News from the Green Climate Fund (GCF)

Funding:

- As of 2 June 2017, total cumulative pledges to the GCF amounted to USD 10.13 billion.
- To date, the GCF Board has approved USD 2.2 billion in funding for 43 projects in 64 countries, leveraging USD 5 billion of co-financing. Of the approved projects, 66% address mitigation and 34% target adaptation.

Board decisions:

- At its 15th meeting in December 2016, the GCF Board decided to make available up to USD 50 million of additional funding for the Readiness Programme, including for national adaptation planning and programming support, to reflect growing readiness demand and projected needs (decision B.15/04).
- At its 17th meeting in July 2017, the Board considered lessons learnt from the initial five rounds of funding proposals, and agreed on several actions and new policies and guidelines to be developed to strengthen and scale up the Fund’s pipeline of proposals. Details will be available in the meeting’s decisions compendium.

Update of procedures:

- In mid-June, the Readiness Proposal template and the GCF Readiness Guidebook were updated to provide specific guidance to countries for adaptation planning proposals. The Guidebook now includes an indicative list of adaptation outcomes and sub-outcomes, as well as a clarification of terminology related to adaptation planning.
- Changes were also made to other sections of the Readiness Proposal Template to further simplify its application.

Information and communication:

- Readiness programme. Uptake of readiness resources for the formulation of NAPs and other adaptation planning processes continues to pick up. As of July 2017, the GCF has approved NAP requests from Liberia, Nepal and Pakistan, and has received proposals from 17 other countries which are currently being reviewed.
- Liberia received its first disbursement of USD 805,000 as part of its USD 2.2 million adaptation grant. The release of funds to Liberia represents GCF’s first transfer of adaptation resources to an LDC.
- The next deadline for the official submission of GCF Readiness proposals is 31 October 2017 for readiness activities with a target start date of 1 January 2018.
- GCF Private Sector Facility: “Pitch for the Planet”. At the end of May 2017, a global Request for Proposals (RfP) was launched through which the GCF is allocating up to USD 500 million under its Private Sector Facility, to identify high-impact projects and programmes that mobilize private sector investment in climate change activities at scale. This RfP is open to programmes designed to crowd in private sector investments that fit both within national climate change priorities and GCF’s intended strategic impacts on mitigation and adaptation. GCF’s support under this initiative can include loans, equity, guarantees and grants.
- Concept notes for this RfP can be submitted until 30 August 2017 to privatesector@gcfund.org. Detailed information is available at: http://www.greenclimate.fund/500m.
- GCF 101. Earlier this year, the GCF Secretariat has launched GCF 101, a web-based guide on how to access the Fund, structured into four chapters: (i) empowering countries; (2) getting accredited; (3) funding projects; and (4) implementing projects. The guide is updated on a regular basis to reflect changes to processes and feedback from partners and is available at the following site: www.greenclimate.fund/gcf101.
- GCF introductory presentation. The Secretariat has also developed an introductory presentation about the Fund and frequently asked questions related to readiness activities which are available in different languages.
GEF (SCCF/LDCF) update

- As at 31 May 2017, total cumulative pledges to the LDCF amounted to USD 1.22 billion, of which 96% had been paid. Available resources in the LDCF Trust Fund amounted to USD 57.8 million. Cumulative pledges to the SCCF amounted to USD 351.8 million, of which 99% had been paid. In case of both funds, the near-term demand for resources continues to exceed the funds available for new approvals.
- The 22nd LDCF/SCCF Council Meeting held on May 25 2017 underlined the role of the SCCF and the LDCF in supporting innovative adaptation projects, providing the opportunity for countries to test and refine project concepts as well as emerging adaptation technologies, techniques and practices prior to seeking large-scale finance through the GCF.
- As a result of the meeting, the GEF Secretariat was asked to prepare an options paper for the 23rd LDCF Council meeting in November 2017, presenting approaches to a more strategic and innovative use of funds in the LDCF pipeline, and a more strategic treatment of incoming project proposals. The approaches should take into account innovative activities with development banks and the private sector (e.g. in the areas of risk management and risk finance). Further, the paper should present which new and innovative mechanisms of adaptation finance can be used by the LDCF in order to support the poorest and most vulnerable countries. The GEF Secretariat will be consulting with LDCs on options in the near future.
- The 2017 Program Evaluation of the SCCF, prepared by the Independent Evaluation Office of the GEF, concluded that its niche within the global adaptation finance arena, in addition to its focus on innovative adaptation projects, remains its accessibility for non-Annex I countries being particularly important, given the lack of other adaptation-focused grant sources for non-LDCs.

