of climate resilience, and should promote equal access to climate finance, technology, knowledge and green jobs. A further Board member called for inclusion of a rights-based approach, reference to the Beijing Declaration, reference to feminist civil society and women's rights, and stronger support for organizations advocating for the rights of women and girls.

824. A number of Board members emphasized the need for the updated GAP to more clearly reflect intersectional dimensions of gender-responsive climate action, including by considering the specific barriers faced by women and girls, persons with disabilities, Indigenous Peoples, Afrodescendent communities, rural populations, youth and other marginalized communities. One Board member welcomed the framing of women and girls as agents of change but cautioned that their agency should not be framed primarily through vulnerability or fragility and should instead be acknowledged as a strength in its own right. Another Board member cautioned that terminology related to intersectionality should remain consistent with agreed United Nations language and noted that intersectionality was one approach among several to addressing inequality.

825. On access to finance and stakeholder participation, many Board members called for stronger provisions to improve access for women-led, grass-roots, Indigenous and local organizations. One Board member requested simplified access modalities and tracking of how much finance reached women-led and grass-roots organizations, and considered the target of one women-led proposal per year too modest. A second Board member encouraged stronger participation of local women's organizations, Indigenous women's networks and grass-roots actors in the design and implementation of climate projects. A third Board member called for a stronger role for civil society, including civil society co-creation of national gender priorities and civil society-led monitoring mechanisms. Another Board member stressed that the GAP must not become another access barrier and should instead strengthen readiness, direct access, capacity-building and local-level delivery. The Board member proposed that national gender and climate change focal points be institutionalized as key partners of NDAs and direct access entities (DAEs) in project design, implementation and monitoring. A further Board member welcomed the pathway for women-led organizations but noted that structural barriers would need to be addressed to ensure that improved access led to real participation in, and benefits from, GCF finance.

826. On country ownership, capacities and reporting, many Board members emphasized that implementation of the updated GAP should remain practical, country-owned, proportionate and adequately supported. One Board member cautioned that reporting mechanisms in some developing countries were not as robust as those in developed countries and that the GAP should not create another layer of difficulty for developing countries seeking access to finance, particularly given existing access challenges, including under the simplified approval process. The Board member requested the Secretariat to consider how it could assist developing countries in strengthening reporting mechanisms to unlock climate finance opportunities. Another Board member emphasized that implementation should not result in additional administrative burdens, especially for DAEs, and should instead be achieved through streamlined processes, clearer guidance and better support. A further Board member stressed that the cultural contexts, national priorities and legal frameworks of recipient countries should be duly observed and respected throughout project design, implementation, monitoring and reporting, including for gender-related components.

827. On language related to fragile, conflict-affected and vulnerable contexts, some Board members expressed concerns that the draft could be read as creating or implying categories or concepts beyond the Governing Instrument, the UNFCCC or the Paris Agreement. One Board member cautioned against rewriting the Governing Instrument through references to "conflict-affected States" or "fragile economies", and indicated that such language would need to be addressed for their seat to support adoption. A second Board member stated that, while the

challenges of fragile and conflict-affected contexts were recognized, operational approaches should remain consistent with the Governing Instrument, the UNFCCC and the Paris Agreement. A third Board member questioned whether GCF had the requisite expertise and personnel to address highly sensitive and complex risks in fragile contexts and suggested that specialized AEs would be better placed to manage such issues. The Board member also cautioned that the Board should avoid moving away from agreed policies and foundational language.

828. On alignment with the Belém GAP and peer climate funds, many Board members emphasized the importance of coherence with COP guidance and with the Belém GAP. One Board member requested clearer mapping against the Belém GAP before or by B.46, showing how the GCF GAP would help countries implement relevant UNFCCC gender practices. Another Board member stressed that GCF should follow COP guidance and asked the Secretariat to confirm that references to alignment with the Belém GAP reflected the fact that not all elements of the Belém GAP were applicable to GCF operations. A further Board member welcomed the alignment with the Belém GAP and said that the revision provided an opportunity for GCF to lead globally on gender-responsive climate finance. Some Board members also welcomed efforts to strengthen complementarity and coherence with other multilateral climate funds on gender-responsive climate finance, including in relation to the operationalization of the Belém GAP.

829. On resources, investment and private sector engagement, several Board members emphasized the need for adequate resources and clearer budget allocation for gender activities. A Board member noted the absence of a clear dedicated budget or strong push for gender-targeted investments. Another Board member stated that a clear indication of the budget allocated to gender activities would be desirable. A further Board member stressed that the proof of implementation would lie in how gender considerations informed funding decisions and resource allocation. The Board member from Japan highlighted the importance of mobilizing private finance and improving implementation efficiency in a constrained global economic environment, and stated that Japan stood ready to support high-quality pipeline development and implementation with a broad set of partners, including Japanese AEs and companies.

830. On other matters, one Board member asked about the level and composition of the proposed implementation steering committee. The Board member from Saudi Arabia highlighted their country's achievements in women’s empowerment, including women’s participation in the workforce, ownership of small and medium-sized enterprises, and sizeable representation among science, technology, engineering and mathematics graduates.

Active observer comments

831. The active observer for civil society organizations, Indigenous Peoples and local communities welcomed the steps taken to update the GAP and the efforts made to improve the draft following consultations, but urged the Board not to adopt the plan without further improvements. They stated that the draft did not sufficiently demonstrate that it would actively contribute to the implementation of activities under the nine-year Belém GAP, as required by COP 30 guidance and expected by Parties that adopted the Belém GAP. The observer called for future mapping against the Belém GAP, particularly on gender- and age-disaggregated data, access to climate finance for grass-roots women’s organizations, Indigenous Peoples and local communities, and the thematic scope of interventions.

832. The active observer also stated that the draft placed greater emphasis on institutional and process-level indicators while downplaying gender-responsive implementation across the portfolio and concrete gender equality outcomes. They noted evidence from the IEU evaluation and civil society analyses regarding quality issues in project-level gender assessments and GAPs upon submission, compliance-based approaches not necessarily translating into impact, and the

need for stronger accountability mechanisms to document and provide feedback on project gender results. They further observed that there were few gender-specific outcome-level indicators, qualitative or quantitative, to enable comparison across projects and aggregation at the portfolio level. While noting the proposed pilot for gender outcomes verification, the observer said it remained unclear whether the pilot would measure community-level outcomes or benchmark progress against country-owned gender frameworks or the Belém GAP.

833. The active observer further suggested that improvements should be aligned with ongoing processes, including the update of the Information Disclosure Policy, the development of the HRMF and the approach to multilingualism, in order to strengthen transparency with stakeholders and rights holders in project design, implementation and monitoring. They stated that the GAP was silent on subprojects despite the volume of approved funding under programmatic approaches and noted that no subproject-level GAP under approved programmes had been disclosed on the GCF website. The observer clarified that delaying adoption need not delay momentum, and suggested that the Board request the Secretariat to complete a mapping and gap analysis against the Belém GAP, more fully integrate the core recommendation of the IEU to shift from compliance to accountable outcomes, and conduct the proposed learning needs assessment of AEs, NDAs and delivery partners before potential approval at B.46.

Secretariat response

834. Following the interventions, Ms. Kyrou thanked the Board members and the active observer for their feedback. She stated that the Secretariat recognized that there remained room to improve the updated GAP by spelling out baselines and indicators for its activities more clearly and welcomed the suggestions to further refine the text and to introduce new language in the decision annex.

835. On budgetary matters, Ms. Kyrou acknowledged the concerns raised regarding dedicated funding and the absence of a clear dedicated budget. She explained that the Board document set out how the GAP would be delivered by mobilizing internal resources, the administrative budget and readiness resources. She further stated that the relevant budgetary needs, particularly those related to the administrative budget, would be reflected in the multi-year and annual work programming and budgeting process to be considered by the Board at B.46.

836. On references to fragile and conflict-affected contexts, Ms. Kyrou clarified that the Secretariat did not intend to introduce a new vulnerability parameter not foreseen by the COP. She explained that the reference had been included from a due-diligence perspective, to support investment teams and safeguards and gender specialists in considering funding proposals from contexts with particular characteristics, including fragility or pre- or post-conflict situations. She stated that the intention was to enable the Secretariat to better situate its efforts and financing, and to appreciate the accentuated vulnerability faced by women in such contexts, while noting that the Secretariat would remain guided by the Board.

837. On the framing of women and girls as agents of change, Ms. Kyrou clarified that the Secretariat's intention had been to affirm women as active agents and not to frame them solely as vulnerable beneficiaries.

838. On support to developing countries and partners, Ms. Kyrou stated that the GAP proposed targeted efforts and resources to help them better respond to and engage with the GAP, including support for NDAs. She noted that the Secretariat had broadened the scope of the proposal from an earlier focus on AEs to also include NDAs, DAEs and the wider ecosystem. She added that the engagement-to-access pathway for women's and women-led organizations was intended to help build that ecosystem and invited further nuance from Board members on this point. She also took note of requests to firmly align gender outcomes with USP-3 and the

investment framework, noting that USP-3 would come back to the Board in due course and that the Secretariat would make its best efforts in that regard.

839. On sexual exploitation, abuse and harassment, Ms. Kyrou recalled that GCF had a policy for its internal affairs and an action plan for programming, both guided by a zero-tolerance approach that was also reflected in the GCF risk appetite statement.

840. On the HRMF, Ms. Kyrou confirmed that the framework would come back to the Board, providing an opportunity for the Board to deliberate on the metrics to be proposed.

841. With regard to references to intersectionality, she explained that the Secretariat's intention was to ensure that the diversity of parameters captured in the Belém GAP would also be followed by GCF in financing women in different contexts, including Indigenous women, migrant women, women with disabilities and women entrepreneurs, among others. Ms. Kyrou reiterated that the Board would have the opportunity to consider these matters in due course.

842. On the Belém GAP, Ms. Kyrou recalled that the Secretariat had received a clear mandate from the COP and from the Board to present an updated GAP that took into account the Belém GAP. She stated that the Secretariat had done so and was confident that the updated GAP was responsive to COP guidance and aligned with the Belém GAP, particularly in areas related to capacity-building, gender-responsive implementation and means of implementation, resource tracking, knowledge generation, and monitoring and reporting. She noted that the strongest areas of overlap were with Belém priority area A on capacity-building, knowledge management and communication; priority area D on gender-responsive implementation and means of implementation; and priority area E on monitoring and reporting, with an additional mapping to priority area C on coherence in the implementation table. Ms. Kyrou acknowledged that the Secretariat should remain mindful of its mandate, meaning that some Belém GAP priorities would be translated selectively into areas where GCF had direct leverage – including finance, readiness, programming, accreditation, results, partner capacity and reporting – rather than comprehensively across the full normative and policy agenda of the UNFCCC gender framework.

Further comments and Secretariat responses

843. Following the Secretariat's response, a Board member clarified that their concern was not with the substance of the challenges faced in fragile and conflict-affected contexts, which they understood well, but with ensuring that references to such contexts were not conflated with the vulnerability categories recognized under the Governing Instrument, the UNFCCC and the Paris Agreement. The Board member stressed the need to avoid any such mixing of concepts and indicated their willingness to continue consultations with the Secretariat bilaterally.

844. Another Board member requested further clarification on how GCF was aligning work under the updated GAP with that of other multilateral climate funds, which were also in the process of finalizing their own gender-related frameworks. In response, Ms. Kyrou explained that the Secretariat was in regular contact with the other multilateral climate funds, including through complementarity and coherence work expected to continue until March 2027. She noted that a number of activities had been co-designed and delivered by the funds, particularly around regional UNFCCC meetings and capacity-building efforts, and that the Secretariat had consulted the other funds on the updated GAP. She added that discussions had also covered the continuation of complementarity and coherence efforts beyond March 2027, emerging interest in gender-lens investing, and approaches to capturing impact and sharing best practices.

845. A further Board member requested additional clarification on whether GCF had the requisite expertise to engage in fragile and conflict-affected contexts, noting the sensitivity and complexity of such issues. In response, Ms. Kyrou clarified that the Secretariat was not proposing that GCF become an expert in fragility, conflict or humanitarian action. She acknowledged that such expertise lay primarily with partners, AEs and NDAs. She explained,

however, that because GCF was an investment institution channelling finance in such contexts, the Secretariat needed a sufficient level of awareness to appreciate those contexts and consider how to increase the additionality of its financing, particularly through a gender lens.

846. The Co-Chairs then invited Board members with concrete textual proposals to provide them to the Secretariat, so that the Secretariat and the Co-Chairs could assess the scope of proposed amendments and determine how to proceed. The Co-Chairs clarified that the purpose at that stage was to collect the proposals rather than to negotiate them in plenary.

847. In that context, one Board member clarified that, while they were not submitting an amendment, their support for adoption was conditional on the removal of language to which their seat had objected. The Co-Chairs requested that the concern be provided in writing so that the specific proposed changes could be identified before the item was reopened. The Board member responded that the concern applied to all instances of the relevant language throughout the document, and not to a single page or paragraph, and indicated that the Secretariat could identify the references through a search of the text.

848. Another Board member asked for clarification on the procedure, including whether Board members would receive the proposed amendments before the item was brought to the Board again or whether the Board would be expected to consider any amendments for the first time during the meeting, noting that they did not wish to have to decide on text they had not previously seen. The Co-Chairs explained that the first step was to collect all proposals so that the Co-Chairs and the Secretariat could determine how to proceed, including whether the comments would be circulated or displayed and discussed in plenary.

849. After noting that several proposals had been identified, the Co-Chairs suspended consideration of the item to allow the Secretariat and interested Board members to consult further.

Part 2

850. The Co-Chairs reopened the agenda item the next day, following consultations with concerned Board members, and invited the Head of Sustainability and Inclusion, Ms. Kyrou, to update the Board on the outcome of those consultations and the resulting proposed amendments.

851. Ms. Kyrou thanked Board members and stated that the Secretariat had engaged with those who had made recommendations. She then presented the amendments that had emerged from those consultations, comprising revisions to annex II to document GCF/B.45/17 and two new paragraphs in the draft decision.

852. The first new paragraph requested the Secretariat to implement the GAP 2026–2031, including by developing, where not yet established, baselines and targets for the indicators set out in annex II; reporting on progress through existing reporting mechanisms to the Board and to the COP; and sharing the results of the midterm and final assessments of implementation with the Board. The second new paragraph encouraged NDAs and AEs, with AEs acting in coordination with NDAs, to engage national gender and climate change focal points to assess readiness and preparatory support programmes, project preparation support, funding proposals and funded activities, with the aim of ensuring that such assessments actively promoted a gender-responsive approach across the GCF portfolio.

853. Ms. Kyrou also presented proposed revisions to annex II, including language intended to address concerns regarding fragile and conflict-affected contexts and intersectionality. She stated that the relevant paragraph had been reformulated to refer to dedicated efforts to appreciate the nexus between gender and climate action in vulnerable contexts, and that the paragraph on the HRMF had been revised to refer to dedicated gender indicators for GCF

programming and indicators measuring results disaggregated by gender, while recognizing other intersections such as Indigenous Peoples and disability. Ms. Kyrou also presented related revisions to activities 13 and 18 in the action table set out in appendix I to annex II.

854. Following this update, a Board member thanked the Secretariat for taking into consideration the Board's concerns and indicated trust that the revised text reflected the consultations. A second Board member requested that caveats related to culture, religion and national circumstances be reflected before adoption. A third Board member supported the revised decision text, including the proposal on national gender and climate change focal points, and requested that the terminology "disabilities" be changed to "persons with disabilities". A further Board member welcomed the revised text and explained that national gender and climate change focal points should be engaged as technical experts, in coordination with NDAs, to promote coherence with national climate and gender action plans, and strengthen implementation and outcomes.

855. One Board member stated that, although the revised text was an improvement, the phrase "vulnerable contexts" in paragraph 19 remained problematic because all developing countries were vulnerable to the effects of climate change. The Board member requested that the phrase be removed or reformulated. Another Board member recalled that vulnerability was already addressed in the Governing Instrument in a particular way, and urged that the text remain grounded in agreed concepts and the foundations of GCF.

856. The Co-Chairs concluded that further work was needed and suspended the item.

857. They reopened the agenda item later the same day and invited the Secretariat to present the outcome of the further consultations. The Secretariat stated that agreement had been reached on four changes. First, paragraph 19 had been revised to read that dedicated efforts would be made throughout the duration of the GAP to appreciate the nexus between gender and climate action, enabling conceptually robust and structured financing of gender-responsive climate finance, focusing on women from vulnerable communities. The Secretariat noted that the reference was drawn directly from the GCF Gender Policy. Second, the language in paragraph 25 had been amended to refer to "persons with disabilities". Third, activity 13 had been amended to refer to guidance on the nexus between gender and climate, without reference to vulnerable contexts. Fourth, activity 18 had been amended to refer to targeted training for specialist areas, including topics such as the gender and climate nexus, gender-lens investing and industry standards.

858. Seeing no further comments, the Co-Chairs invited the Board to adopt the decision contained in annex I to document GCF/B.45/17, as amended and presented on the screen.

859. The decision was adopted.

860. Following adoption, a Board member thanked colleagues and the Secretariat for the constructive engagement and stated that the discussion had demonstrated the importance of speaking to and understanding one another. They emphasized the need to protect the sanctity of the Governing Instrument and stated that, until the UNFCCC agreed on different terminology, GCF should continue to use language contained in the Governing Instrument.

861. The Board took note of document GCF/B.45/17 titled "Updated Gender Action Plan for the GCF 2026–2031" and its addendum Add.01 titled "Response matrix for comments received on the draft document".

