

Conference of the Parties
Eighteenth session
Doha, 26 November to 7 December 2012

Agenda item 11(c)

Matters relating to finance

**Report of the Green Climate Fund to the Conference of the Parties
and guidance to the Green Climate Fund**

Submission from the Philippines

1. On 30 November 2012, the secretariat received a submission from a Party. The secretariat was requested to issue a conference room paper containing this submission.
2. This submission is attached and reproduced* in the language in which it was received and without formal editing.¹

* This submission has been electronically imported in order to make it available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the text as submitted.

¹ Also available at <http://unfccc.int/documentation/submissions_from_parties/items/5916.php>.

Submission from the Philippines

The Conference of the Parties,

Recalling Article 11 of the Convention providing, *inter alia*, that the financial mechanism of the Convention shall function under the guidance of and be accountable to the Conference of the Parties, which shall decide on its policies, programme priorities and eligibility criteria related to this Convention,

Recalling also its decision 1/CP.16 establishing the Green Climate Fund as an operating entity of the financial mechanism of the Convention under Article 11,

Recalling further its decision 3/CP.17 containing elements for the operationalization of the Green Climate Fund and deciding to provide guidance to the Board of the Green Climate Fund, including on matters related to policies, programme priorities and eligibility criteria and matters related thereto, taking into account the Board's annual reports to the Conference of the Parties on its activities,

Taking into account previous guidance to the operating entity or entities of the financial mechanism including the initial guidance to operating entities of the financial mechanism in decision 11/CP.1 and in subsequent decisions of the Conference of the Parties,

1. Takes note with appreciation of the first report of the GCF Board (FCCC/CP/2012/#), submitted in accordance with paragraphs 6(c) and 18(m) of the GCF Governing Instrument, approved by the seventeenth session of the Conference of the Parties;
2. Decides to endorse the selection of Songdo, Republic of Korea as the host of the Green Climate Fund;
3. Requests, pursuant to decision 3/CP.17, paragraph 14, the Board and the Government of the Republic of Korea to develop, in accordance with paragraphs 7 and 8 of the Governing Instrument, the legal and administrative arrangements for hosting the Fund and to ensure that juridical personality and legal capacity are conferred to the Fund, and privileges and immunities as are necessary are granted to the Fund and its officials in an expedited manner;
4. Further requests the Board to accelerate the operationalization of the Fund and report to the nineteenth session of the Conference of the Parties on progress made in respect of:
 - a. Establishment of the independent secretariat in the host country, and hiring of its Executive Director, in accordance with paragraph 15 of decision 3/CP.17 and paragraph 19 of the Governing Instrument;
 - b. Development of a transparent no-objection procedure to be conducted through national designated authorities, in accordance with paragraph 7 of decision 3/CP.17;
 - c. Establishment of the necessary policies and procedures for an early and adequate replenishment of the Fund in accordance with paragraph 9 of decision 3/CP.17;
 - d. the status of financial contributions for the start-up of the Green Climate Fund, including administrative costs of the Board and its interim secretariat in accordance with paragraph 9 of decision 3/CP.17 and paragraphs 29 and 30 of the Governing Instrument;
 - e. Initiation of a process to collaborate with the Adaptation Committee and the Technology Executive Committee, as well as other relevant thematic bodies under the Convention, and to define linkages between the Fund and these bodies, as appropriate, in accordance with paragraph 17 of decision 3/CP.17;
 - f. Selection of the trustee of the Green Climate Fund through an open, transparent and competitive bidding process in a timely manner to ensure that there is no discontinuity in trustee services, in accordance with paragraph 16 of decision 3/CP.17;

g. Development by the Board and the host country of the Green Climate Fund, in accordance with paragraph 11 of decision 3/CP.17 and paragraphs 7 and 8 of the Governing Instrument, of the legal and administrative arrangements for hosting the Fund, and to ensure that juridical personality and legal capacity are conferred to the Fund, and privileges and immunities as are necessary are granted to the Fund and its officials in an expeditious manner; and

h. Setting-up of the thematic funding windows on mitigation and adaptation in accordance with paragraph 37 of the Governing Instrument;

5. Urges developed country parties to contribute to the full operationalization of the Fund, in accordance with Article 11 of the Convention;

6. *Agrees* to provide the following additional guidance to the Board of the Green Climate Fund as an operating entity of the financial mechanism under Article 11 of the Convention:

a) In relation to policies, programme priorities and eligibility criteria that:

(i) The Green Climate Fund shall take full account of arrangements agreed with the Conference of the Parties, which, *inter alia*, shall include determination in a predictable and identifiable manner of the amount of funding necessary and available for the implementation of the Convention, as provided for in Article 11.3(d) of the Convention;

(ii) In mobilizing funds, the Green Climate Fund should provide all relevant information to developed country Parties and other Parties included in Annex II to the Convention, to assist them to take into full account the need for adequacy and predictability in the flow of funds;

(iii) Priority should be given to the funding of agreed full costs (or agreed full incremental costs, as appropriate) incurred by developing country Parties in complying with their obligations under Article 12.1 and other relevant commitments under the Convention;

(iv) The application of the concept of agreed full incremental costs should be flexible and guidelines in this regard will be developed by the Conference of the Parties on the basis of experience under the financial mechanism;

b. Regarding eligibility of activities:

(i) Those activities related to obligations under Article 12.1 to communicate information for which the "agreed full costs" are to be met are eligible for funding;

(ii) Measures covered by Article 4.1 are eligible for funding through the financial mechanism in accordance with Article 4.3. Such measures should be agreed between the developing country Party and the international entity or entities referred to in Article 11.1, in accordance with Article 4.3;

(iii) In addition to the above, such measures would be eligible for financial support under Article 11.5; and

c. Regarding eligibility criteria : that all developing country Parties to the Convention are eligible for funding to the Green Climate Fund

7. Further requests the Board to include in its report to the nineteenth session of the Conference of the Parties on how it has implemented this decision.