Adaptation Fund (AF) update

- 2017 marks 10 years of the AF becoming operational, which will be celebrated throughout the year through a number of events and publications.
- As at 30 May 2017, total cumulative pledges to the AF amounted to USD 637 million.
- At its 29th meeting (March 2017), the Board took the following relevant decisions (further details available in document AFB/B.29/9):
  - To proceed on developing a medium-term strategy for the Fund, a draft of which will be published for public consultation purposes (decision B.29/39);
  - To include in its work plan for fiscal year 2018 a programme of work amounting to USD 30 million for the funding of regional project and programme proposals;
  - To consider providing Project Formulation Assistance (PFA) grants of up to USD 20,000 per project, for accredited national implementing entities (NIEs) (amount inclusive of the management fee, which cannot exceed 8.5 per cent of the grant amount). These grants (e.g. for costs related to technical assessments and studies) are complementary to project formulation grants meant for general project formulation costs, and will only be made available for projects submitted through accredited NIEs for projects going through the two-step project approval process. They can only be awarded when a project concept is presented and endorsed by the Board (decision B.29/28);
  - To approve the draft secretariat work schedule and the work plan for the Readiness Programme for financial year 2018. Included in the readiness work plan is a study that the programme will undertake to enhance understanding of the capacity and readiness support gaps to advance direct access. The work plan also includes an innovative readiness support package that will provide targeted and tailored capacity building support for direct access to meet specific country needs (decision B.29/36);
  - To approve the framework for the Readiness Programme which outlines updates of the Programme as it transitions into a more permanent feature of the AF and to better reflect the current global trends and capacity needs in the demand for readiness support for the programming of climate finance for adaptation (decision B.29/42).
Latest from the LEG

- The LEG, at its 31st meeting in March 2017, took note of the challenges and subsequent slow progress of LDCs in accessing funding from the GCF for the formulation of national adaptation plans (NAPs). It decided to continue its engagement with the GCF secretariat regarding this issue and to address it through the following activities:
  ⇒ Facilitating more specific sessions of the GCF targeting the LDCs for accessing funding for NAPs;
  ⇒ Continuing the development of Open NAPs, which are NAP case studies that promote learning, e.g. on how to integrate adaptation themes under the GCF into NAPs (open NAPs are currently part of the NAP training workshops but will also be made accessible online);
  ⇒ Continuing to organize a session on how to package proposed NAP activities into a proposal to the GCF as part of the regional NAP training workshops;
  ⇒ Developing, in collaboration with the GCF secretariat, a navigation guide for LDCs for accessing funding from the GCF which will be made available through NAP Central.

- The annual NAP Expo has been postponed from April 2017 to April 2018 due to the lack of available resources. The title of the Expo 2018 will be “Advancing National Adaptation Plans” and more information as well as the programme will be available [here](#).

- The LEG is in the process of developing supplementary guidelines on regional approaches to adaptation planning and implementation and to this end has considered information from GCF and GEF programming documents on how regional approaches are supported. It will expand this analysis to include other programmes that are being implemented under regional economic commissions, regional bilateral programmes and other initiatives and solicit input from regional centres and networks as well as other organizations.

Latest from the SCF

- At its 15th meeting, the Standing Committee on Finance (SCF) agreed on the following topic for the SCF Forum 2017: “Mobilizing finance for climate resilient infrastructure”. The Forum will take place from 6 to 7 September 2017. More information will be available [here](#).

- The SCF, in its summary and recommendations on the 2016 Biennial Assessment and Overview of Climate Finance Flows, recommended to the COP to, inter alia, request the SCF, in preparing future biennial assessments and overview of climate finance flows, to assess available information on investment needs and plans related to Parties’ nationally determined contributions and national adaptation plans. The COP welcomed the summary and recommendations provided by the SCF as contained in the annex to decision 8/CP.22 (decision 8/CP.22, para 3).
Negotiation highlights (COP 21, COP 22, SBI 45)

Adoption of the Paris Agreement (decision 1/CP.21, paragraph 46)

- The COP requested the Green Climate Fund to expedite support for the least developed countries and other developing country Parties for the formulation of national adaptation plans, consistent with decisions 1/CP.16 and 5/CP.17, and for the subsequent implementation of policies, projects and programmes identified by them.