862. The Board adopted the following decision:

DECISION B.45/17

The Board, having considered document GCF/B.45/17 titled "Updated Gender Action Plan for the GCF 2026–2031" and its addendum Add.01:

(a) *Welcomes the progress made in implementing the Gender Action Plan for the updated Strategic Plan for the GCF 2020–2023, as set out in document GCF/B.45/17;*

(b) *Adopts the Gender Action Plan 2026–2031, as contained in annex II, noting that its implementation is subject to the availability of administrative budget, which will be integrated within the multi-year budgeting process;*

(c) *Requests the Secretariat to implement the Gender Action Plan 2026–2031, including by developing, where not yet established, baselines and targets for the indicators set out in annex II; to report on progress through existing reporting mechanisms to the Board and to the Conference of the Parties to the United Nations Framework Convention on Climate Change; and to share the results of the midterm and final assessments of the implementation of the Gender Action Plan with the Board;*

(d) *Encourages national designated authorities, and accredited entities in coordination with national designated authorities, to engage national gender and climate change focal points to assess readiness and preparatory support programmes, project preparation support, funding proposals and funded activities, with the aim of ensuring that these assessments actively promote a gender-responsive approach across the GCF portfolio; and*

(e) *Requests the Secretariat to integrate into the development process for the updated Strategic Plan for the GCF 2028–2031, and the further development of the Readiness and Preparatory Support Programme and the Project Preparation Facility, relevant actions from the Gender Action Plan 2026–2031 and the associated resources required.*

Agenda item 18: Arrangements for the third formal replenishment of the GCF

863. The Co-Chairs opened the agenda item and drew the attention of the Board to the document GCF/B.45/19/Rev.01 titled "Arrangements for the third replenishment of the Green Climate Fund" and its addendum Add.01 titled "Response matrix for comments received on the draft document".

864. They invited Marie-Ange Saraka-Yao, Director of External Relations, to present the arrangements for the third replenishment of the Green Climate Fund (GCF-3).

865. Ms. Saraka-Yao outlined the key elements of the proposed arrangement for GCF-3 and the proposed approach to the policy for contributions in line with the Governing Instrument, notably paragraphs 29 and 30. She advised the Board that GCF-3 would take place in a more challenging funding environment, with rising climate finance needs, declining aid budgets and a crowded election cycle that could affect contributor commitments.

866. As such, the replenishment process would be flexible and strategically timed, running from late 2026 to late 2027, with two to three consultation meetings followed by a pledging conference. The proposed replenishment covered the 2028–2031 period, and would be informed by GCF-2 results, the Independent Evaluation Unit's Third Performance Review, the Policies for Contributions, the updated Strategic Plan for GCF 2028–2031 (USP-3) and its expected results, the investment case, and other important strategic agendas. The policy for contributions aimed to maximize resources with the highest degree of concessionality and flexibility for GCF.

867. While grants would remain a priority, the proposed revisions would expand the types of contributions that may be accepted and refine the relevant financial parameters.

868. It was envisaged that the Board would endorse the outcome of the GCF-3 process by the end of 2027, while resource mobilization efforts would continue proactively throughout the GCF-3 period.

Part 1

869. Many Board members thanked the Secretariat for the presentation and supported the launch of GCF-3. Several underlined their commitment to conducting the process in an open, transparent and inclusive manner, with one encouraging the meaningful participation of national designated authorities, accredited entities and recipient countries. Other Board members believed it crucial to act in a timely manner, with one stressing the need to finalize and adopt the policies for contributions by B.47.

870. A number of Board members called for ambition in GCF-3, believing it crucial to adapt to the current context while demonstrating a flexible, agile and strategic approach. One opined that a successful replenishment would focus on impact, additionality, catalytic effect and volume, articulating the comparative advantage of GCF within the climate finance architecture and seeking to strengthen complementarity and coherence with other funds and multilateral development banks (MDBs). Another Board member believed that GCF-3 must send a strong signal of renewed collective commitment to climate finance and reinforce confidence in the strategic relevance of GCF and its ability to deliver at scale.

871. Other Board members underlined that GCF-3 should maintain its focus on grant-based finance and adaptation, particularly for the most vulnerable countries, with some opining that contribution arrangements should strengthen GCF resources without reducing its ability to provide grants and support adaptation.

872. A number of Board members believed that GCF-3 should be guided by decision 1/CMA.6 on the new collective quantified goal on climate finance (NCQG) of the United Nations Framework Convention on Climate Change (UNFCCC), which agreed to at least triple annual outflows to developing countries by 2030.

873. Several Board members believed the plan and timings set out in document GCF/B.45/19/Rev.01 to be appropriate. However, to proceed in a streamlined and cost-effective manner, others believed two replenishment meetings to be sufficient, held back-to-back with key events in hybrid format. In addition, one Board member recommended convening the pledging conference during COP 32 to ensure an optimal platform for broad participation and commitment, while also encouraging recipient countries to advocate for GCF and new contributors in their bilateral relations.

874. Some Board members stated that the success of GCF-3 would be measured by how effectively and efficiently its resources reached the countries and groups recognized under the UNFCCC and the Paris Agreement.

Context and contributions

875. Several Board members highlighted the current geopolitical and economic context affecting both contributors and developing countries, pointing to increasing debt levels and difficulties in raising finance. However, one Board member did not consider it appropriate to frame GCF-3 in such terms, given that context had not been referenced for GCF-2. In addition, they indicated that developing countries were bearing the consequences of the current context while contending with shrinking fiscal space and decreased official development assistance (ODA). Referencing Article 9.1 of the Paris Agreement, they advised the Board that developed

countries had an obligation to provide funding to developing countries. Several other Board members also expressed concerns around declining ODA and the resulting impact on developing countries, stressing the importance of developed countries upholding their obligations and political commitments.

876. One Board member stressed that the objective was not to avoid responsibility but to evolve to ensure the continued success and relevance of GCF by capitalizing on new and emerging opportunities. In their view, this would be central to how governments perceived GCF-3 alongside other options for delivering climate finance. This was echoed by a further Board member who called for a replenishment that was fit for purpose amid current challenges.

877. While acknowledging the concerns around declining ODA, two Board members representing developed country Parties did not believe that responsibility should lie solely with developed countries. One argued that developed countries were not obligated to contribute specifically to GCF but to climate finance as a whole. With this in mind, they considered it crucial that GCF broadened its contributor base to increase its appeal to contributors. This was supported by several other Board members.

878. Some Board members supported the mobilization of private finance through open and transparent consultations with relevant stakeholders, traditional contributors and new contributors. One saw this as a central pillar of GCF-3 through the strategic use of financial instruments, such as equity and blended finance, and a focus on economic transformation and local value creation. In addition, they supported the development of contributor guarantees, debt-for-climate swaps and carbon market mechanisms, and saw merit in better integrating public funds with private and institutional capital and exploring access to capital markets.

879. While open to a broader range of contribution instruments, one Board member stressed that it should not come at the cost of concessionality, recommending that safeguards be embedded in the process. Another Board member underscored that diversification must complement and not replace grant instruments, which was echoed by several other Board members.

880. One Board member underlined that private finance and concessional loans should not increase developing countries' debt stress, emphasizing the need to uphold the intergovernmental nature of decision-making and insulate governance structures from the ability of non-sovereign contributors to sway decisions. In this regard, two Board members opined that any form of earmarking must be avoided.

881. Several Board members stressed that GCF-3 should be anchored within the Governing Instrument, the UNFCCC and the Paris Agreement. One considered it important to distinguish between broadening sources of support for GCF and redefining the obligations underpinning international climate financing architecture. With this in mind, they believed that the replenishment should avoid language or approaches that could be interpreted as prejudging future policy discussions or contributions, or shifting expectations onto developing countries.

882. Another Board member believed that the language in the draft text departed fundamentally from the UNFCCC, the Paris Agreement and the Governing Instrument in terms of differentiation between developed and developing countries, and did not consider this acceptable given their view that the replenishment process should not address the principle of common but differentiated responsibilities.

883. One Board member requested further clarification on the scope and purpose of engagement, underlining that all efforts must be exclusively for the purpose of attracting resources. In addition, they highlighted that the Secretariat had received no mandate from the Board in terms of approaching capital markets or carbon markets. Another Board member believed that there should be no implied mandate regarding engagement with such markets and other potential financial sources until the Board had agreed on the scope of eligible sources.

884. A further Board member acknowledged the value and need for grants, particularly in adaptation projects, least developed countries (LDCs), small island developing States (SIDS) and African States. However, they believed the private sector would be critical in containing emissions to limit global warming to 1.5°C.

Policy

885. Several Board members welcomed the updated policy for contributions, with one believing it to be consistent with the Governing Instrument and the NCQG. Another Board member praised the policy on contributions from alternative sources, believing it to be integral to GCF-3, while a further Board member considered it essential that this policy be responsive to and compatible with the requests and constraints of such contributors. All called for substantive and meaningful opportunities to engage on this policy ahead of B.46 to ensure smooth adoption and effective implementation.

886. One Board member considered it important to develop policies that would enable GCF to design and implement an ambitious USP-3 strategy. They also recommended the development of a policy on the targeted use of concessionality to clarify the comparative advantage of GCF relative to MDBs and development finance institutions in private sector mobilization.

887. However, several Board members objected to the policy set out in annex III to document GCF/B.45/19. One believed that the Board would need to discuss and approve the use of "contributor guarantees" as a form of replenishment, requesting that this term be removed, while others opined that the language pre-empted discussions that would take place at B.46. Some Board members stated that the decision to establish such policies rested with the Board and should proceed through a dedicated process, requesting that annex III be removed from the document taken note of by the Board.

Sequencing

888. Several Board members raised questions as to the sequencing of GCF-3 and how the development of USP-3 would inform replenishment meetings. One saw GCF-3 as inseparable from USP-3, encouraging the Secretariat and the Co-Chairs to keep the processes mutually reinforcing, while others requested further clarity, calling on GCF-3 to be supported by a Board-mandated package of analytical documents, including funding scenarios linked to the implementation of USP-3 in the context of the needs and priorities of developing countries.

889. Noting a difference in approach from GCF-2, one Board member highlighted that GCF-2 consultation meetings had focused on the financial aspects of GCF-2, including the policy for contributions, whereas document GCF/B.45/19, annex I, paragraph (b) indicated that GCF-3 meetings would focus on strategic matters. Underscoring that USP-3 and the Third Performance Review of the GCF would provide the strategic framework for GCF-3, they stressed the importance of finalizing these matters.

890. The same Board member called for further clarity on the roles of the COP, Board and Secretariat in GCF-3, given that it was the responsibility of the COP and the Board to set the strategic direction of the process. With this in mind, they supported using the previous arrangements from GCF-2 as a baseline, with any proposed changes being clearly justified on the basis of lessons learned or new circumstances. This view was shared by several other Board members.

Replenishment facilitator

891. Several Board members considered it important that the replenishment remained Board-led, allowing Board members to exercise appropriate oversight over key aspects of the process, including substantive documents, the appointment of a facilitator and financial scenarios.

892. With this in mind, some Board members were concerned by the reference to a “replenishment chairperson” in document GCF/B.45/19. One accepted the need for a chairperson but considered that their role should be limited. However, others preferred to appoint a “replenishment facilitator”, in line with past practice, with one believing that the Board should take ownership of the process due to the influence that such a facilitator would have in the climate finance landscape. Several others also stressed the importance of the Board remaining in close contact with the facilitator throughout the process to ensure transparency, balance, governance and competence among all contributors.

893. However, one Board member did not believe the appointment of a facilitator to be a guarantee of success. By way of example, they referenced a facilitator recruited during GCF-2 to draw in additional contributors, including from wealthy Gulf countries, who had not succeeded in their mission, in contrast to the Fund for responding to Loss and Damage which had secured a USD 100 million contribution from the United Arab Emirates.

894. In response, another Board member rejected the suggestion that Gulf countries should be expected to fill climate finance gaps, arguing that the decline in ODA began in 2025 for reasons unrelated to current geopolitical events. They also noted that Saudi Arabia was among the world's top ODA providers and that several Gulf countries had exceeded the United Nations ODA target of 0.7 per cent of gross national income.

895. They also wished to emphasize that ODA was distinct from climate finance, arguing that climate finance obligations should be based on historical emissions. In this respect, they advised the Board that Arab countries accounted for less than 0.2 per cent of historical greenhouse gas emissions, while developed countries (Parties included in Annex II to the UNFCCC) accounted for 55 per cent, and should therefore bear the primary responsibility for funding GCF. In their view, references to “wealthy Gulf states” was unfair and an attempt to shift legal obligations from developed countries onto developing countries.

896. They believed that such references to Gulf countries were derogatory and undermined goodwill and voluntary contributions, advising that they would continue to defend Arab countries against such remarks in future Board discussions.

897. Another Board member also wished to underline the distinction between ODA and climate finance, advising the Board that GCF resources should be referred to as climate finance.

Civil society organizations

898. An active observer representing civil society organizations (CSOs) urged the Board not to adopt the GCF-3 arrangements as presented, arguing that annex III to document GCF/B.45/19 prejudged future discussions on the policy for contributions and should therefore be removed. They expressed concern that proposals such as contributor guarantees and higher debt limits could fundamentally alter the mandate of GCF, weaken grant-based financing, increase developing countries' debt burdens and further restrict their access to climate finance. In their view, this would require an explicit change to the Governing Instrument, thorough deliberation by the Board, and approval by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement.

899. CSOs also opined that the replenishment process should reaffirm developed countries' legal obligation to provide climate finance under the UNFCCC and Paris Agreement, rather than shifting responsibility onto developing countries or focusing on alternative funding sources. They opposed the inclusion of representatives of the Climate Investment Funds in replenishment meetings and called for Board oversight of any replenishment chairperson appointment.

900. In addition, they called for the full participation of CSOs during the replenishment meetings, and emphasized the need for transparency and public reporting throughout the replenishment process.

Secretariat response

901. Ms. Saraka-Yao thanked Board members for their constructive comments and guidance. Wishing to reassure the Board, she stressed that GCF-3 would remain firmly anchored in the Governing Instrument, with grant-based contributions from developed countries remaining the core source of funding. Any new or voluntary contributions were intended to complement, not replace, these obligations.

902. Ms. Saraka-Yao also wished to confirm that the replenishment process would be inclusive, Board-led, cost-effective and informed by USP-3, performance reviews and lessons learned from previous replenishments. She emphasized that it was important to provide early clarity on the future contributions policy to allow contributors to understand the conditions under which they would be making their pledges. Recalling that recent international replenishments had fallen short of their targets, she reiterated the need for flexibility and openness in broadening the contributor base.

903. The Co-Chairs urged Board members to engage constructively with colleagues holding different views, focus on practical replenishment arrangements rather than broader political disputes, and work towards a compromise.

904. The agenda item was suspended.

Part 2

905. The Co-Chairs reopened the agenda item two days later.

906. They recalled the wide range of comments and perspectives from the Board during part one of the discussion and advised the Board that Board members would now have the opportunity to offer further reflections and comments, ahead of small group discussions.

Discussion

907. One Board member stated that their country had always been an ambitious contributor to GCF, but that a pledge of EUR 630 million to the Global Environment Facility had had political implications in the country and they were therefore required to present budgetary and parliamentary committees and taxpayers with a convincing business case for GCF. With this in mind, they did not consider demands or reprimands to be useful.

908. In addition, the Board member considered it important that GCF-3 began with a clean slate, ensuring that taxpayer-funded contributions leveraged additional funds from the private sector and capital markets in order to increase the commitment authority available to recipients of GCF funding.

909. Another Board member requested the rationale for failing to begin small group discussions and consultations in the days prior, despite their requests to do so. In their view, time had been wasted, given that the Board now had just two days to discuss the matter. They

also asked the Secretariat to elaborate on whether the Co-Chairs had had direct input into the draft text.

910. Responding to the previous Board member, they stated their view that it was developed countries that had assigned blame to developing countries. However, in their view, the Board should not adopt a defensive approach.

911. In addition, they believed that the current agenda item served only to launch GCF-3 and aid in deciding on practical arrangements such as timelines and the appointment of a facilitator. They did not believe discussions on USP-3 or the policy on contributions to be necessary and considered that politicizing the outcome would send a poor signal to the international community. Finally, they challenged Board members to reaffirm their Parties' commitments under the Paris Agreement.

912. A further Board member agreed that the present discussion served simply to launch the process. Moreover, they stated that developed countries were not contributors but debtors due to their role in inducing climate vulnerability and climate-induced disasters. They disagreed that increasing commitment authority was a clear and obvious choice and stated their intention to fight any attempts by developed countries to revoke their commitments.

913. The Chair of the Budget Committee indicated that it was their priority to ensure the fiscal sustainability of GCF and maximize the benefits for recipients of GCF funding. With this in mind, they considered it important to work together constructively at B.45 and subsequent meetings, and to avoid lengthy discussions about historic responsibility.

914. However, one Board member believed historic responsibility to be the foundation of the discussion, particularly as regards to Africa due to its vulnerability and the serious challenges it faced as a result of historical emissions. They also believed that the discussion at B.45 should focus on launching GCF-3 rather than the adoption of policy.

915. Ms. Saraka-Yao thanked Board members for their active engagement and looked forward to continuing discussions over the coming months to ensure financial sustainability. In response to the question about Co-Chair involvement in the draft text, she advised that the Secretariat had prepared the paper under the guidance of and in close collaboration with the Co-Chairs.

916. The Co-Chairs stated that the delay in initiating small group discussions was due to a busy agenda and the need for reflection following the discussion on day one of the meeting.

917. There being no further requests for the floor, they suspended the agenda item and requested that nominated Board members continue the discussion in a small group.

Part 3

918. The Co-Chairs reopened the agenda item the following day, recalling the wide range of perspectives in parts one and two of the discussion, and informing the Board that the small group had worked to produce a revised decision intended to launch the process and activities of GCF-3.

919. They requested the Secretariat to project the draft decision on the screen and asked Board members whether they were ready to proceed to adoption.

Discussion

920. Board members thanked the Secretariat and the small group for their work on the updated text. However, there was substantial disagreement among Board members relative to its content.

Parties supportive of the original draft decision

921. Many Board members had been prepared to approve the original text, and were disappointed with the revised text, which they believed was weaker and lacking in ambition, strategic direction, resource mobilization and outreach, as well as acknowledgement of the changing context in which GCF operated. One would have preferred a clearer emphasis on an open and inclusive process to enable participation across a broad range of key stakeholders, while others expressed concerns that GCF was not evolving in line with other multilateral funds and international organizations, and did not present a convincing case to constituencies.

