

## **Invitation to submit views on work stream I: Scope, guiding principles, and cross-cutting issues**

### **Suggested questions for the first technical workshop of the Transitional Committee on issues related to work stream I**

Decision 1/CP.16 provides overarching guiding principles for the long-term finance under the Convention, including for the GCF<sup>1</sup>. 1/CP.16 also states that the GCF will “manage large scale of financial resources from a number of sources”<sup>2</sup>. In addition, on scope, the Cancun Agreements provide that the GCF should channel a significant share of new multilateral funding for adaptation,<sup>3</sup> as well as have multiple thematic funding windows.<sup>4</sup> There are other relevant articles from the Convention, in particular Article 11, that guide this work stream.

Work under this stream will include, *inter alia*:

#### **Objectives and principles:**

##### **Suggested questions/issues**

1. How should/could this Fund be different from existing climate funds?
2. Some broad objectives and guiding principles of the GCF have been agreed in the decision 1/CP.16, Cancun Agreements (see annex below) How can these be further developed, enhanced and operationalized?

#### **Thematic scope:**

##### **Suggested questions/issues:**

3. How many and what thematic funding windows should be adopted? What activities should be covered by each thematic window?
4. Should the number of thematic windows be determined by the founding size and design of the fund or should more be added by the Board as the Fund’s capital grows in size or/and new needs are identified?
5. The Cancun Agreements refer to “balance” between mitigation and adaptation. How do we define and achieve “balanced allocation” between adaptation and mitigation?

#### **Size and scalability;**

##### **Suggested questions/issues**

6. What is the foreseen size of the GCF compared to other existing funds?

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<sup>1</sup> 1/CP.16, Paragraph 97

<sup>2</sup> 1/CP.16, Annex 3, Para 1(c) and 1/CP.16 Paragraph 99

<sup>3</sup> 1/CP.16, Paragraph 100

<sup>4</sup> 1/CP.16 Paragraph 102

7. What is meant by “large scale” in terms of the expected volume of the GCF, and should a minimum and maximum volume be considered?
8. Should the GCF design be scalable over time, or should the GCF design immediately match the volume goal?

**Country-led and results-based approaches;**

**Suggested questions/issues**

9. How could the GCF encourage the application of the country led principle?
10. What is needed to ensuring the country led principle alongside the application of environmental and social safeguards as well as internationally accepted fiduciary standards and sound financial management?
11. How could the GCF encourage results based approaches among different thematic areas? What are the options for implementing result based approaches? Is there a need for taking different approaches for each thematic area?

**Complementarity and value added;**

**Suggested questions/issues**

12. What should be the value-added of the design and operations of the green Fund?
13. What role should the GCF play among climate finance entities?
14. How will the GCF ensure complementarity between the Fund’s activities and those of other bilateral, regional and multilateral funding mechanisms and institutions?

**Annex. Table on purpose, principles and scope**

	<b>The Green Climate Fund</b>
<b>Purpose</b>	<i>Para 102 of the decision 1/CP.16</i> “an operating entity of the financial mechanism of the Convention under Article 11” ... “it is accountable to and functions under the guidance of the Conference of the Parties”
<b>Principles</b>	<p><i>Para 100 of the decision 1/CP.16</i> “Decides that a significant share of new multilateral funding for adaptation should flow through the Green Climate Fund”</p> <p>1c) Appendix III “manage the large scale of financial resources from a number of sources and deliver through a variety of financial instruments, funding windows and access modalities, including direct access, with the objective of achieving a balanced allocation between adaptation and mitigation”</p> <p>1e) Appendix III “complementarity between the Fund’s activities and those of other bilateral, regional and multilateral funding mechanisms and institutions”</p> <p>1g) Appendix III “periodic independent evaluation of the Fund’s performance”</p> <p>1h) Appendix III “financial accountability and evaluation of the performance of activities supported by the Fund, in order to ensure the application of environmental and social safeguards as well as internationally accepted fiduciary standards and sound financial management to the Fund’s activities”</p> <p>1 i) Appendix III “appropriate expert and technical advice, including from relevant thematic bodies established under the Convention”</p> <p>1 j) Appendix III “stakeholder input and participation”</p>
<b>Objectives/Scope</b>	<p><i>Para 102 of decision 1/CP.16</i> “to support projects, programmes, policies and other activities in developing country Parties using thematic funding windows”</p> <p>1c) Appendix III “balanced allocation between adaptation and mitigation”</p>