Long-term climate finance (decision 7/CP.22)

- The COP recognized the importance of adaptation finance, including of public funds for adaptation, and of a greater balance between finance for mitigation and for adaptation.
- In order to achieve this balance the COP invited Parties and relevant institutions to consider the following key messages from the in-session workshop on long-term climate finance conducted in May 2016:
  
  (a) Country-driven processes for the assessment of adaptation needs in developing countries are fundamental for scaling up adaptation finance;
  
  (b) The nationally determined contributions and adaptation communications could constitute a good opportunity for supporting the scaling up of adaptation finance;
  
  (c) The role of the private sector in adaptation finance needs to be further enhanced;
  
  (d) Access to adaptation finance remains a challenge, particularly for small island developing States and the least developed countries;
  
  (e) Better information needs to be generated for more efficient planning, including through enhanced tracking of adaptation flows;
  
  (f) Strengthening national public financing management systems is vital to support countries to effectively manage, track and monitor climate finance;
  
  (g) Maximizing the effectiveness of adaptation finance is important in ensuring that limited financial resources achieve the greatest possible impact.

Guidance to the Green Climate Fund (decision 10/CP.22)

- The COP welcomed progress made by the GCF in the implementation of the readiness and preparatory support programme regarding the funding for the preparation of national adaptation plans and/or other national adaptation planning processes and acknowledged that the GCF’s modalities enable support for the preparation and implementation of the nationally determined contributions and adaptation-related elements of the Paris Agreement.
- The COP also requested the GCF Board to support country-driven strategies through simplified and efficient application and approval procedures, and through continued readiness support to developing country Parties, including the least developed countries and small island developing States.
- The COP encouraged the Board to develop modalities to enable private sector involvement in the least developed countries and small island developing States, and to seek opportunities to engage with the private sector, including local actors, on adaptation action at different levels.
- The COP invited national designated authorities and focal points to utilize the readiness and preparatory support programme, and to collaborate with accredited entities to use the project preparation facility, to prepare adaptation and mitigation proposals of increasing quality and impact potential.

Matters relating to the LDCs (SBI 45 Conclusion)

- The SBI welcomed the follow-up project under the LDCF of the NAP Global Support Program for LDCs through which all LDCs that were not supported under the first project will have the opportunity to access one-to-one support for their process to formulate and implement NAPs tailored to their specific needs and circumstances.
### Upcoming events, July - December 2017

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<td>3-6 July</td>
<td>GCF: 17th Meeting of the Board, Songdo, Republic of Korea</td>
<td><a href="http://www.greenclimate.fund/boardroom/board-meetings/documents">http://www.greenclimate.fund/boardroom/board-meetings/documents</a></td>
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<td>7-10 August</td>
<td>UNFCCC: 32nd Meeting of the LEG, Haiti</td>
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<td>6-7 September</td>
<td>UNFCCC: Standing Committee on Finance Forum 2017 (“Mobilizing finance for climate resilient infrastructure”)</td>
<td>&lt;unfccc.int/7552&gt;</td>
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<td>18-21 September</td>
<td>UNFCCC: 16th Meeting of the Standing Committee on Finance, Bonn, Germany</td>
<td><a href="http://unfccc.int/6877.php">http://unfccc.int/6877.php</a></td>
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<td>19-22 September</td>
<td>UNFCCC: 12th Meeting of the Adaptation Committee, Bonn, Germany</td>
<td>&lt;unfccc.int/6053&gt;</td>
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<td>30 September - 2 October</td>
<td>GCF: 18th Meeting of the Board, Egypt</td>
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<td>10-13 October</td>
<td>Adaptation Fund: 30th Board Meeting, Bonn, Germany</td>
<td><a href="https://www.adaptation-fund.org/news-and-events/events-calendar/">https://www.adaptation-fund.org/news-and-events/events-calendar/</a></td>
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<td>19 October</td>
<td>Adaptation Fund: Readiness Webinar #5</td>
<td><a href="https://www.adaptation-fund.org/news-and-events/events-calendar/">https://www.adaptation-fund.org/news-and-events/events-calendar/</a></td>
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<td>6-17 November</td>
<td>UNFCCC: COP 23, Bonn, Germany</td>
<td>&lt;unfccc.int/10084&gt;</td>
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<td>14 November</td>
<td>Adaptation Fund: 10th anniversary event</td>
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<td>28-30 November</td>
<td>GEF: 53rd Council Meeting</td>
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<td>30 November</td>
<td>23rd LDCF/SCCF Council Meeting</td>
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