922. A Board member having participated in the small group discussions indicated that they had had to make a number of concessions, including relinquishing any mention of expanded and diversified funding sources, a broader contributor base, innovative and alternative sources, carbon credit and international levies. In their view, this would make resource mobilization more challenging, which was not in the interests of either contributors or recipients.

923. Seeing the shrinking number of contributors and contributions as an opportunity for GCF to revise its approach to business, another Board member opined that developing countries should demand new approaches in order to improve their access to scarce grants, believing that the rejection of additional modalities and sources would make LDCs and SIDS poorer.

924. Several Board members saw a lack of efficiency in the process. One opined that the strong grounding in GCF-2 was wasteful after many months of consultations and sign-off by Co-Chairs, while another believed that there was insufficient time available in which to review the updated text. Others did not consider it good practice to substantially redraft documents prepared by the Secretariat.

925. Two Board members did not believe initial plenary discussions to have been sufficient, with one expressing concerns that negotiations had taken place behind closed doors, believing it to reflect badly on GCF given that such debates should take place publicly.

926. Despite their reservations, these Board members were prepared to adopt the decision in order to make progress. One indicated that it was a starting point and considered it important for the Board to deepen its understanding of how GCF intended to mobilize resources and deploy its limited resources in the most effective and sustainable manner. Several called for continued engagement on USP-3 as well as the updated policy for contributions and policy on contributions from other sources, believing that the content of these policies would determine the success and long-term financial sustainability of GCF.

Parties critical of the original draft decision

927. Many Board members rejected the view that the original draft decision had been ready for adoption.

928. A number of Board members reiterated their view that the decision was procedural, considering references to substantive policy matters to be inappropriate in this regard. One believed resourcing scenarios to be a crucial measure of the ambition of GCF, calling for a full discussion at a subsequent Board meeting. Others expressed their dismay that lengthy discussions had been dedicated to the matter at B.45, and that small group discussions had not been initiated at an earlier stage.

929. One Board member understood that the original draft text presented to Board members had been edited by a Co-Chair. A second Board member rejected this assertion, considering it a misinterpretation of the facts, while a third requested clarification on the matter.

930. One Board member acknowledged the credibility of the document produced by the Secretariat but believed that it was legitimate to enhance its work, with the view that

documents were provided by the Secretariat as input for discussion. This was echoed by another Board member.

931. On the revised text, some Board members did not believe it to adequately address the needs of developing countries, with one observing that the text made no mention of the causes of climate change and their consequences. Others were disappointed that it did not refer to the NCQG, arguing that this was a crucial contextual matter that should inform GCF-3.

932. Several Board members expressed concern at the tone of Board members from developing country Parties, with some believing that certain Board members had engaged in intimidation by suggesting that LDCs and SIDS would remain poor if contributions were withdrawn. Further, some Board members rejected the framing of LDCs and SIDS as poor, opining that GCF funding was not intended to make developing country Parties richer but to address climate challenges caused by developed countries.

933. Certain Board members suggested that the discussion may have been politicized to justify a decrease in contributions. They did not believe that geopolitical changes in the last four years justified a withdrawal of commitments to the UNFCCC and Paris Agreement, with one Board member challenging other Board members to reaffirm their commitments. Another questioned the focus on the climate agenda, and whether other conventions and charters had also become outdated.

934. A Board member representing developing country Parties from LDCs recognized that contributors were required to justify funding to their constituencies, and affirmed their intention to cooperate on key performance indicators to ensure leverage and enhanced capacity. However, believing contributions from developed countries to be a matter of fairness and justice, they expected promises to the most vulnerable countries be kept to. In this regard, they called for adequate replenishment of the Least Developed Countries Fund and Special Climate Change Fund to affirm that LCDs and SIDS remained a priority in the climate finance space, given their view that larger developing countries were receiving comparatively more funding.

935. Another Board member opined that the efficiency of GCF was contingent on more efficient decision-making, project preparation and successful project approval and implementation. By way of example, they highlighted an ongoing early warning system application in their country which would warn hundreds of thousands of people about impending disasters, ultimately saving lives. In their view, this was the purpose of GCF and a means of justification to decision makers. This was reaffirmed by a Board member representing SIDS who underlined their particular vulnerability to climate change. In this regard, several Board members highlighted the floods in Accra, Ghana, as an example of the devastating impacts of climate change.

Conclusion

936. Several Board members believed that the approach to such discussions must change at future Board meetings, with one opining that the Board had lessons to learn as regards to processes and Board conduct.

937. Acknowledging diverging views as to the future direction of GCF, several Board members underlined the responsibility of Board members to unite in their adoption of the decision. In their view, the Board had a shared interest in setting aside their differences in order to move forward and secure the best possible outcome for GCF-3.

938. However, one Board member believed that the frustration shown by Board members underlined their dedication to tackling climate change, and considered their presence to be

demonstration enough of their Parties' continuing commitment to the UNFCCC and the Paris Agreement.

939. Another Board member trusted the Board to turn GCF into a beacon of hope, demonstrating its ability to be an effective provider of climate finance in order to support the communities most vulnerable to the impacts of climate change.

940. Given the broad agreement that the Board should commit and adhere to the UNFCCC and Paris Agreement, one Board member requested that this be reflected in the decision as follows:

941. "Affirms that the replenishment process will be conducted in line with the principles and provisions of the United Nations Framework Convention on Climate Change and the Paris Agreement".

942. There being no further comments, the decision was so adopted.

943. The Board took note of document GCF/B.45/19/Rev.01 titled "Arrangements for the third replenishment of the Green Climate Fund" and its addendum Add.01 titled "Response matrix for comments received on the draft document".

944. The Board adopted the following decision:

DECISION B.45/18

The Board, having reviewed document GCF/B.45/19/Rev.01 titled "Arrangements for the third replenishment of the Green Climate Fund" and taking into account decision B.44/17 as well as guidance from the Conference of Parties to the United Nations Framework Convention on Climate Change:

(a) *Affirms* that the *replenishment process will be conducted in line with the principles and provisions of the United Nations Framework Convention on Climate Change and the Paris Agreement;*

(b) *Stresses decision B.21/18, paragraph (c), reaffirmed through decision B.33/11, paragraph (a), which states that the replenishments of the Fund should take into account the stated ambitions, actions and contributions of developing countries to reduce their greenhouse gas emissions by meaningful mitigation actions and to adapt to the impacts of climate change, and that the Board will provide the replenishment process with strategic guidance;*

(c) *Recalls paragraph 3(e) of the "Updated Policy for contributions to the Green Climate Fund for the second replenishment", which states that "GCF will initiate the next replenishment 30 months after the commencement of GCF-2 in order to allow sufficient time for the preparation and consideration of such reports and/or evaluations as may be necessary";*

(d) *Also recalls decision B.44/17, by which the Board took note of the process to adopt updated Strategic Plan for GCF 2028 – 2031 no later than the second Board meeting in 2027 and requested the Co-Chairs to prepare a draft decision for the Board to launch the replenishment process;*

(e) *Decides to commence the process for the GCF's third replenishment from July 2026;*

(f) *Also decides that the period of the third replenishment will be from 1 January 2028 to 31 December 2031;*

(g) *Further decides that replenishment meetings will be open to all potential contributors and to all Board members, as set out in annex II to document GCF/B.45/19/Rev.01, and will be supported by inclusive and targeted engagement approaches to facilitate participation;*

(h) *Endorses the process of collective engagement for the third replenishment process set out in annex II to document GCF/B.45/19/Rev.01, aimed at supporting an inclusive and effective replenishment;*

(i) *Requests the Secretariat to begin making arrangements to facilitate the process of collective engagement referred to in paragraph (h) above, including finding hosts for the in-person replenishment meetings;*

(j) *Also requests the Trustee to provide support to the Secretariat, as part of its function to administer the GCF Trust Fund, on issues related to:*

   (i) *Updating the standard provisions and template for contribution agreements and/or arrangements; and*

   (ii) *Other relevant financial management issues as agreed between the Executive Director of the Green Climate Fund Secretariat and the Trustee;*

(k) *Further requests the Co-Chairs, in consultation with the Board and with the support of the Secretariat, to identify and appoint, if needed, a suitable chairperson(s)/facilitator with climate finance experience for the third replenishment process;*

(l) *Requests the Secretariat to prepare for consideration (1) a draft updated policy for contributions for the third replenishment period of GCF; (2) a separate draft policy for contributions from other sources not covered in the updated policy for contributions for the third replenishment period of GCF; and (3) any other documents that may be required to support the objectives of the GCF's replenishment period, including those referred to in paragraph 3(a) in annex II to document GCF/B.45/19/Rev.01; and*

(m) *Decides to conclude its consideration of (1) the updated policy for contributions for the third replenishment period of GCF; and (2) the separate policy for contributions from other sources not covered in the updated policy for contributions for the third replenishment period of GCF, by no later than the forty-seventh meeting of the Board in 2027.*

Agenda item 19: Methodology for salary scale review

945. The Co-Chairs opened the agenda item and drew the Board's attention to document GCF/B.45/20/Rev.01 titled "Methodology for salary scale review and adjustment".

946. They explained that the proposed framework was intended to establish a transparent and predictable approach to reviewing and updating the staff compensation structure while maintaining financial sustainability and market competitiveness.

947. They invited Darren Tan, Chief Finance and Risk Officer and ad interim Chief Operating Officer, to present the document.

Presentation by the Secretariat

948. Mr. Tan presented the proposed methodology for salary scale review, explaining that it was intended to refine the assessment of market pay movements and ensure that any proposed adjustment to the salary scale was based on clear, consistent and credible data and methodology. He recalled that the Board had established the Compensation Philosophy through decision B.38/06 and had adopted the Staff Regulations and Rules through decision B.42/15. While the Staff Regulations and Rules required the Executive Director to conduct an annual review of the salary scale and report to the Board, a structured methodology for undertaking that review had not previously been articulated. He noted that the proposal had been developed following consultations with the Budget Committee, the Staff Council and all GCF staff members.

949. Mr. Tan explained that GCF had historically relied on a limited set of comparators, principally the Asian Development Bank and the World Bank Group Korea office. The proposed methodology instead reflected the broader labour market in which GCF recruited and competed for talent, drawing on observed talent supply and demand, and actual market conditions. Under the methodology, the Secretariat would annually assess whether the salary scale remained aligned with market conditions using two primary inputs: market pay movements and cost-of-labour indicators. These inputs would be equally weighted and averaged to produce a single index, which would form the basis of the Secretariat's recommendation to the Board. Any resulting percentage movement would be applied uniformly across the salary scale to preserve the consistency and integrity of the overall salary structure.

950. Mr. Tan clarified that the annual review concerned the salary scale as a whole and did not constitute an adjustment of individual staff salaries. He added that a broader review of the compensation framework would be undertaken every four years in consultation with the Board. That review would cover total remuneration, market positioning, comparator groups, salary range design, organizational and labour market developments and, where appropriate, possible amendments to the Staff Regulations.

951. Mr. Tan further highlighted the proposed shift from inflation to cost of labour as an input into the annual review. He explained that inflation reflected general price movements, which could be influenced by short-term or external factors such as energy and food costs or currency movements, and did not necessarily translate into salary changes. Cost-of-labour indicators, by contrast, reflected wage movements and how employers responded to competition for talent and demand for skills. He added that market pay data already incorporated the effects of inflation insofar as they influenced employers' pay decisions and that using inflation as a separate metric could therefore result in double-counting. He concluded that the proposed methodology would establish a structured, repeatable, transparent and market-aligned process for the annual review of the salary scale and invited the Board to adopt the draft decision contained in annex I to document GCF/B.45/20/Rev.01.

Board discussion

952. A Board member asked which salary scale would serve as the starting point for the methodology, including whether it would be the scale contained in annex V to decision B.37/08. The Board member also asked whether the review would incorporate indices for all regional offices, whether a single salary scale would apply across those offices and, if so, how the relevant data would be aggregated to account for regional differences.

953. A second Board member requested that any future budgetary implications arising from the methodology be accommodated within the multiannual budget agreed at B.43 and reflected in the relevant budget model.

954. A third Board member supported the questions regarding the application of the methodology to the regional presence of GCF. The Board member recognized the importance of competitive salaries in mitigating staff turnover, recruitment costs and implementation risks, while emphasizing that the methodology should enhance predictability and maintain prudent budget management and financial sustainability. The Board member asked whether application of the proposed methodology over the preceding three to five years would have resulted in higher or lower salary increases than the existing approach; what budgetary impact was expected, including the possible increase in staff costs over the following three years; and how the current and prospective salary positioning of GCF compared with that of its benchmark institutions, including whether GCF was expected to remain above, below or at the median of its peers.

955. Another Board member sought clarification on the rationale for excluding inflation and the consumer price index entirely as separate metrics, noting that employees' cost of living should also be considered alongside salary movements at other institutions. The Board member requested that information on benefits, allowances and incentives also be provided as supplementary information whenever salary scale adjustments were proposed. The Board member further observed that the methodology did not appear to contain guardrails addressing GCF-specific constraints, including the possibility of a lower-ambition replenishment cycle that could affect the appropriate positioning of GCF relative to the institutions used for benchmarking.

956. A further Board member expressed overall support for the proposed methodology, supported the request concerning its budgetary implications and echoed the questions regarding the starting salary scale and application to regional offices.

957. Lastly, a Board member supported the shift towards market-based indicators and considered that the proposed methodology strengthened the technical robustness of the review. The Board member nevertheless emphasized the importance of budgetary discipline, particularly in the context of constrained administrative resources. The same Board member welcomed the annual review cycle, the comprehensive review every four years and the application of a single index across all grades as a means of supporting internal coherence, while noting that the effectiveness of that approach should remain under review as talent markets evolved. The Board member also welcomed the clarification that a salary scale review would not automatically result in an adjustment and that any adjustment would remain subject to Board oversight and financial considerations.

Response from the Secretariat

958. Responding to the questions concerning financial implications, Mr. Tan emphasized that budget availability would be a central consideration in relation to any salary scale adjustment. He confirmed that no adjustment could be considered independently of whether sufficient budgetary resources were available.

959. Raymundo Juan, Global HR Centers of Excellence Manager, clarified that the starting point would be the salary scale approved by the Board at B.42 as part of the Staff Regulations and Rules. Regarding regional offices, he explained that the proposed methodology would apply to the headquarters salary scale. Salary scales for regional offices would be addressed through the regional presence approach, using purchasing power parity indicators.

960. In response to the question concerning retrospective application of the methodology, Mr. Juan explained that it was difficult to determine conclusively whether the proposed approach would have produced higher or lower adjustments over the preceding three to five years. He observed that, under the previous approach, the Asian Development Bank had generally adjusted its salary scale by approximately 4–5 per cent annually, while adjustments by the World Bank Group Korea office had generally ranged from approximately 1.5 per cent to 3 per cent, depending on the year. While suggesting that the proposed methodology might have produced a lower outcome, he emphasized that a definitive comparison could not be made because the new methodology would assess cost-of-labour indicators and market pay data based on the comparator groups previously approved by the Board. He reiterated that prudence regarding budgetary implications was embedded in the principles of the GCF Compensation Philosophy.

961. Mr. Juan further explained that the four-year review of the total compensation framework would cover not only base salaries but also benefits, allowances and incentives. He confirmed that those broader considerations would be reviewed in consultation with the Board.

962. Seeing no further comments, the Co-Chairs invited the Board to consider the draft decision contained in annex I.

963. The Board adopted the draft decision.

964. The Board took note of document GCF/B.45/20/Rev.01 titled "Methodology for salary scale review and adjustment.

965. The Board adopted the following decision:

DECISION B.45/19

The Board, having considered document GCF/B.45/20/Rev.01 titled "Methodology for salary scale review and adjustment":

(a) *Adopts the Methodology for Salary Scale Review and Adjustment, as contained in annex II to document GCF/B.45/20/Rev.01; and*

(b) *Decides that the Methodology for Salary Scale Review and Adjustment shall enter into force from the date of the adoption of this decision by the Board.*

Agenda item 20: Evaluations conducted by the Independent Evaluation Unit

(a) GCF's Project Preparation Facility

966. The Co-Chairs opened the sub-item and drew the Board's attention to document GCF/B.45/05 titled "Independent evaluation of the GCF's Project Preparation Facility", and its addendum Add.01 titled "Management response to Independent Evaluation of the GCF's Project Preparation Facility (PPF)".

967. They invited Andreas Reumann, Head of the Independent Evaluation Unit (IEU), to present the evaluation.

968. Mr. Reumann introduced the PPF as an important component of the GCF architecture and its integrated offer to eligible countries and communities, alongside the Readiness and Preparatory Support Programme and GCF investments. He explained that the evaluation had assessed how well the PPF was fulfilling its role in improving the quality and readiness of projects entering the GCF pipeline, what had changed since the PPF pilot and an earlier IEU review, and the opportunities to strengthen the PPF. The evaluation had used a mixed-methods approach and considered the PPF both as a stand-alone instrument and as part of the broader integrated GCF offer, including its relationship with the Readiness Programme. It had drawn on a portfolio of 122 approved PPF requests amounting to USD 72.3 million across 112 countries.

969. Mr. Reumann reported that the PPF remained a valued instrument and made a meaningful contribution to project preparation across a diverse portfolio. Nevertheless, the evaluation had identified persistent structural inconsistencies that could affect its effectiveness and the equity of access. In particular, the boundary between the PPF and the Readiness Programme had not been operationally specified, and the two programmes operated through parallel rather than integrated pathways.

970. He further noted that the PPF served entities with widely differing institutional capacities, levels of familiarity with GCF and project preparation needs, and consequently performed different functions for different users without explicitly recognizing those distinctions. While direct access entities (DAEs) accounted for the majority of approved

requests, Mr. Reumann stated that grants to international access entities (IAEs) tended to be larger overall. Existing data systems primarily tracked how quickly proposals progressed through the pipeline and did not provide systematic measures of project preparation quality.

971. Mr. Reumann also reported that service provision remained concentrated among a relatively small number of firms and that the recent expansion of the roster had not yet substantially reduced that concentration. The evaluation highlighted significant gaps in monitoring and knowledge management, including incomplete co-financing records, the absence of systematic tracking of discontinued funding proposal preparation and changes in the key performance indicators reported to the Board over time. The evaluation concluded that institutional changes had created new project preparation realities and categories of users whose needs were not yet systematically reflected in the design and development of the PPF, and that the PPF lacked clear strategic positioning within the organization.

972. Turning to the recommendations, the evaluation stated that the Secretariat should strengthen coherence and synergies between the PPF and the Readiness Programme based on priorities and gaps identified through country programming. It should also preserve continuity and institutional knowledge between readiness support and project preparation through measures such as integrated frameworks for GCF support, operational guidance and a structured coordination mechanism.

973. The evaluation further recommended that the Secretariat articulate differentiated support pathways reflecting accredited entity capacity, project complexity and operating context, including consideration of automatic triggering mechanisms for cleared concept notes that met the relevant prioritization criteria, subject to the PPF funding envelope. It also recommended strengthening awareness of the PPF through structured regional dialogues, sector-focused project preparation strategies and early orientation packages for stakeholders in countries.

974. Additional recommendations included establishing a periodic review mechanism for the PPF service provider roster, covering active participation, geographic and thematic coverage, and patterns of engagement across service assignments, together with transparent feedback to unsuccessful bidders. The evaluation also recommended establishing a systematic monitoring and knowledge management framework with clear milestones and timelines for reporting on the progress and outcomes of individual grants. Finally, it recommended that, during the GCF-3 deliberations, the Board consider the strategic positioning of the PPF in relation to the evolving operating model of GCF and its long-term priorities. It should also consider preparation needs associated with direct access, the private sector, vulnerable country contexts and complex project preparation environments.

975. The Co-Chairs thanked the IEU and invited the Secretariat to present its management response.

976. Oscar Garcia, Director of Monitoring, Evaluation and Learning, stated that the Secretariat welcomed the evaluation and described the PPF as one of the most widely used instruments in GCF for translating country priorities into high-quality funding proposals. He noted that the evaluation confirmed the Secretariat's operational experience that the PPF was a widely utilized instrument supporting high-quality funding proposals and country-led programming. He added that the Secretariat broadly agreed with the direction of the recommendations, while noting that some findings would benefit from further contextualization given the evolution of the PPF and the growth of its portfolio over the preceding decade.

977. Mr. Garcia reported that the Secretariat agreed with the recommendation to strengthen coherence between the PPF and the Readiness Programme. He explained that the two programmes performed complementary functions within a country-driven model and had been brought together under the Department of Investment Services and placed under a single

departmental head. The Secretariat was also developing the next readiness strategy and future PPF modalities concurrently so that the two programmes could reinforce one another from the outset.

978. The Secretariat also agreed with the recommendation on differentiated support pathways. Mr. Garcia explained that support was already tailored in practice according to access modality, entity experience, capacity, project complexity and operating model. The Secretariat saw value in making those considerations more explicit and systematic through its strategic direction and operational guidance so that support could be delivered more consistently across the portfolio.

979. Regarding awareness of the PPF, Mr. Garcia stated that awareness-raising was already taking place through regional dialogues, onboarding sessions, webinars and direct engagement with countries and accredited entities. The Secretariat would continue to strengthen the visibility of the PPF and link knowledge-sharing to programming priorities and pipeline development.

980. With respect to the recommendation on the service provider roster, Mr. Garcia explained that reviews should consider not only procurement-related factors but also operational outcomes, including the quality of deliverables and institutional learning.

981. The Secretariat agreed with the recommendation on monitoring and knowledge management and intended to strengthen its focus on portfolio-level learning and strategic insights. Mr. Garcia noted that progress was already tracked across approved grants and that the Secretariat was strengthening its information technology systems, digitization and portfolio management tools. Portfolio analytics and lessons learned would be used to inform guidance, programming and continuous improvement.

982. As the final recommendation was directed primarily to the Board, Mr. Garcia noted that the Secretariat had marked it as not applicable to its response. He concluded by reiterating the Secretariat's commitment to strengthening the coherence, learning and operational effectiveness of the PPF so that it could contribute further to GCF programming.

983. The Co-Chairs thanked the Secretariat and opened the floor for comments and questions.

Board discussion

984. Several Board members welcomed the evaluation and the Secretariat's management response and thanked the IEU and the Secretariat for their work. Some noted the broad alignment and complementarity between the evaluation recommendations and the Secretariat's response. A Board member expressed strong support for the continuation of the PPF, emphasizing its usefulness to developing countries in preparing impactful project proposals.

985. Two Board members sought further clarity regarding the evaluation's characterization of the boundaries between the PPF and the Readiness Programme as "blurred". One Board member acknowledged that certain areas of readiness and project preparation could overlap and that a completely clear distinction might not always be possible.

986. The same Board members cautioned against the use of terminology referring to "vulnerable contexts". They stated that such terminology was not grounded in the Governing Instrument and could create difficulties if subsequently incorporated into Board decisions. They urged the IEU and the Secretariat to exercise caution and review the terminology used.

987. A Board member welcomed the recognition of the strategic role of the PPF in de-risking and pipeline development. They recalled that the PPF and the Readiness Programme constituted important features distinguishing GCF from other multilateral climate funds and

emphasized the importance of ensuring that they promoted operational efficiency and access. The Board member supported stronger coherence across readiness support, project preparation and programming and requested further information on how such alignment would operate in practice. They also encouraged more targeted prioritization of support for DAEs, first-time users and projects in complex operating environments. Lastly, the Board member expressed concern regarding the concentration of funding allocation and considered that the Board should examine the relevant allocation priorities when considering the future strategic positioning of the PPF.

988. Another Board member described the PPF as a critical upstream instrument that enabled countries to translate climate priorities into high-quality funding proposals. They stated that the PPF represented an investment in country ownership, stronger institutions and the quality of the overall GCF portfolio. The Board member welcomed the recommendations on coherence with the Readiness Programme, differentiated support based on accredited entity needs and capacities, and stronger institutional learning throughout the project preparation cycle. They emphasized that the implementation of the recommendations should be assessed according to whether they enabled more DAEs, first-time applicants and institutions operating in vulnerable contexts to prepare quality projects and successfully access GCF resources.

989. The same Board member raised concerns regarding the PPF service modality and the concentration of assignments among a limited pool of firms, which could create bottlenecks, reduce competition and concentrate opportunities. They emphasized that the roster should reflect thematic, sectoral, technical, regional and geographic diversity, including the participation of firms and institutions from developing countries with demonstrated climate project preparation expertise. Building local and regional technical markets should itself be considered part of strengthening country ownership and long-term institutional capacity. The Board member requested information from the Secretariat on the current composition and geographic distribution of the service provider roster, on the measures being taken to broaden participation and avoid excessive concentration, and on how future reviews would promote greater regional diversity while maintaining high technical standards.

990. A further Board member highlighted the relationship between the recommendations on coherence and the strategic positioning of the PPF. They encouraged the Board and the Secretariat to view the PPF and the Readiness Programme as complementary forms of support for developing national climate finance investment pipelines more broadly, including but not limited to projects intended for GCF financing. Such an approach could strengthen national climate finance ecosystems and enable countries to access finance at greater scale from GCF, other climate funds and multilateral development banks in support of nationally identified priorities.

Active observer intervention

991. An active observer for civil society organizations welcomed the timely evaluation and emphasized that the scale and breadth of the PPF distinguished GCF from other multilateral climate funds. The observer noted that 122 PPF requests worth approximately USD 72 million had been approved across 112 countries and expected demand for the PPF to grow as more DAEs were accredited under the revised accreditation framework.

992. The observer stated that DAEs had originally been the intended recipients of the PPF, accounted for approximately 65 per cent of approved requests and continued to rely on the PPF as an important means of understanding GCF procedures and developing funding proposals. The observer welcomed the emphasis in the management response on strengthening the complementarity of support between readiness and project preparation but noted that the share of DAEs in the overall GCF portfolio had remained at approximately 20 per cent.

993. The observer considered that, although the PPF performed different functions for different categories of users, it should primarily promote equity. They called for differentiated support pathways and financing thresholds that prioritized DAEs. In their view, IAEs generally used PPF support to improve the quality of proposals or provide a de-risking signal to potential co-financiers, yet continued to receive larger grants, which the observer considered indicative of greater negotiating leverage.

994. The observer also questioned the allocation of PPF support to applicants under the project-specific assessment approach (PSAA), noting that they represented approximately 4 per cent of approved requests but had received higher average amounts than DAEs. The observer considered that combining the PSAA with PPF support could create a route to first-time funding proposals before full accreditation. At the same time, civil society organizations, Indigenous Peoples' organizations and women's organizations generally remained unable to access the PPF because they were not adequately represented in the accreditation system or included in the PSAA pilot.

995. Regarding the service provider roster, the observer noted that, despite its expansion to 32 firms, a small number of international consulting firms continued to account for a substantial share of assignments. The observer considered that this constrained technical and linguistic diversity, limited the incorporation of local circumstances and traditional and Indigenous Peoples' knowledge and reduced opportunities to build local institutional capacity. They therefore supported a review of procurement arrangements and welcomed the management response's proposed consideration of local expert participation, knowledge transfer and the quality of deliverables.

996. The observer further emphasized the need to improve monitoring of the quality of PPF-supported proposals at entry, the results and impacts of the corresponding projects during implementation, and the reasons why certain concepts were discontinued after project preparation. They noted the evaluation's finding that PPF support had not consistently resulted in proposals that were adequately calibrated to implementation realities and considered that stronger integration of local expertise from the design stage could help address that concern.

997. Finally, the observer noted the finding that the level and nature of Secretariat engagement could substantially affect the strength and direction of a proposal. They cautioned that such engagement could steer proposals towards Secretariat preferences rather than country priorities and emphasized that the PPF should not institutionalize a model in which international consultants delivered Secretariat preferences at the expense of country needs and ownership.

998. The Co-Chairs thanked Board members and the active observer for their comments and invited the IEU and the Secretariat to respond.

Responses from the IEU and the Secretariat

999. Mr. Reumann clarified that a formal definition of how the PPF and the Readiness Programme should interact remained largely absent. He explained that the original GCF framework had set out a high-level functional distinction between the two programmes: the Readiness Programme focused principally on country capacity, coordination and the enabling environment, while the PPF focused on project preparation and funding proposal development. Readiness support therefore operated primarily at the system level, whereas the PPF operated at the project level by converting sufficiently developed concept notes into funding proposals.

1000. Mr. Reumann explained, however, that whether an activity was financed through the Readiness Programme or the PPF could depend on who initiated it and at what stage, rather than on a principled functional distinction. Both programmes could support functionally similar activities, including feasibility studies, stakeholder consultations and early project design elements, with the apparent distinction based on the maturity of the concept, which had not been operationally defined. In addition, the institutional pathways remained parallel: readiness support generally flowed through national designated authorities, while PPF support flowed through accredited entities. Project development could therefore be initiated through either channel without clearly defined roles. He stated that stronger operational coherence between the programmes would help address that gap. Mr. Reumann also took note of the concerns regarding the use of the term “vulnerable contexts” and indicated that the IEU would proceed with due caution in its wording and references.

1001. Mr. Garcia considered the question of boundaries pertinent from a methodological perspective and stated that the sample of observations concerning the blurred boundaries between the programmes had been relatively small, as the Secretariat had noted in its management response. He then invited Ms. Abeysinghe to address the substantive points raised.

1002. Ms. Abeysinghe stated, by way of factual correction, that PPF funding was not concentrated towards IAEs. She reported that DAEs accounted for 63 per cent of approved PPF projects and 53 per cent of approved PPF funding.

1003. Regarding the relationship between the Readiness Programme and the PPF, Ms. Abeysinghe explained that the readiness strategy approved in 2023 allowed countries to request support for pipeline preparation, concept note development and studies such as feasibility and pre-feasibility studies. Similar activities could be financed through the PPF, but the objectives differed. Readiness support was intended to facilitate broader access to climate finance, while the principal objective of PPF support was to prepare projects intended to come before the Board.

1004. Ms. Abeysinghe stated that the Secretariat had been intentional about strengthening coordination by placing the Readiness Programme and PPF teams under the responsibility of the same department. The teams worked closely with the regional teams and regional directors to prevent double-counting or double-funding for the same purpose. She added that the readiness strategy for 2028–2031 and the future PPF modalities would provide an opportunity for the Board to consider a clearer differentiation between the two support modalities.

1005. She further noted that the Readiness Programme included a DAE window in addition to the country window. Through the DAE window, DAEs could request similar support to prepare project pipelines and concept notes and undertake preparatory studies. The regional teams and the Department of Investment Services were also proactively engaging with DAEs to provide further financial support.

1006. Regarding differences in the amounts approved for DAEs and IAEs, Ms. Abeysinghe stated that the amounts requested depended on project size and other factors, including whether a project involved one or multiple countries. She explained that differences in approved amounts reflected the size and nature of the projects and the needs expressed in the requests submitted by accredited entities.

1007. In response to the questions on the service provider roster, Ms. Abeysinghe stated that, before implementation of the current modality, only eight firms had provided PPF support to entities, whereas 32 service providers had since been pre-qualified. She noted that the evaluation had been undertaken less than one year after the expanded roster had become operational, and that PPF service assignments had therefore remained concentrated among a relatively small number of providers. New service providers from the expanded roster were beginning to enter the pipeline. She added that the Secretariat would be intentional about the participation of service providers from various regions and developing countries during the next PPF modality period, subject to Board approval.

1008. Ms. Abeysinghe further stated that the simultaneous consideration of the updated strategic plan for 2028–2031 (USP-3), the readiness strategy and the PPF modalities had already been proposed to the Board. She emphasized that aligning those processes was a priority so that upstream support to countries and entities followed the overall strategic direction provided by the Board.

1009. In response to a comment that DAEs were lagging behind in funding proposals, Ms. Abeysinghe stated that DAEs had received the highest amount of PPF funding and the highest number of PPF projects. Regarding PSAA applicants, she explained that many were national or regional institutions and should therefore also be considered within the national and regional context, notwithstanding their status as PSAA applicants.

1010. Finally, Ms. Abeysinghe stated that there was no intentional barrier preventing Indigenous Peoples and local actors from accessing PPF support. She explained that the revised accreditation framework allowed non-governmental entities to self-nominate and undertake the accreditation process. Once they had completed that process, they could receive PPF funding. She added that they could also go through the PSAA process for PPF funding support.

1011. The Co-Chairs invited the Board to adopt the draft decision contained in annex I to document GCF/B.45/05.

1012. There being no objections, the decision was adopted.

1013. The Board took note of document GCF/B.45/05 titled "Independent evaluation of the GCF's Project Preparation Facility" and its addendum Add.01 titled "Management response to Independent Evaluation of the GCF's Project Preparation Facility (PPF)".

1014. The Board adopted the following decision:

DECISION B.45/20

The Board, having considered document GCF/B.45/05 titled "Independent Evaluation of the GCF's Project Preparation Facility":

(a) *<u>Takes note</u> of the findings and recommendations in the Independent Evaluation of the GCF's Project Preparation Facility undertaken by the Independent Evaluation Unit;*

(b) *<u>Notes</u> the Secretariat's management response to the evaluation report as presented in document GCF/B.45/05/Add.01; and*

(c) *<u>Requests</u> the Independent Evaluation Unit to submit a management action report to the Board no later than one year following the adoption of this decision.*

(b) GCF's approach to gender

1015. The Co-Chairs opened the agenda subitem and drew the Board's attention to document GCF/B.45/14/Rev.01 titled "Independent evaluation of the GCF's Gender Approach" and its addendum Add.01 titled "Management response to the independent evaluation of the GCF Approach to Gender".

1016. The Co-Chairs invited Andreas Reumann, Head of the Independent Evaluation Unit (IEU), and Genta Konci, Evaluation Specialist at the IEU, to present the documents.

1017. Mr. Reumann recalled that the IEU had engaged continuously with the Board and the Secretariat throughout the review of the updated Gender Action Plan for the GCF 2026–2031 (GAP). In addition, the unit had delivered a synthesis report at B.43,[5] a progress report on

[5] https://ieu.greenclimate.fund/gender2025/synthesis

implementation of the GAP at B.44,[6] and the current evaluation report at B.45,[7] which had informed the Secretariat's review and revision of the GAP.

1018. Mr. Reumann advised the Board that the evaluation examined the extent to which the GCF Gender Policy and GAP had established the institutional, organizational and operational conditions necessary to support effective gender mainstreaming.

1019. The evaluation had been conducted with an analytical and mixed-methods approach, which drew on previous independent evaluations, institutional documents, portfolio reviews, benchmarking, country case studies and extensive stakeholder consultations, including with national designated authorities (NDAs), accredited entities (AEs), executing entities, civil society organizations (CSOs) and gender experts.

1020. Ms. Konci indicated that the IEU had reached the following six conclusions in its evaluation:

(i) GCF had established a strong policy foundation for gender equality, yet gender remained insufficiently embedded across the fund's planning and investment architecture;

(ii) Institutional restructuring had fragmented roles and responsibilities for gender mainstreaming, reinforcing a compliance-driven approach that did not support quality implementation;

(iii) Gender expertise remained uneven across the Secretariat, AEs, direct access entities (DAEs) and NDAs, while reliance on consultants constrained institutional learning and ownership;

(iv) Engagement with women's organizations, gender-focused CSOs and national gender institutions remained limited, reducing meaningful participation and ownership;

(v) Monitoring, evaluation and knowledge management systems were fragmented and insufficiently equipped to support learning, track gender-responsive results or generate evidence for adaptive management; and

(vi) Evidence of transformative results remained limited, with progress concentrated on participation, training and community planning rather than women's decision-making, access to climate-resilient technologies or measurable resilience outcomes.

1021. In response, the IEU had developed the following six recommendations:

(i) Strengthen institutional coherence and accountability;

(ii) Establish Board accountability for effective implementation of the GAP;

(iii) Strengthen system-wide capacity-building and guidance;

(iv) Redesign gender-related instruments to support implementation and learning;

(v) Strengthen engagement with gender-focused stakeholders; and

(vi) Strengthen monitoring, evaluation and learning.

1022. Ms. Konci considered the revised GAP to be an opportunity to address long-standing issues, recommending that GCF draw on the cross-institutional learning of the gender focal points at the United Nations Framework Convention on Climate Change (UNFCCC) secretariat, and anchor the GCF knowledge architecture in the Belém GAP.

[6] https://ieu.greenclimate.fund/document/progress_report_on_the_gap_implementation
[7] https://ieu.greenclimate.fund/document/finalreport-gender

Secretariat response

1023. Oscar Garcia, Director of Monitoring, Evaluation and Learning, welcomed the IEU evaluation and its constructive recommendations, reaffirming the Secretariat's commitment to promoting gender equality and women's empowerment across GCF operations. However, he believed that some of the findings would have benefited from further substantiation and a fuller reflection of the GCF programming model, institutional reorganization and implementation context, while also noting that the compressed timeline for the evaluation had constrained preparation of the management response.

1024. It was noted that the Secretariat broadly supported the recommendations, agreeing as to the need to strengthen institutional coherence, accountability, capacity-building, implementation support, structural pathways, and monitoring and learning systems. In this regard, it intended to build on existing governance, financial and operational and reporting frameworks, while aligning the GCF approach with the Belém GAP. These issues would also be addressed in the updated GAP and Harmonized Results Management Framework.

1025. However, the Secretariat did not support all the proposed measures, including the introduction of stand-alone staff incentive systems, a separate gender budget tracking system, mandatory midterm updates of GAPs requiring Secretariat clearance, or stand-alone gender quality scores. Believing that such measures would create unnecessary administrative and resource burdens, the Secretariat preferred to achieve these objectives through existing institutional systems.

1026. The Co-Chairs welcomed the constructive collaboration between the IEU and the Secretariat, including the practical and implementation-oriented nature of the evaluation recommendations, and expressed the hope that this collaborative approach would contribute to strengthening implementation on the ground.

Discussion

1027. Board members welcomed the comprehensive evaluation by the IEU of the GCF approach to gender, as well as the Secretariat's detailed response and the early prioritization of the agenda item. Several considered the evaluation to provide a valuable assessment of both the progress achieved and the challenges remaining, calling on the Secretariat to draw on the document when developing the updated GAP. However, one Board member had expected more in-depth analysis of gender issues as well as a more gender-transformative approach to systemic issues.

1028. While acknowledging the progress made in establishing a strong gender policy framework and integrating gender considerations into GCF policies and operations, several Board members emphasized the continued gap between policy commitments and implementation. One Board member commended the inclusion of GAPs and gender analyses in all funding proposals but noted that this had not translated into improved gender outcomes. In this regard, many Board members stressed the need to move beyond compliance towards measurable results.

1029. Several Board members highlighted that gender capacity was uneven and siloed at GCF, underlining the need to approach the matter as a shared responsibility across the Secretariat, AEs, NDAs and executing entities throughout the project cycle. In this respect, one Board member stressed the importance of ensuring that adequate financial and human resources were in place.

1030. Some Board members highlighted the role of country ownership and institutionalization in the process, with one calling for a proportionate, risk-based and context-specific approach. With this in mind, they requested guidance on integrating gender into national planning and coordination processes. However, one Board member cautioned against overburdening AEs, particularly DAEs.

1031. Many Board members emphasized the importance of the meaningful participation of women and gender-focused stakeholders, including marginalized groups. In their view, women's organizations and gender-focused CSOs should be engaged not only as consultees but as partners in decision-making, implementation and monitoring. In addition, they considered that women and vulnerable groups should be recognized as contributors and leaders of climate action, rather than solely as beneficiaries of climate finance.

1032. Several Board members believed it necessary to improve monitoring, evaluation and results frameworks; capture lessons learned; and draw on best practice to replicate and scale up gender-responsive and gender-transformative climate action. Some Board members encouraged collaboration with other climate funds, with one calling for alignment with global commitments, including the Universal Declaration of Human Rights, the Sustainable Development Goals, the Paris Agreement and UNFCCC-led gender initiatives, including the Enhanced Lima Work Programme on Gender and the Belém GAP.

1033. Recognizing the need to close the implementation gap, several Board members looked forward to discussing an updated GAP at B.45. In their view, this would be an opportunity to clarify roles, strengthen accountability and embed gender considerations across the GCF strategic and operational frameworks, including the forthcoming third updated Strategic Plan 2028–2031 (USP-3), as well as the investment framework and core programming priorities.

1034. An active observer representing CSOs welcomed the IEU evaluation, considering it to be a positive step, but expressed concern that the accelerated timeline limited the depth of the analysis and resulted in less targeted recommendations. They also noted that the compressed schedule coincided with consideration of the updated GAP.

1035. CSOs agreed with the evaluation's finding that gender assessments and GAPs have largely become compliance tools rather than mechanisms that ensure quality implementation and meaningful gender outcomes. In addition, they believed that women should no longer be treated as beneficiaries but as partners and leaders in GCF-funded activities, and supported updates to the gender toolkit and stronger quality assessment and accountability mechanisms.

1036. However, CSOs argued that the evaluation did not sufficiently examine the quality and coherence of gender assessments and their translation into GAPs, nor did it adequately address shortcomings in programmatic, multi-country, and private sector projects. They also disagreed with the finding that the GCF "30 by 50" strategy sufficiently incorporated gender objectives, opining that gender should be explicitly addressed rather than subsumed under references to vulnerable groups.

1037. Further, CSOs highlighted persistent capacity constraints within the Secretariat's Environment and Social Safeguards and Gender Team, believing that stronger institutional accountability measures could not replace adequate financial and human resources. They also challenged aspects of the Secretariat's management response, believing that it underestimated the need for additional guidance on integrating gender across different investment modalities and overstated the consistency of gender policy implementation.

1038. There being no further requests from the floor, the decision was so adopted.

1039. The Board took note of document GCF/B.45/14/Rev.01 titled "Independent Evaluation of the GCF's Gender Approach" and its addendum Add.01 titled "Management response to the Independent Evaluation of the GCF Approach to Gender".

1040. The Board adopted the following decision:

DECISION B.45/21

The Board, having considered document GCF/B.45/14/Rev.01 titled "Independent Evaluation of the GCF's Gender Approach":

(a) *Takes note of the findings and recommendations in the Independent Evaluation of the GCF's Gender Approach undertaken by the Independent Evaluation Unit;*

(b) *Notes the Secretariat's management response to the evaluation report as presented in document GCF/B.45/14/Add.01; and*

(c) *Requests the Independent Evaluation Unit to submit a management action report to the Board no later than one year following the adoption of this decision.*

(c) A synthesis study on the GCF: an interim deliverable under the Third Performance Review

1041. Document GCF/B.45/Inf.08 titled "A Synthesis Study on the Green Climate Fund: An Interim Deliverable under the Third Performance Review" was issued to the Board under this agenda sub-item.

1042. This agenda sub-item was not opened.

Agenda item 21: Dates and venues of upcoming meetings of the Board

1043. The Co-Chairs opened the agenda item and drew the Board's attention to document GCF/B.45/13 titled "Dates and venues of upcoming meetings of the Board" and its addendum Add.01 titled "Response matrix for comments received on the draft document".

1044. An alternate member of the Board proposed amending paragraph (c) of the draft decision so that the forty-eighth meeting of the Board (B.48) would be held in the Republic of Korea rather than outside the country. They explained that the Secretariat was already significantly engaged in establishing the regional offices and that holding all Board meetings in the Republic of Korea in 2027 would reduce its organizational workload until the first regional office became operational. The Board member also considered that field visits would be more effective when undertaken by smaller groups through the Board training programme rather than by the full Board in conjunction with a Board meeting. Some Board members supported the proposed amendment, including on the grounds of budgetary discipline.

1045. Another Board member asked whether the decision covered only formal Board meetings or also other gatherings involving Board members, including training sessions. The Co-Chairs clarified that the decision concerned only the Board meetings and that any additional sessions would be determined through separate arrangements.

1046. Several Board members favoured retaining the practice of holding one of the three annual Board meetings outside GCF headquarters. They recalled that the practice had been in place for a purpose and emphasized that meetings in developing countries strengthened the Board's understanding of national circumstances, supported GCF outreach and visibility, and enabled members to appreciate more directly the implications of GCF policies and activities. One Board member highlighted the value of the Board's experience in Tajikistan, while some cautioned against departing from the practice without sufficient justification. A further Board member asked whether any country had offered to host a Board meeting in 2027.

1047. Other Board members, including members of the Budget Committee, emphasized the need to use the limited administrative resources of GCF efficiently. One Board member acknowledged the benefits of holding meetings outside the Republic of Korea but noted that the cost differences between meetings in and outside the Republic of Korea were significant and called for a substantive discussion of their budgetary implications.

1048. Another Board member suggested exploring the possibility of holding a meeting in a potential contributor country, as occurred for the recent replenishment of the Global Environment Facility, noting that this could combine broader engagement with resource mobilization opportunities. A further Board member stressed that administrative costs should be minimized irrespective of the venue, while another proposed considering alternative modalities for organizing Board meetings, drawing on practices used by other climate funds. In response, a Board member questioned the relevance of applying practices followed by other climate funds, noting that each institution had its own rules and processes.

1049. The Co-Chairs observed that two different positions had emerged and encouraged subsequent speakers to introduce new considerations. They initially indicated that the item might need to be suspended and resumed the following day to allow a solution to be developed. The Co-Chairs then invited the Secretariat to respond to the question regarding possible host countries.

1050. Crystal Lee, Board Documentation Specialist, confirmed that an offer from Mongolia had been received in recent years and that a technical mission had assessed the proposed location as suitable, although no agreement had been reached on the timing of a meeting. She stated that the Secretariat would be prepared to re-engage with Mongolia should the Board so decide.

1051. Following the Secretariat's response, a Board member suggested that the Secretariat assess Mongolia or any other prospective host, including the extent to which the host could help offset the additional costs. They emphasized that the wider benefits of holding meetings in developing countries, including increased awareness, institutional visibility and country ownership, should also be taken into account. Another Board member proposed a compromise whereby the Board would decide the dates of B.48 without prejudging its venue, which would be determined subsequently by the Board upon the recommendation of the Secretariat. Another member requested that the text specify that the venue would be decided at B.46.

1052. The Co-Chairs indicated that the proposed compromise reflected their own assessment of the discussion. They proposed deleting the reference to holding B.48 in a location "outside of the Republic of Korea", leaving its venue open for further consultation and decision by the Board at B.46 upon the recommendation of the Secretariat. With these amendments reflected in the draft decision, the Co-Chairs asked the Board whether it was ready to adopt the decision.

1053. Seeing no further comments and no objections, the decision was so adopted.

1054. The Board took note of document GCF/B.45/13 titled "Dates and venues of upcoming meetings of the Board" and its addendum Add.01 titled "Response matrix for comments received on the draft document".

1055. The Board adopted the following decision:

DECISION B.45/22

The Board, having considered document GCF/B.45/13 titled "Dates and venues of upcoming meetings of the Board":

(a) *<u>Recalls and confirms</u> that the forty-sixth meeting of the Board will take place from Monday, 26 October to Thursday, 29 October 2026 in Songdo, Incheon, Republic of Korea;*

(b) *<u>Decides</u> that the forty-seventh meeting of the Board will take place from Tuesday, 20 April to Friday, 23 April 2027, in the Republic of Korea;*

(c) *<u>Also decides</u> that the forty-eighth meeting of the Board will take place from Monday, 5 July to Thursday, 8 July 2027, in a location to be decided further by the Board upon recommendation by the Secretariat by the forty-sixth meeting of the Board; and*

(d) *<u>Further decides</u> that the forty-ninth meeting of the Board will take place from Monday, 18 October to Thursday, 21 October 2027, in the Republic of Korea.*

Agenda item 22: Other matters

1056. The Co-Chairs recalled that, during the adoption of the agenda, the Board had agreed to consider under this item issues raised in a submission made prior to B.45.

1057. An alternate member of the Board sought confirmation that matters raised by Board members from the African region would be considered at B.46. They also placed on record concerns regarding the process followed in revising the commitment authority framework. While welcoming the adoption of the relevant decision, the alternate member emphasized that substantive changes of this nature should be supported by formal documentation, with opportunities for written questions and comments, in addition to Board socialization and discussions in technical sessions and committee meetings.

1058. The alternate member further stressed the importance of assessing the implications and interdependencies of related changes, including those concerning alternative sources of finance and the policy for contributions. They emphasized that changes to the commitment authority framework should neither affect the risk appetite of GCF nor pre-empt or influence the choice of financial instruments, and should preserve the mandate, purpose and structure of GCF rather than result in a shift towards practices associated with multilateral development banks. They acknowledged that the small-group discussions had resulted in language acceptable to all.

1059. There being no further requests for the floor, the Co-Chairs closed the agenda item.

1060. No decision was taken under this agenda item.

Agenda item 23: Report of the meeting

1061. The Co-Chairs informed the Board that, per the current practice and in accordance with paragraph 13 of the Rules of Procedure of the Board, a draft compilation of decisions adopted at B.45 would be transmitted to the Board as soon as possible following the conclusion of the meeting.

1062. The decisions as adopted and their corresponding annexes are included in this document.

Agenda item 24: Close of the meeting

1063. Turning to the close of the meeting, the Co-Chairs noted that B.45 had been the first meeting of the Board held in Central Asia and thanked the Government and people of Tajikistan for their excellent organization and hospitality. They highlighted the approval of 10 new projects with a total portfolio value of USD 369 million, including two projects in Tajikistan, and a total value of USD 700 million when co-financing was included. They also noted that six of the projects had been approved within the nine-month concept note-to-Board consideration service standard and that seven funded activity agreements would be signed directly after the meeting.

1064. The Executive Director thanked the Board for reaching agreement on the revised commitment authority framework, which would enable additional finance to be provided to developing countries without compromising the risk appetite and high concessionality of GCF.

She also welcomed the substantive discussions on Board effectiveness and the strategy that would shape the delivery of GCF for 2028–2031.

1065. The Executive Director recognized the contributions of three departing Board members and expressed appreciation to the Secretariat and the independent units, both at the meeting and at headquarters, for their work. Looking ahead to the substantive agenda anticipated for B.46, she encouraged continued engagement between Board meetings to facilitate timely decision-making.

1066. The meeting was closed on Thursday, 2 July 2026 at 7:21 p.m. TJT.

Annex I: List of proposed conditions

1. This annex contains the list of proposed conditions for the funding proposals submitted for the Board's consideration at its forty-fifth meeting. This annex contains the following:

(a) **Table 1**: general conditions applicable to all funding proposals; and

(b) **Table 2**: conditions specific to individual funding proposals that are recommended by the independent Technical Advisory Panel (iTAP) and/or the Secretariat (as applicable), which the Board may choose to adopt in full or in part or not at all as part of the approval of each funding proposal.

2. The approval of the funding proposals approved by the Board pursuant to decision B.45/08 shall be conditional upon the satisfaction of the conditions set out in tables 1 and 2. The Board may choose to adopt the relevant conditions in full or in part or not at all as part of the approval of each funding proposal.

Table 1. General conditions applicable to all funding proposals

FP number	Conditions
All proposals	(a) Signature of the funded activity agreement ("FAA") in a form and substance satisfactory to the GCF Secretariat within 180 days from the date of Board approval, or the date the accredited entity has provided a certificate or legal opinion set out in paragraph (ii) below, or (where applicable) the date of effectiveness of the accreditation master agreement ("AMA") entered into with the relevant accredited entity, whichever is later. Satisfaction of the following conditions prior to the signing of the FAA: (i) Completion of the legal due diligence to the GCF Secretariat's satisfaction; and (ii) Submission of a certificate or a legal opinion in a form and substance that is satisfactory to the GCF Secretariat, within 120 days after Board approval, or (where applicable) the date of effectiveness of the AMA entered into with the relevant accredited entity, whichever is later, confirming that the accredited entity has obtained all final internal approvals needed by it and has the capacity and authority to implement the proposed project/programme.

Table 2. Conditions specific to individual funding proposals

FP number	Conditions
SAP070 (Kemitraan Indonesia)	*None*
SAP071 (NTNC Nepal)	*None*
SAP072 (ACTED Syrian Arab Republic)	*None*

FP303 (UNICEF Central African Republic)	*None*
FP304 (CGIAR Côte d'Ivoire)	*Conditions proposed by iTAP* **Conditions to second disbursement of GCF proceeds to the AE:** (a) **Condition 1 – Financial sector and market readiness assessment**. Prior to second disbursement, the AE shall submit to the Secretariat, as part of the Operations Manual and in form and substance satisfactory to the Secretariat, an updated financial sector and market readiness assessment for Output 1.3, including: (a) an updated assessment of the operational readiness of the BMPA for the targeted value chains for rice, cassava, and yam, including warehousing, grading, certification, and settlement arrangements; (b) evidence of engagement with participating financial institutions regarding the prudential treatment, operational requirements, and risk management arrangements applicable to WRS- backed lending activities; and (c) identification of key remaining operational and regulatory constraints, together with mitigation measures to be applied during implementation; and (b) **Condition 2 – Insurance sustainability and transition strategy**. Prior to second disbursement, the AE shall submit to the Secretariat, as part of the Operations Manual and in form and substance satisfactory to the Secretariat, an updated insurance sustainability and transition strategy for Output 1.3, including: (a) a commercially grounded transition strategy for the phased reduction of premium subsidies; (b) evidence of insurer and reinsurer participation and product design validation for rice-cassava-yam index insurance products; and (c) key indicators to monitor post-subsidy uptake, affordability, and renewal rates during implementation.
FP305 (GIZ Togo)	*Conditions proposed by iTAP, as modified by the Board* **Condition to second disbursement of GCF proceeds to the AE:** (a) **Condition 1**: **monitoring and evaluation plan, missing indicators and post-project DALY monitoring**: the AE shall submit, prior to second disbursement, a revised monitoring and evaluation plan, in a form and substance satisfactory to the GCF Secretariat. The revised plan shall include: (i) an indicator under Output 1.3 tracking the number of H-EWS alerts formally issued, disaggregated by CSHO type, and the proportion of targeted health facilities and district health authorities confirming receipt, reported in each Annual Performance Report upon operationalisation of Standard Operating Procedures for the H-EWS; (ii) an indicator tracking the existence of a dedicated CCU budget line within the MSHPCSUA annual budget; (iii) an amended indicator under Component 4 tracking lemongrass cultivation and application practices for vector control in targeted communities, and (iv) a post-project DALY monitoring plan specifying the responsible institution, data sources, reporting frequency, and integration into an existing national system, , to ensure continuity of impact measurement beyond the project period. **Condition to third disbursement of GCF proceeds to the AE:**

	(b) **Condition 2: financial sustainability-CCU, H-EWS and RMF post-project financing**: the AE shall submit, prior to third disbursement, a financial sustainability plan addressing the recurrent financing of project-created institutional and operational assets, in a form and substance satisfactory to the GCF Secretariat. The plan shall include: (i) a costed recurrent financing plan for the national CCU within MSHPCSUA and H-EWS operations within ANAMET, specifying estimated annual costs, identified or prospective funding sources, and a pathway toward operational continuity beyond the project period; and (ii) a post-project financing model for the Regional Maintenance Fund, including identified or prospective sources of capital. **Condition to fourth disbursement of GCF proceeds to the AE:** (c) **Condition 3**: **country ownership, and CCU operationalization:** the AE shall submit, prior to fourth disbursement, documented evidence of institutional operationalisation, in a form and substance satisfactory to the GCF Secretariat. The submission shall include a report by the AE confirming that the national CCU and ANAMET's climate-health functions are operational, with supporting documentation.
FP306 (FAO Fiji)	*None*
FP307 (Deutsche Bank multiple countries)	*None*
FP308 (WFP Tajikistan)	*None*
FP309 (EBRD multiple countries)	*None*

Annex II: Gender Action Plan for the Green Climate Fund 2026–2031

I. Overview

1. The updated Gender Action Plan (GAP) for the GCF 2026–2031 will guide the operationalization of existing Gender Policy commitments on gender equality and women's empowerment in and through climate action, including by articulating the roles and responsibilities of national designated authorities (NDAs), accredited entities (AEs), delivery partners and the Green Climate Fund (GCF). It prioritizes strengthened governance and institutional accountability over its implementation and the achievement of intended outcomes, including improved transparency on resources allocated to it; enhanced institutional and wider partner ecosystem capacity; and elevated portfolio quality marked by a shift from compliance to measurable impact. It provides a narrative outline, a detailed time-bound framework, and is organized around the policy-designated five priority areas.

II. Key features: priority areas

2. The five priority areas span the institutional, operational and knowledge dimensions. Together, these five areas are designed to ensure that gender responsiveness in GCF climate action is not treated as a stand-alone requirement, but as a system-wide, results-oriented function embedded from policy commitment to institutional capability, in turn translated into operational delivery, supported by resourcing and institutionalized through learning and accountability.

2.1 Governance

3. This priority area addresses the governance framework required to deliver the GAP, at both the portfolio and institutional levels. It focuses on the institutional leadership, accountability and oversight required to do so by embedding gender considerations at the levels of Board, Secretariat and policy frameworks, while reinforcing organizational ownership, coordination and reporting, and advancing gender balance in decision-making bodies and staffing. The objective of activities under this priority area is to strengthen governance and institutional accountability over delivery of the GAP.

4. Specifically, the Secretariat will consolidate a Secretariat-wide governance framework that anchors clear oversight, accountability and institutional leadership for implementation of the Gender Policy and GAP. At the institutional level, this will involve establishing a centralized accountability architecture through an intra-Secretariat Steering Committee under the oversight of the Executive Leadership Team. The Committee's mandate will be limited to Secretariat-level implementation; Independent Units and third parties would continue to operate under separate accountability frameworks. In the meantime, efforts will be made to advance gender parity, strengthen people and culture systems, and pursue external benchmarking and certification [1] to reinforce institutional credibility. Gender competency requirements would also be developed and integrated into relevant staff performance frameworks and relevant decision-making processes to strengthen accountability. This would include assessing how staff integrate gender considerations into project design and funding recommendations, and how managers promote inclusive team environments and gender-

[1] The Secretariat will explore institutional certification or benchmarking against a recognized external standard on gender equity in the workplace, subject to that standard being fully consistent with the GCF Gender Policy and other applicable policies and procedures.

balanced recruitment. These efforts would be delivered through structured corporate mechanisms that address: (i) representation; (ii) pay equity;[2] (iii) effectiveness of the human resources framework to ensure equitable learning and development (covering recruitment and promotion, leadership development, training and mentoring, flexible working and organizational culture);[3] and (iv) inclusiveness of organizational culture as reflected in employee perceptions.[4]

5. In parallel, at the portfolio level, the Secretariat will ensure systematic monitoring and reporting on the implementation of the Gender Policy, GAP and Sexual Exploitation, Abuse and Harassment Policy, including tracking the effectiveness of Readiness and PPF support in strengthening the gender capacities of NDAs, focal points and AEs, and reporting on overall portfolio performance to the Board.

2.2 Competencies and capacity development

6. The objective of this priority area is to build, strengthen and sustain gender competencies across the Secretariat, NDAs, AEs and other partners through structures and tailored capacity development initiatives to improve the quality and consistency of gender integration and results in GCF programming. This priority area ensures that the Secretariat, AEs, NDAs and other partners have the knowledge, skills and tools to deliver consistent, high-quality, gender-responsive climate finance.

7. Institutionally, this will be achieved by embedding gender considerations into the GCF competency and job family framework, delivering organization-wide and specialized training, and allocating dedicated administrative resources to sustain internal expertise and external advisory support. Specifically, the Secretariat will implement a holistic programme of institutional competency and capacity development to identify training needs and guide delivery of the updated GAP. Tailored training aside, the Secretariat will also promote learning on gender equality and climate change across all staff, including through onboarding and, as appropriate, performance management and qualification processes.[5] GCF will continue to allocate appropriate resources to sustain these efforts, and establish mechanisms to monitor uptake and progress, supporting the consistent application of gender-responsive practices across the organization.

8. The Secretariat will also establish a gender advisory group of experts[6] to complement the Secretariat's own technical capacity, a provision already foreseen in the Board-approved Gender Policy. Initiatives such as the establishment of peer-learning groups will complement ongoing initiatives such as the GCF Women group.

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[2] GCF would work towards gender parity at leadership levels of the Secretariat and set targets for improved gender balance across other levels, supported by structured workforce data, and pay equity measures.

[3] The Secretariat will explore institutional certification or benchmarking against a recognized external standard on gender equity in the workplace, subject to that standard being fully consistent with the GCF Gender Policy and other applicable policies and procedures.

[4] In line with the GCF Staff Regulations and Staff Rules, the Secretariat will promote an inclusive, safe and respectful workplace where employee well-being is valued.

[5] All employees would be expected to complete baseline training on gender equality and gender-responsive approaches relevant to the GCF mandate. By including this requirement in performance management and qualification criteria, completion of such learning and the application of gender-responsive practices may be reflected in individual development plans and performance discussions, particularly for operational and leadership roles.

[6] GCF Gender Policy, para.25(j): GCF may complement its own technical capacity within the Secretariat with gender consultants and/or through the establishment of a gender advisory group of experts.

9. At the portfolio level, the Secretariat will conduct learning needs assessments and develop and deliver a tailored, systematic programme of outreach[7] and capacity development to implement the Gender Policy and the updated GAP among NDAs/focal points,[8] AEs,[9] delivery partners and other relevant stakeholders. GCF will also review and update its gender and climate change toolkit and develop additional guidance and resources to support the fulfilment of requirements upheld under the GAP 2026–2031. The updated toolkit will be disseminated widely among NDAs, AEs, delivery partners and other relevant stakeholders. Training will also be provided to NDAs, gender and climate focal points, AEs and delivery partners on how to operationalize the updated toolkit. This would help improve GCF upstream gender design across its portfolio and expand the pool of funding proposals with significant gender additionality. The Secretariat will also establish mechanisms to track the effectiveness of capacity-building activities and to demonstrate value-for-money to GCF stakeholders.

10. The GAP will place dedicated emphasis on structured and intentional engagement with women's and women-led organizations throughout its implementation period. Guided by a longer-term objective of expanding access to climate finance, the Secretariat will launch an Engagement-to-Access Pathway to deliver targeted outreach, strengthen the broader partner ecosystem, and improve access for these entities. The Secretariat will map this ecosystem across geographies and undertake engagement to: (i) raise awareness; (ii) improve access to information on accreditation, country platforms, country ownership, readiness and locally led climate action; and (iii) build capacity for direct and mediated access to funding.

11. GCF readiness support can play a strategic role in strengthening gender capacities across the wider partner ecosystem. Through its country-driven and demand-led modalities, it can support NDAs, DAEs and other national stakeholders in strengthening institutional capacity, coordination and planning for gender-responsive climate action, including in country programmes, country platforms, and project pipelines. Readiness can also strengthen country ownership processes, inclusive stakeholder engagement and direct access by building the institutional and operational capacities of entities to integrate gender considerations more effectively. As gender capacity development is an ongoing process, particularly amid changes in institutions and staffing, readiness remains an important instrument for sustaining national capacity. The programme also generates evidence on implementation and results through its reporting and knowledge systems. At the same time, proposal templates already require identification of country- or entity-specific capacity needs, including gaps in gender mainstreaming.

2.3 Resource allocation, accessibility and budgeting

12. The objective of this priority area is to ensure adequate, transparent and traceable resourcing for implementation of the GAP across both institutional and programming domains for budgeting processes. This priority area ensures that adequate resources are identified, tracked and reported to support GAP implementation. The activities proposed by the Secretariat

[7] GCF would undertake a rapid capacity needs assessment and produce a programme for outreach and capacity development. GCF would also review and update its gender and climate change toolkit to support the fulfilment of the requirements of the GAP 2026–2031. The updated toolkit will be disseminated widely among NDAs, AEs, delivery partners and other relevant stakeholders. Training will also be provided to NDAs, gender and climate focal points, AEs and delivery partners on how to operationalize the updated toolkit.

[8] GCF would continue to support NDAs' and focal points' readiness and PPF requests as needed to develop and/or strengthen their policies, procedures and competencies in order to meet the requirements of the Gender Policy and GAP.

[9] AEs may continue to request PPF support to meet project-level compliance requirements (gender assessment and gender action plan) and to advance intentional approaches to gender as a value-creation strategy from the beginning of the project cycle.

in this area aim to strengthen alignment between financial resources and gender outcomes and to ensure that commitments under the GAP are adequately resourced and tracked.

13. At the institutional level, this entails allocating administrative budgets for gender expertise, training and systems, and strengthening internal financial oversight mechanisms to improve transparency and accountability in resource use. The Secretariat will identify and cost human, financial, and material resources required for implementing the GAP under the multi-year and annual work programming and budget processes, introducing internal gender budget tagging through a dedicated project cost category to monitor resource allocation against the five priorities of the GAP 2026–2031, with budget utilization reported annually to the Board as part of the Report on the Activities of the Secretariat.

14. At the portfolio level, the Secretariat will introduce systematic approaches to tracking gender-related investment flows, including through the adoption of gender markers, while advancing analytical work to better identify, value and scale investments that enhance women's economic participation and access to resources, thereby strengthening GCF overall impact. GCF will continue requiring AEs to include gender assessments and project-level GAPs with associated resources in their funding proposals, including human, financial, and other resources sufficient to meet the principles and requirements of the Gender Policy.[10]

15. Under the current Gender Policy, GCF ensures that AEs take necessary measures to implement the project-level gender action plan submitted as part of each funding proposal. The Secretariat will promote transparency by updating budget templates to clarify how the GAPs of funding proposals will be resourced. To this end, AEs may incorporate the financial resources required to implement project-level GAPs in the relevant output or activity lines in project budgets where possible, with relevant costs not related to specific outputs or activities incorporated into the project management costs line item. On the readiness front, the RPSP and PPF will be used strategically to support DAEs, AEs, delivery partners and NDAs in pursuing gender equality and women's empowerment through programming. Gender outcomes will be tracked, measured and reported at the project level and captured by GCF at the portfolio level.

2.4 Operational procedures

16. The primary objective of this priority area is to meaningfully embed gender considerations consistently across the GCF project lifecycle and operational processes to ensure that gender responsiveness is effectively translated into operational delivery, thereby improving gender-related outcomes and impacts that ultimately advance gender equality and women's and girls' empowerment and resilience in climate action.

17. At the portfolio level, the updated GAP will continue to advance gender-responsive climate action by applying relevant policy requirements. During accreditation, applicants will still be required to demonstrate a gender policy, strategy, or other commitment to meet the principles and requirements of the updated Gender Policy, and to furnish a track record of such commitment. The pursuit of gender mainstreaming will be maintained, and all funding proposals will continue to be required to include a gender assessment and a project-level GAP. The Secretariat will monitor the adherence of funding proposals to requirements for gender assessments, project-level GAPs, and inclusive stakeholder engagement, while strengthening quality assurance through periodic project-level assessments and broader evaluations of GAP implementation at funding proposal level to ensure accountability for results. An independent gender outcomes verification pilot will also be considered during this period.

[10] This would include human, financial and other resources sufficient to meet the principles and requirements of the Gender Policy. Funding may be requested to support women-led actions as needed.

18. The Secretariat will seek to inform the scope of USP-3 for Board consideration to complement compliance-driven gender mainstreaming with the intentional positioning of women's empowerment within its investment approach. Recognizing the potential to enhance inclusiveness, innovation and impact in climate finance, the Secretariat will undertake targeted analytical and learning work to assess the relevance and potential value of integrating gender-lens investing programming within the GCF operational model, including through a review of emerging good practices, stocktaking of the GCF portfolio and pipeline, and engagement with AEs and partners. This analytical work will provide a clear and balanced evidence base to inform related intra-Secretariat deliberations on the GCF future programming approach under USP-3, without pre-empting such decisions.

19. In addition, dedicated efforts will be made throughout the duration of the GAP to appreciate the nexus between gender and climate action, enabling the conceptually robust and structured financing of gender-responsive climate finance, focusing on women from vulnerable communities .

20. Finally, the Secretariat will make proactive and intentional efforts to improve the frequency and quality of its engagement with women's and women-led organizations with a view to increasing access of these entities to GCF climate finance over time.

21. Institutionally, these commitments will require updating corporate operational processes and related partner-facing guidance and strengthening data systems, including improving the collection, aggregation and use of sex-disaggregated data. Such information will be captured through updates to the Annual Performance Report templates.

2.5 Knowledge generation and communication

22. The objective of this priority area is to strengthen data, learning and knowledge-sharing to improve and scale gender-responsive climate finance. The appropriate enhancement of the systems, tools and partnerships needed to generate, share and apply knowledge on gender-responsive climate finance also falls under the scope of this area.

23. Over the duration of the updated GAP, the Secretariat will strengthen its role as a knowledge holder for gender-responsive climate finance by enhancing systems for learning, communication and external engagement. Institutionally, this will include updating and disseminating core tools such as the gender and climate change toolkit and improving internal knowledge management systems to support evidence-based learning.

24. At the portfolio level, the Secretariat will establish platforms for peer-to-peer learning among NDAs, AEs and delivery partners, develop a dedicated knowledge portal, and systematically communicate results and lessons learned, while promoting coherence with other climate funds and supporting the implementation of the UNFCCC Gender Action Plan to reinforce global alignment and impact.

25. The Secretariat will strengthen data collection and analysis systems as needed and will introduce gender markers and indicators,[11] with the proposal approval process guiding AEs in selecting meaningful gender indicators to measure progress, outcomes and impact, and noting other diverse dimensions compounding vulnerability, where feasible. GCF will continue to work

[11] Examples of gender markers for climate and development projects include the Development Assistance Committee of the Organisation for Economic Co-operation and Development, Gender Equality Policy Marker, for gender-lens investing include the 2X Criteria, for grant-based development projects include the W+ Standard, and the UN Women's Empowerment Principles for institutions to advance gender equality in workplace, marketplace and community. The United Nations Sustainable Development Goal 5 on gender equality has multi-dimensional outcome targets (e.g. non-discrimination, leadership, economic resources, unpaid care). The Secretariat's final choice will need to be fully consistent with current GCF policies.

with NDAs/focal points, AEs, delivery partners and active observers to document experience and draw on knowledge gained from applying the Gender Policy and implementing the GAP, using standardized gender impact metrics to capture evidence on gender-responsive climate finance systematically.[12] A periodic stock-take will consolidate portfolio-level results data, including case studies and lessons learned. The Secretariat's ongoing work on a Harmonized Results Management Framework, subject to conclusion of consultations and approval of the Board, foresees dedicated gender indicators for GCF programming as well as indicators that measure results disaggregated by gender while recognizing other intersections such as Indigenous Peoples and persons with disabilities. This is part of a larger effort that involves alignment across the MCFs on corporate results framework, results measurement methodologies, as well as reporting.

26. GCF will update its online resources into a knowledge portal on gender-responsive climate finance, including curated learning briefs, toolkits and case studies. Good-practice learning mechanisms (e.g. peer-to-peer exchanges with NDAs/focal points, AEs, delivery partners and civil society) will be established or expanded. GCF will continue to promote coherence and complementarity with peer climate funds through regular exchanges of lessons learned from implementation of the Gender Policy and GAP and will actively support the implementation of the UNFCCC Gender Action Plan, including through the Communities of Practice for Direct Access Entities. Communication of the GCF gender commitments, both internally and externally, will be a strategic activity, with periodic stakeholder feedback sought to inform adaptive management of the GAP.

27. The GAP seeks to reflect, as appropriate, relevant areas of alignment with the UNFCCC Belem Gender Action plan, considering the GCF mandate, processes and strategic priorities. The overlaps are more evident in Priority area A: Capacity-building, Knowledge Management and Communication; Priority area D: Gender Responsive Implementation, Means of Implementation; and Priority area E: Monitoring and Reporting. These areas are already where GCF and the MCFs collaborate and will continue to do so within the GCF mandate.

[12] This may include Readiness and Preparatory Support, country programme development, concept notes, funding proposals and project implementation and monitoring and evaluation.

Appendix I: Gender Action Plan 2026–2031

Priority areas	Action	Indicators	Responsibility	Timeline
Priority Area 1: Governance	**Institutional**			
	1. Set up an Intra-Secretariat Steering Committee to lead the implementation of the Gender Policy and this Action Plan 2. Develop a centrally guided accountability framework	• Terms of reference for Intra-Secretariat Steering Committee established and operationalized • Meeting minutes (4/annually) • Accountability framework endorsed by the Executive Leadership Team (ELT)	Lead: Executive Leadership Team Support: Sustainability and Inclusion Unit, Office of the Chief Strategy & Impact Officer-Front Office (S&IU/OCSIOFO)	Q4 2026 As of Q4 2026 Q1 2027
	3. Periodic monitoring on the implementation of the Gender Policy and Gender Action Plan (GAP) and Sexual Exploitation, Abuse and Harassment (SEAH) Policy	• Annual progress reports on the 5 priorities of the GAP and SEAH policy included in the existing reports to the Board and to the Conference of the Parties submitted	Lead: OCSIO Support: Secretariat-wide	Ongoing
	4. Pursue advancement of gender parity across functions and positions in the GCF Secretariat in: Workforce composition Leadership distribution	Percentage of women and men across functions and positions, in leadership roles (Executive Leadership Team and Management Team) and in key advisory and decision-making bodies. ○ Percentage of women and men staff overall ○ Percentage of women and men at Director and Executive Leadership Team and Management	Department of People and Culture (DPC)	Already ongoing, and on an annual basis

Priority areas	Action	Indicators	Responsibility	Timeline
	Hiring ratio Access to development and advancement opportunities Pay equity	○ Percentage of new hires (women and men) ○ Percentage of women and men identified in talent pools, or leadership development programmes in GCF Gender pay parity index across comparable roles at all levels in GCF staff		
	5. Consider institutional certification or benchmarking against a recognized external standard, on matters of gender equity in the workplace subject to management decision on scope and timing 6. Obtain institutional certification for gender against a recognized external standard Recertification	100% of certification criteria assessed and documented against GCF policies and related ongoing work prior to submission for certification External gender certification achieved (baseline=0) Progress report submitted tracking milestones against certification requirements Certification renewed for a further 2 years	DPC	Q1-Q3 2027 Q4 2027-Q1 2028 (2 years validity) On an annual basis following certification Q1 2030

Priority areas	Action	Indicators	Responsibility	Timeline
	Programming / Portfolio			
	7. Establish a gender advisory group of experts to provide technical guidance on the implementation of the GAP to the Secretariat	Gender advisory group established with agreed terms of reference Annual Advisory Report provided to the Intra-Secretariat Steering Committee	Lead: OCSIO-FO/SI&U	Q1 2027 Q4 2027 and annually
	8. Monitoring and reporting on volumes and effects/benefits of readiness and Project Preparation Facility (PPF) support in boosting the gender capabilities of accredited entities (AEs) and national designated authorities (NDAs) and the production of gender studies (incl. gender assessments, GAPs and related analyses) to inform FPs ○ Track and report on support provided to AEs through PPF to AEs to address gender related issues ○ Track and report on the support for gender to NDAs and focal points	Biannual report produced to this end, capturing: • Volumes of readiness and PPF support dedicated to boosting gender capabilities of AEs and NDAs and production of gender studies; • Percentage of AEs with policies/procedures/competencies and track record on gender equality at accreditation • Number of PPF applications approved for gender assessments and action plans • Percentage of direct access AEs requesting and receiving RPSP support for the	Lead: Office of the Chief Investment Officer, Department of Investment Services (OCIO/DINVS) Support: OCSIO Department of Monitoring, Evaluation and Learning (DMEL); OCSIO-FO/S&IU	For Readiness: 2028 and biannually For PPF: Q3 2027 and annually thereafter

Priority areas	Action	Indicators	Responsibility	Timeline
	from the Readiness and Preparatory Support Programme (RPSP)	development of gender assessment and gender action plan equality policies and procedures		
	Programming / Portfolio			
	9. Assessing learning needs on gender related matters of AEs, NDAs, delivery partners	Learning needs assessment and roadmap on strengthening gender-related capacity support to be provided to NDAs/focal points, AEs and delivery partners through the RPSP and PPF	Lead: OCSIO-FO/S&IU Support: OCIO	Q4 2026 – Q2 2027
	10. Deliver tailored and gender-capacity development programme for NDAs/focal points, AEs, delivery partners and other relevant stakeholders	Percentage of NDAs/focal points and AEs, and stakeholders reached through gender outreach and capacity development activities Number of stakeholders, NDAs/focal points/gender focal points and AEs that received gender capacity-building support and/or training (baseline=0, target to be set)		Q1 2028 and on a recurrent basis Q3 2027
	11. Launch an Engagement-to-Access Pathway, delivering intentional and targeted outreach to women's and women-led organizations to strengthen partner ecosystem capacity and improve access	Map of the ecosystem relevant to the GCF mission and comprising women's and women-led organizations across regions, segmented by community-based groups, civil society organizations, cooperatives, and intermediary organizations (networks, funds, incubators). Pathway roadmap.	Lead: OCSIO-FO/SI&U Support: OCIO/DINVS	Q4 2027-Q4 2030

Priority areas	Action	Indicators	Responsibility	Timeline
		Delivery of engagement to (a) serve awareness and basic engagement; (b) enhance access to information on accreditation, country platforms, country ownership, readiness, locally led climate action; and (c) build capacity on direct or mediated access to funding -Number of engagement instances for women's and women-led organizations target 1/yearly Number of women's and women-led organizations that submit GCF concept notes or funding proposals or apply for accreditation (baseline=0 ; target 1/yearly)		
	12. Document gender-related learning results from capacity development programme	Report on gender-related learning results produced		Q2 2029 and on an annual basis

Priority areas	Action	Indicators	Responsibility	Timeline
	13. GCF will review, update and disseminate its gender and climate change toolkit and will develop additional capacity materials, as needed, e.g.: - Guidance on Nexus between Gender and Climate	Updated gender toolkit and any other learning materials developed out of the roadmap disseminated and elements embedded in relevant documents to reach all NDAs/focal points and AEs and monitored for effectiveness; all NDAs and AEs have access.	Lead: OCSIO-FO/S&IU Support: OCIO	Q3 2027 and on going
	14. The Secretariat will develop a mechanism to track effectiveness of gender-related capacity-building activities given the importance of demonstrating value-for-money to GCF stakeholders	Effectiveness indicators determined, deployed and reported on an annual basis (baseline=0)	Lead: OCSIO-FO/S&IU and DMEL	Q4 2027
	Institutional			
	15. Assessing learning needs on gender-related matters at GCF-level (Secretariat)	Learning needs assessment and roadmap on strengthening gender-related awareness for all staff, with attention to dedicated skills-sets for OCIO and OCSIO teams	Lead: OCSIO-FO/S&IU & DPC Support: OCIO	Q4 2026 – Q2 2027
	16. Gender issues integrated in GCF Competency and Job Family Framework to support the Secretariat in identifying	Gender considerations integrated in GCF Competency and Job Family Framework developed and adopted (baseline -ongoing work)	Lead: DPC	Q3 2027

Priority areas	Action	Indicators	Responsibility	Timeline
	Institutional and role-specific capacity development needs under this Action Plan			
	17. Development and delivery of competency-based training that addresses gender issues for all staff, based on the competency framework and identified learning needs	All Secretariat staff complete gender and climate change training(s) (baseline=0)		As of Q4 2027 (for 2027) and annual refreshers thereafter
	18. Delivery of targeted training for specialist areas, including topics such as gender and climate nexus; gender lens investing; industry standards	All OCIO investment teams and select OCSIO teams trained	Lead: OCSIO-FO/S&IU Support: OCIO	As of Q3 2027 and on an ongoing basis, as needed
Priority Area 3: Resource allocation, accessibility and budgeting	**Institutional**			
	19. Allocate, track and report on share of administrative budget assigned to the implementation of the GAP 2026–2031	Percentage of annual administrative budget allocated to the implementation of the GAP 2026–2031 (baseline to be established)	Lead: Department of Finance Support: Secretariat	Annually as of 2026
	Programming / Portfolio			
	20. Track and report on share and use of project-level GAP budgets for funding proposals approved as of B.47 and for the remaining duration of the GAP 2026–2031	Capital expenditure volumes allocated to the implementation of the project-level GAPs and absorption levels upon project completion (baseline to be established)	Lead: OCIO and OCSIO/DMEL	Annually as of 2027

Priority areas	Action	Indicators	Responsibility	Timeline
Priority Area 4: Operational procedures	**Programming / Portfolio**			
	21. Update GCF project operational processes as needed to reflect the provisions of the GAP	All relevant standard operational procedures and documents effectively embed gender considerations and provisions of the GAP 2026–2031	Lead: OCIO Support: OCSIO-FO/S&IU	As of Q1 2027 and ongoing
	22. Monitor the adherence of project funding proposals to the requirement for a gender assessment and GAP	100% of approved funding proposals include gender assessments, project-level GAPs and GAP-dedicated budgets. All are posted on GCF website	Lead: OCIO	Annually
	23. Monitor adherence of funding proposals to requirements for gender-equitable stakeholder engagement and consultation	100% of approved funding proposals documenting evidence of consultation with women's groups and organizations against gender-disaggregated stakeholder data (baseline to be established)		Annually as of B.48 cohort of approved projects/ programmes
	24. Strengthen the Secretariat's adaptive management practice in monitoring project-level GAP implementation	Number of projects to have made course correction to mainstream gender	Lead: OCIO-FO/OS, OCSIO-FO/S&IU	As of Q1 2027
	25. Scope of GCF quality assurance of funding proposal evaluations includes GAP implementation and other gender mainstreaming actions and/or co-benefits	100% of funding proposals' midterm and end-of-project/programme evaluations address quality of implementation of GAPs at funding proposal level and other gender mainstreaming actions and/or co-benefits (baseline to be established)	Lead: OCSIO/DMEL	Annually

Priority areas	Action	Indicators	Responsibility	Timeline
	26. Launch a voluntary pilot in gender outcomes verification at project level	Report accounting for both substantive performance captured under the pilot's sample, and operational viability (fit for GCF)	Lead: OCSIO/DMEL Support: OCSIO-FO/S&IU	2028–2029
	27. Initiate analytical and learning work to assess relevance and potential value of integrating gender-lens investing programming within the GCF operational model	Roadmap on gender lens investing available for consideration under USP3	Leads: OCSIO-FO/S&IU and OCIO	Q4 2026–Q2 2027
	28. Strengthen systems for collecting, aggregating and analysing sex disaggregated data and indicators for the portfolio approved from B.46 onwards 29. Institutional gender markers are adopted, tasked to track depth of integration and advancement of gender equality objectives in GCF investment portfolio and in Readiness	Number of projects demonstrating meaningful engagement of Indigenous women and delivering gender-responsive, climate-resilient outcomes Number of projects carrying co-benefits at the intersection between gender equality and climate action A gender marker system fit for GCF is designed, piloted and operationalized in internal procedures. Funding proposal's depth of gender responsiveness is captured (baseline=0)	Leads: OCSIO /DMEL, OCSIO-FO/S&IU, OCIO-FO	As of the B.48 cohort of approved funding proposals and ongoing As of B.48 cohort of approved funding proposals By Q3 2027

Priority areas	Action	Indicators	Responsibility	Timeline
	30. Conduct periodic project assessments to gauge performance of project-level GAPs GCF will commit resources as necessary towards independent verification and project reviews and assessments to document and publish the benefits and considerations of actions and achievements that address gender issues as deemed necessary 31. Commission the interim and final assessment of the implementation of the GAP	Summary report of project-level GAP assessment findings and lessons learned submitted to the Board (baseline=0) Mid-term and 1 final assessment reports on GAP implementation produced (baseline=0)	Lead: OCIO-FO/ OS Support: OCSIO-FO-S&IU Lead: Inter-Secretariat Committee Support: OCSIO-FO/S&IU	Annually as of Q1 2028 and ongoing Mid-term (2028/29)/final (2031)
	Project / Portfolio			
	32. Communicate information on the implementation of the Gender Policy and GAP; develop a GCF knowledge portal on gender-responsive climate finance	Dedicated intranet page for GCF staff on gender-responsive climate finance launched At least one gender-responsive climate finance communication material developed and disseminated annually	Leads: OCSIO/DCOM and OCSIO-FO/S&IU	Q2 2027 Annually

Priority areas	Action	Indicators	Responsibility	Timeline
	33. Establish gender-related best practice learning mechanisms, such as peer-to-peer exchanges for NDAs/focal points, AEs, and delivery partners	Number of peer-to-peer exchanges held with NDAs/focal points, AEs and delivery partners (baseline=0) Report on peer-learning groups and communities of practice (baseline=0)	Leads: OCIO and OCSIO-FO/S&IU	Q2 2027 and ongoing
	34. Promote complementarity and coherence on gender-responsive climate finance among peer climate funds	Annual report on agreed actions	Lead: OCSIO-FO/S&IU	To end in Q1 2026; subsequent arrangements to be confirmed
	35. Support with implementation of the updated United Nations Framework Convention on Climate Change (UNFCCC) Gender Action Plan	Regular progress reports on mandated actions submitted to the UNFCCC gender team Mapping of aligned indicators under the UNFCCC GAP and following priority areas of alignment: Priority area A/Capacity-building, knowledge management and communication; Priority Area C/Coherence; Priority Area D/ Gender-responsive implementation and means of implementation; Priority Area E/ Monitoring and reporting Summary report on joint knowledge-sharing initiatives with UNFCCC	Lead: OCSIO-FO/SI&U Support: OCIO, OCSIO/DMEL, Office of Governance Affairs	2026 and ongoing

Annex III: Remarks during the opening ceremony of the forty-fifth meeting of the Board

1. Alisher Mamadzhanov, Multilateral Governance Senior Specialist, GCF Secretariat, welcomed representatives of the host country, Board and alternate members, advisers, observers, partners and other participants to the opening ceremony of the forty-fifth meeting of the Board of the Green Climate Fund (B.45). He welcomed participants to Tajikistan, highlighting its mountains, glacier-fed lakes and tradition of hospitality, and also delivered a welcome in Tajik.

2. Mr. Mamadzhanov invited Bahodur Sheralizoda, Chairman of the Committee for Environmental Protection under the Government of Tajikistan, to deliver some welcoming remarks.

3. On behalf of the Government of Tajikistan, Mr. Sheralizoda warmly welcomed participants to Tajikistan. He stated that their presence reflected a shared commitment to addressing climate change and strengthening international cooperation and multilateralism in support of a sustainable and resilient future.

4. Mr. Sheralizoda described GCF as playing a unique and indispensable role as the world's largest dedicated climate fund. He stated that GCF had become a cornerstone of global climate finance by enabling developing countries to pursue low-emission and climate-resilient development pathways and by translating climate ambition into actions that improved the lives and livelihoods of millions of people. For Tajikistan and other developing countries, access to GCF support was essential for strengthening resilience, reducing climate risks, protecting development gains and advancing sustainable and inclusive growth.

5. Mr. Sheralizoda highlighted the growing partnership between Tajikistan and GCF. He referred to projects supporting the modernization of hydrometeorological services, renewable energy and hydropower generation, the climate resilience of hydropower facilities, and affordable financing for micro-, small- and medium-sized enterprises introducing water-saving and solar technologies. He noted that those initiatives had also mobilized financing from other partners.

6. He further highlighted the contribution of GCF support to strengthening the national designated authority and its capacity, as well as addressing national priorities in climate adaptation, disaster risk reduction, sustainable agriculture, ecosystem conservation and renewable energy development. Those initiatives were strengthening institutional capacity, improving climate planning and coordination, and leveraging additional resources for climate action.

7. Mr. Sheralizoda identified the development of the Country Programme for Tajikistan for 2024–2027 as a major milestone in the partnership with GCF. He explained that the country programme provided a strategic framework for engagement with GCF, identified investment priorities aligned with the nationally determined contribution and other national planning documents, and identified a pipeline of priority projects addressing the most pressing climate challenges of Tajikistan.

8. He emphasized that GCF financing generated benefits beyond individual projects by mobilizing additional public and private investment, strengthening national institutions, fostering innovation and supporting long-term resilience-building efforts. Tajikistan highly valued its partnership with GCF and looked forward to deepening that cooperation. Predictable and affordable climate finance would be instrumental in helping developing countries address the growing impacts of climate change while advancing their national development priorities.

9. Mr. Sheralizoda stated that Tajikistan was highly vulnerable to the adverse impacts of climate change. Rising temperatures, changing precipitation patterns, glacier retreat, droughts, floods, mudflows, landslides and other climate-induced disasters were causing significant economic losses and undermining development efforts. As a mountainous country in which glaciers were a key source of fresh water for agricultural production and energy security, Tajikistan was experiencing the consequences of climate change directly.

10. He noted that hundreds of glaciers had disappeared over recent decades and that many others were retreating at an accelerating rate. This posed serious risks not only to Tajikistan but also to the wider Central Asian region and other regions affected by changes in water availability and agricultural production.

11. Despite only contributing a negligible share of global greenhouse gas emissions, Tajikistan remained committed to the goals of the Paris Agreement and to advancing ambitious climate action at the national and global levels. The updated nationally determined contribution of Tajikistan contained ambitious mitigation and adaptation targets that reflected its determination to contribute meaningfully to international climate efforts.

12. Mr. Sheralizoda also highlighted the contribution of Tajikistan to global mitigation through one of the cleanest energy systems in the world. Approximately 98 per cent of electricity generated in Tajikistan came from hydropower, placing the country among the global leaders in renewable energy generation. Tajikistan was also working with regional partners through the unified electricity grid and the CASA-1000 high-voltage transmission project to supply clean and affordable energy to neighbouring countries in South Asia and support their greenhouse gas emission reduction targets.

13. He stressed that achieving the ambitious targets of Tajikistan would require adequate financial support, capacity-building and technology transfer, without which progress would be significantly constrained. He underscored the importance of the decisions to be taken at B.45 and expressed appreciation for the dedication of Board members and other stakeholders working to ensure that climate finance reached those most in need.

14. Mr. Sheralizoda expressed confidence that the outcomes of the meeting would further strengthen the effectiveness of GCF, support the implementation of the Paris Agreement and advance the global adaptation agenda. He concluded by warmly welcoming participants and wishing them productive discussions, successful outcomes and a pleasant stay in Tajikistan.

15. Mr. Mamadzhanov thanked Mr. Sheralizoda for outlining the climate challenges and priorities of Tajikistan and the contribution of its partnership with GCF to advancing national climate ambitions. He then invited the Co-Chairs of the Board to deliver their opening remarks, beginning with Seyni Nafo.

16. Seyni Nafo, Co-Chair of the Board, expressed appreciation, on behalf of the developing country constituency, to the Government and people of Tajikistan for their hospitality and for hosting B.45 in Dushanbe. He particularly thanked President Emomali Rahmon, Mr. Sheralizoda and the authorities and officials whose work had made the meeting possible.

17. Mr. Nafo described Tajikistan as a fitting location in which to begin the next chapter of GCF. He noted that the country had some of the world's largest glacier systems outside the polar regions and was the source of many major rivers in Central Asia. Its glaciers and mountain ecosystems sustained water resources, agriculture, energy production and livelihoods extending beyond its borders.

18. He stated that the accelerating retreat of glaciers and resulting disruption of hydrological systems demonstrated that climate change was not solely an environmental challenge. It was also a challenge to water security, food security, energy resilience, economic development and human well-being. Those impacts transcended national boundaries, and

building resilience therefore required international cooperation, shared responsibility and sustained solidarity.

19. Mr. Nafo emphasized that B.45 carried significance beyond the decisions on its agenda because it marked the beginning of the programming period for the third replenishment period of GCF. The replenishment cycle was commencing at a defining moment for both GCF and the global climate agenda. Climate impacts were accelerating faster than the collective response, with communities rebuilding after increasingly destructive floods and storms, farmers adapting to prolonged droughts and changing rainfall patterns, small island developing States confronting rising seas, and mountain countries experiencing the retreat of glaciers that had sustained generations.

20. At the same time, many developing countries were facing tighter fiscal conditions, growing debt pressures and declining development assistance while their investment needs continued to increase. Against that background, GCF had never been more important, nor had the responsibility of the Board been greater. Mr. Nafo encouraged participants to work together with openness, mutual respect and a shared sense of purpose during the meeting.

21. He thanked his fellow Co-Chair, the Executive Director, the Secretariat and all those who had worked to prepare the meeting. He also looked forward to the planned visits to projects and glaciers in Tajikistan and reiterated his gratitude for the hospitality and generosity extended to participants.

22. Mr. Mamadzhanov thanked Mr. Nafo and invited Leif Holmberg, Co-Chair of the Board, to deliver his opening remarks.

23. Mr. Holmberg thanked Mr. Sheralizoda for his remarks and the Government of Tajikistan for its hospitality. He stated that the beauty of Tajikistan was a powerful reminder both of what climate action sought to protect and of the pressures arising from climate change.

24. Mr. Holmberg referred to the two-day Board retreat on Board effectiveness and the updated Strategic Plan for 2028–2031. He had been encouraged by the strong sense of shared purpose and broad consensus emerging from the retreat, which had provided direction for translating the discussions into concrete action and further improving the effectiveness of the Board.

25. He stressed the urgency of smart and innovative action. Climate change was already shaping lives and livelihoods, and the world remained far from the 1.5°C goal of the Paris Agreement. No region was being spared. Referring to the retreat of glaciers in Tajikistan, he noted that Sweden was experiencing a similarly rapid decline in its smaller year-round glaciers. Such shared challenges reinforced the need for cooperation and partnerships grounded in trust, accountability and delivery, including through the active engagement of civil society.

26. Mr. Holmberg highlighted the importance of B.45, during which the Board would launch the replenishment process of GCF and consider the updated Gender Action Plan. He recognized that women and girls were among those most affected by climate change, while also being key drivers of solutions. Several other important decisions were also before the Board.

27. He encouraged participants to build on the momentum generated by the retreat, work closely together and focus on delivering practical results. He expressed his intention to cooperate with Board members, the Executive Director and the Secretariat to achieve a successful outcome at B.45.

28. Mr. Mamadzhanov thanked Mr. Holmberg and invited the Executive Director, Mafalda Duarte, to deliver her remarks.

29. The Executive Director thanked Mr. Sheralizoda, his team, and the Government and people of Tajikistan for their hospitality and for working closely with GCF in preparation for the

meeting. Recalling an earlier visit to Tajikistan, she noted her personal connection to mountain regions and expressed appreciation for the welcome extended to participants.

30. Ms. Duarte highlighted the significance of holding a Board meeting in Central Asia for the first time, in a country with which GCF had partnered for almost a decade. The first GCF project in Tajikistan had been approved nearly 10 years earlier, and the country had expressed an interest in hosting the Board for some time. Holding B.45 in Tajikistan honoured that commitment.

31. The Executive Director described the ecological diversity of Tajikistan, ranging from dry lowland deserts to glacial peaks. Its glacier network extended across the Pamir-Alay mountain ranges and was the source of approximately 60 per cent of the water resources of Central Asia. Tajikistan was also home to two of the most important river systems of Central Asia and approximately 2 per cent of the flora and fauna species of the world.

32. At the same time, Tajikistan and the wider region were on the front lines of climate change. Ms. Duarte stated that Tajikistan had already lost more than 1,000 of its approximately 14,000 glaciers. Threats to regional water systems were affecting water security, food security, disaster risk, employment, drinking water and hydropower generation. Major rivers, including the Amu Darya and Syr Darya, were shrinking, affecting irrigation, food security, jobs, drinking water and hydroelectric power.

33. The Executive Director commended the long-standing climate leadership of Tajikistan, including its climate diplomacy on glacier preservation and the leadership of President Rahmon in establishing the International Year of Glaciers' Preservation. She recalled participating in an international conference on glaciers hosted by Tajikistan during her previous visit.

34. Ms. Duarte also highlighted that Tajikistan was already powered almost entirely by clean energy and had established a target of achieving net-zero emissions by 2037. She referred to the announcement of a further goal to plant 2 billion tree seedlings nationwide by 2040 and recalled joining Mr. Sheralizoda and a group of young people in planting trees during the days preceding the meeting.

35. The Executive Director stated that it was a privilege for GCF to support Tajikistan in adapting to the climate crisis. GCF had invested approximately USD 175 million of its own resources in the country, drawing a further approximately USD 600 million from partners and other sources for activities under implementation or preparing to begin implementation.

36. She noted that reforms introduced during the preceding three years to make GCF more country-led, efficient and impactful, including the establishment of a new regional team structure, were producing results. Investments of GCF in Central Asia had more than doubled since the structure was introduced in 2024.

37. Across the region, GCF and its partners had reached more than 10 million people, provided nearly 40,000 people with access to water, supported more than 51,000 farmers in producing more resilient harvests, installed 550 megawatts of clean energy capacity and avoided more than 3 million tonnes of emissions over time.

38. In Tajikistan, the modernized Qairokkum hydropower plant had returned to full operation and had been climate-proofed for a warming future. The facility was supplying electricity to approximately half a million people in the Sughd Region.

39. Ms. Duarte also highlighted the Glaciers to Farms Regional Program, which she described as the largest single project investment in water globally. The programme was designed to build climate-resilient water and agricultural systems that would help vulnerable glacier-dependent communities adapt to accelerating glacier melt while strengthening regional cooperation. Together with other programmes, it was expected to reach almost 100 million people across Central Asia and neighbouring regions.

40. The Executive Director referred to the intensive discussions held during the preceding Board retreats on Board effectiveness and the updated Strategic Plan for 2028–2031. Those open, constructive and forward-looking exchanges had reaffirmed the shared commitment to ensuring that GCF remained fit for purpose in a rapidly evolving world and capable of delivering increasing impact for developing countries.

41. Discussions on Board effectiveness had underscored that strong governance, mutual trust and effective decision-making were necessary to respond at the speed and scale required by the climate crisis. Discussions on the updated Strategic Plan were helping to shape a common vision for building on the achievements of GCF while adapting to emerging challenges and opportunities.

42. Ms. Duarte noted that B.45 was taking place at an important moment as GCF prepared to launch its replenishment process. Beyond mobilizing resources, the replenishment provided an opportunity to demonstrate the relevance, effectiveness and ambition of GCF. In engaging contributors and partners, GCF needed to continue demonstrating that it delivered tangible results, reached the countries and communities most in need and served as a trusted platform for climate action at scale.

43. The agenda of B.45 reflected that ambition. The Board would consider how to unlock additional resources for investment in developing countries and a new package of funding proposals covering multiple regions and sectors. The package included proposed first single-country projects for the Central African Republic and the Syrian Arab Republic, as well as proposals involving two first-time direct access entities.

44. The Executive Director encouraged participants to remain focused on the broader objective of ensuring that GCF remained a country-led, efficient and impactful institution serving the climate ambitions of developing countries. She called for tangible progress during the meeting that would place GCF on the path towards a successful replenishment and again thanked Tajikistan for hosting GCF and the Board.

45. Mr. Mamadzhanov thanked the Executive Director and the other speakers for their remarks and brought the opening ceremony to a close.

Annex IV: Decisions taken between the forty-third and forty-fourth meetings of the Board

A limited distribution decision was adopted through a decision between meetings and included in the limited distribution addendum to this report.

DECISION B.BM-2026/05 on the recommendation on waiver before employment with the Secretariat

Annex V: Members and alternate members of the Board of the Green Climate Fund as at 29 June 2026

Members	Alternate members	Constituency/Regional group
Mr. Seyni NAFO (Mali) Coordinator/Ambassador Africa Adaptation Initiative, Technical Support Unit	Mr. Balisi GOPOLANG (Botswana) Climate Change Coordinator Ministry of Environment and Tourism	Developing Country Constituency/ African Group of Negotiators (AGN)
Mr. Hamid Abakar SOULEYMANE (Chad) Lead Negotiator, Chad and Climate Change and Meteorology Expert Ministry of Transports, Civil Aviation and National Meteorology, Chad	Ms. Laurel PARISH (Togo) Advisor Africa Adaptation Initiative (AAI)	
Mr. Antwi-Boasiako AMOAH (Ghana) Director, Climate Vulnerability and Adaptation Environmental Protection Agency	Ms. Soha BENCHEKROUN (Morocco) Senior Adviser on Climate Finance, African and South-South Cooperation Office of Kenya's Special Envoy for Climate Change	
Mr. Mohammad AYOUB (Kingdom of Saudi Arabia) Senior Expert, Climate Policy and Negotiations Ministry of Energy	Mr. Do Ik KIM (Republic of Korea) Director, Green Climate Policy Division Ministry of Economy and Finance	Developing Country Constituency/ Asia-Pacific Group (APG)
Mr. Danyal HASNAIN (Pakistan) Deputy Director (UN-IV) Ministry of Foreign Affairs, Pakistan	Mr. Arman KASSENOV (Kazakhstan) Vice Minister National Economy of the Republic of Kazakhstan	
Ms. Min TIAN (China (the People's Republic of)) Deputy Director of the Department of International Economic and Financial Cooperation Ministry of Finance	Mr. Massoud REZVANIAN RAHAGHI (Iran (Islamic Republic of)) Director for International Affairs of Environment Ministry of Foreign Affairs	
Ms. Vanessa Alcira MOLINA CRUZ (Nicaragua) Head of Projects Unit Ministry of Environment and Natural Resources	Ms. Rochelle NEWBOLD (Bahamas (The)) Director of Climate Change & Environmental Advisory Unit Office of the Prime Minister	Developing Country Constituency/ Group of Latin American and Caribbean Countries (GRULAC)
Ms. Maria Fernanda SOUZA (Uruguay)	Mr. Cristopher Kevin ASTURIZAGA TARIFA	

Members	Alternate members	Constituency/Regional group
Director, Climate Change Department Ministry of Environment	(Bolivia (Plurinational State of)) Technician of National Mandatory Registry Unit for Programs and/or Projects (RENAPP) Ministry of Development Planning and Environment	
Ms. Mariamalia JIMENEZ COTO (Costa Rica) Chief of Staff of the Vice-Minister for Multilateral Affairs Ministry of Foreign Affairs	Ms. María Paz GUTIÉRREZ (Chile) Head of the Sustainable Finance Office Ministry of Finance	
Ms. Isatou F. CAMARA (Gambia (Republic of The)) Director of Climate Finance Ministry of Finance and Economic Affairs	Mr. Sindhu Prasad DHUNGANA (Nepal) Joint Secretary Ministry of Forests and Environment	Developing Country Constituency/ Least Developed Countries (LDC)
Mr. Amjad ABDULLA (Maldives) Director General Climate Change Department Climate and Environment Ministry of Climate Change	Mr. Choi YEETING (Kiribati) Green Investment and Climate Finance Advisor Climate Finance Division - Ministry of Finance and Economic Development	Developing Country Constituency/ Small Island Developing States (SIDS)
Ms. Nino TANDILASHVILI (Georgia) First Deputy Minister Ministry of Environmental Protection and Agriculture	Mr. Evans NJEWA (Malawi) Former Deputy Director of Environmental Affairs Malawi Government	Developing Country Constituency/Rotating Seat - Not Included in the Regional Groups and Constituencies Stated in Paragraph 3 of the Rules of Procedure of the Board
Mr. Jose DELGADO (Austria) Senior Climate Policy Adviser/Head of Green Budgeting Ministry of Finance	Mr. Richard BONTJER (Australia) Director Climate and Environment Diplomacy Branch, Department of Foreign Affairs and Trade	Developed Country Constituency/ Austria and Australia
Ms. Gisella BERARDI (Italy) Deputy Director Ministry of Economy and Finance	Ms. Valeria ZIMEI (Italy) International Environmental Cooperation and Sustainable Finance Officer Ministry of the Environment and Energy Security	Developed Country Constituency/ Italy and Portugal
Mr. Stéphane CIENIEWSKI (France) Senior Adviser for Environment and Climate	Ms. Anne KMETY (France)	Developed Country Constituency/ France

Members	Alternate members	Constituency/Regional group
French Treasury	Deputy Head of Unit, Multilateral Development and Climate Finance French Treasury	
Mr. Andrew HURST (Canada) Executive Director, Climate Finance Division Global Affairs Canada	Mr. Jonas DE MEYER (Belgium) Senior Adviser FPS Foreign Affairs, Foreign Trade and Development Cooperation	Developed Country Constituency/ Canada, Poland, and Belgium
Mr. Kazuho TAGUCHI (Japan) Director, Climate Change Division, International Cooperation Bureau Ministry of Foreign Affairs	Mr. Satoshi IKOMA (Japan) Deputy Director, Climate Change Division Ministry of Foreign Affairs	Developed Country Constituency/ Japan
Mr. Hans Olav IBREKK (Norway) Special Envoy for Climate and Security Ministry of Foreign Affairs	Mr. Gard LINDSETH (Norway) Senior Adviser Ministry of Climate and Environment	Developed Country Constituency/ Norway, Iceland, and Czech Republic
Ms. Sandra LOUISZOON (Netherlands (Kingdom of the)) Senior Policy Adviser Ministry of Foreign Affairs	Ms. Maja Elisabeth SVANKJEER THAGAARD (Denmark) Chief Adviser Ministry of Foreign Affairs	Developed Country Constituency/ Netherlands, Denmark, and Luxembourg
Ms. Annette WINDMEISSER (Germany) Co-Head of Division Climate Finance Federal Ministry of Economic Cooperation and Development	Ms. Lena BRETAS (Germany) Senior Policy Officer Federal Ministry for Economic Cooperation and Development, Germany	Developed Country Constituency/ Germany
Ms. Alison CARLIN (New Zealand) Lead Adviser – Climate Change Ministry of Economy, Trade and Business	Ms. Gillian NAUGHTON MURPHY (Ireland) International Climate and Sustainable Finance, Senior Policy Adviser Ministry of Finance	Developed Country Constituency/ Spain, New Zealand, and Ireland
Ms. Anne MOULIN (Switzerland) Senior Adviser New Zealand Ministry of Foreign Affairs and Trade	Ms. Saana AHONEN (Finland) Senior Adviser Development Policy Unit for Climate and Environmental Diplomacy	Developed Country Constituency/ Finland, Switzerland, Hungary, Monaco, and Liechtenstein
Mr. Leif HOLMBERG (Sweden) Deputy Director, Department for Multilateral Development Banks, Sustainability and Climate Ministry of Foreign Affairs	Mr. Henrik BERGQUIST (Sweden) Deputy Director, Department for Multilateral Development Banks, Sustainability and Climate Ministry of Foreign Affairs	Developed Country Constituency/ Sweden

Members	Alternate members	Constituency/Regional group
Ms. Kobi BENTLEY (United Kingdom) Deputy Director/Head of Climate and Nature Finance Department UK Foreign, Commonwealth and Development Office	Ms. Salka SIGURDARDOTTIR (United Kingdom) Head of Climate Multilaterals Department of Net Zero and Energy Security	Developed Country Constituency/ United Kingdom