

Compendium of past guidance provided to the Green Climate Fund
COP 16 to COP 20¹

Decision 1/CP.16

The Cancun Agreements: Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention

100. *Decides* that a significant share of new multilateral funding for adaptation should flow through the Green Climate Fund, referred to in paragraph 102 below;

102. *Decides* to establish a Green Climate Fund, to be designated as an operating entity of the financial mechanism of the Convention under Article 11, with arrangements to be concluded between the Conference of the Parties and the Green Climate Fund to ensure that it is accountable to and functions under the guidance of the Conference of the Parties, to support projects, programmes, policies and other activities in developing country Parties using thematic funding windows;

103. *Also decides* that the Fund shall be governed by a Board of 24 members, comprising an equal number of members from developing and developed country Parties; representation from developing country Parties shall include representatives of relevant United Nations regional groupings and representatives of small island developing States and the least developed countries; each Board member shall have an alternate member; with alternate members entitled to participate in the meetings of the board only through the principal member, without the right to vote, unless they are serving as the member; during the absence of the member from all or part of a meeting of the Board, his or her alternate shall serve as the member;

104. *Further decides* that the Green Climate Fund shall have a trustee; the trustee for the Green Climate Fund shall have the administrative competence to manage the financial assets of the Green Climate Fund, maintain appropriate financial records and prepare financial statements and other reports required by the Board of the Green Climate Fund, in accordance with internationally accepted fiduciary standards;

105. *Decides* that the trustee shall administer the assets of the Green Climate Fund only for the purpose of, and in accordance with, the relevant decisions of the Green Climate Fund Board; the trustee shall hold the assets of the Green Climate Fund separate and apart from the assets of the trustee, but may commingle them for administrative and investment purposes with other assets maintained by the trustee; and the trustee shall establish and maintain separate records and accounts to identify the assets of the Green Climate Fund;

106. *Decides* that the trustee shall be accountable to the Green Climate Fund Board for the performance of its fiduciary responsibilities;

107. *Invites* the World Bank to serve as the interim trustee for the Green Climate Fund, subject to a review three years after operationalization of the Fund;

108. *Decides* that the operation of the Fund shall be supported by an independent secretariat;

109. *Also decides* that the Green Climate Fund shall be designed by a Transitional Committee in accordance with the terms of reference contained in appendix III to this decision; the Transitional Committee shall have 40 members, with 15 members from developed country Parties and 25 members from developing country Parties as follows:

- (a) Seven members from Africa;
- (b) Seven members from Asia;
- (c) Seven members from Group of Latin America and the Caribbean;
- (d) Two members from small island developing States;
- (e) Two members from the least developed countries;

¹ This document contains a compendium of past guidance provided by Conference of the Parties (COP), the Subsidiary Bodies (SBs) and the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) to the Green Climate Fund (GCF), starting from COP 16 up until COP 20. Decisions directly related to the GCF are reflected in full, whereas for decisions not directly related to the GCF, only the relevant information has been extracted. All decisions can be retrieved at: < <http://unfccc.int/3597.php>>.

Decision 2/CP.17

Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention

48. *Further invites* developed country Parties, the entity or entities entrusted with the operation of the financial mechanism, including the Global Environment Facility and the Green Climate Fund, multilateral, bilateral and other public donors, and private and non-governmental organizations that are in position to do so, to submit to the secretariat, as appropriate, the following information on financial, technology and capacity-building support available and/or provided for the preparation and/or implementation of nationally appropriate mitigation actions:

- (a) Whether the support available is for the preparation and/or implementation of nationally appropriate mitigation actions;
- (b) The source of the support, including, where applicable, the name of the developed country Parties in question and the executing entity channelling the support, including contact information;
- (c) The amount and type of support available, and whether it is financial (e.g. grant or facilitated loan), technology and/or capacity-building support;
- (d) The status of delivery;
- (e) The types of action that may be supported and the process for the provision of support;

49. *Invites* Parties and entities referred to in paragraphs 46 and 48 above to provide the secretariat, subsequent to the matching of action with support, information on both internationally supported mitigation actions and associated support;

Decision 3/CP.17
Launching the Green Climate Fund

The Conference of the Parties,

Recalling decision 1/CP.16,

1. *Welcomes* the report of the Transitional Committee (FCCC/CP/2011/6 and Add.1), taking note with appreciation of the work of the Transitional Committee in responding to its mandate given in decision 1/CP.16, paragraph 109;
2. *Approves* the governing instrument for the Green Climate Fund annexed to this decision;
3. *Decides* to designate the Green Climate Fund as an operating entity of the financial mechanism of the Convention, in accordance with Article 11 of the Convention, with arrangements to be concluded between the Conference of the Parties and the Fund at the eighteenth session of the Conference of the Parties to ensure that it is accountable to and functions under the guidance of the Conference of the Parties to support projects, programmes, policies and other activities in developing country Parties;
4. *Notes* that the Green Climate Fund will be guided by the principles and provisions of the Convention;
5. *Decides* 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;
6. *Requests* the Board to operationalize the Fund in an expedited manner;
7. *Also requests* the Board to develop a transparent no-objection procedure to be conducted through national designated authorities referred to in paragraph 46 of the governing instrument annexed to this decision, in order to ensure consistency with national climate strategies and plans and a country driven approach and to provide for effective direct and indirect public and private sector financing by the Green Climate Fund. Further requests the Board to determine this procedure prior to approval of funding proposals by the Fund;
8. *Requests* the Board to balance the allocation of the Green Climate Fund resources between adaptation and mitigation activities;
9. *Stresses* the need to secure funding for the Green Climate Fund, taking into account paragraphs 29 and 30 of the governing instrument, to facilitate its expeditious operationalization, and requests the Board to establish the necessary policies and procedures, which will enable an early and adequate replenishment process;
10. *Invites* Parties, through their regional groupings and constituencies, to submit their nominations for the members of the Board to the interim secretariat by 31 March 2012, in accordance with paragraph 11 of the governing instrument for the Green Climate Fund, with the 12 seats for developing country Parties to be distributed as follows:
 - (a) Three members and alternate members from the Asia-Pacific States;
 - (b) Three members and alternate members from the African States;
 - (c) Three members and alternate members from the Latin American and the Caribbean States;
 - (d) One member and alternate member from small island developing States;
 - (e) One member and alternate member from least developed country Parties;
 - (f) One member from developing country Parties not included in the regional groups and constituencies above and one alternate member to rotate between developing country Parties included in the groups and constituencies listed above;
11. *Decides* that the Green Climate Fund be conferred juridical personality and legal capacity and shall enjoy such privileges and immunities related to the discharge and fulfilment of its functions, in accordance with paragraphs 7 and 8 of the governing instrument;
12. *Invites* Parties, in line with the objectives set forth in paragraph 12 above, to submit to the Board expressions of interest for hosting the Green Climate Fund by 15 April 2012, based on the following criteria:
 - (a) The ability to confer and/or recognize juridical personality and legal capacity to the Fund for the protection of its interests and the exercise of its functions, to give effect to paragraphs 7 and 8 of the

governing instrument, including but not limited to the ability to contract, acquire and dispose of immovable and movable property, and to institute legal proceedings;

(b) The ability to provide privileges and immunities to the Fund as are necessary for the fulfilment of its purposes, and to the officials of the Fund as are necessary for the independent exercise of their official functions in connection with the Fund;

(c) Financial arrangements, administrative and logistical support to the Fund;

(d) Any other information that the host country wishes to provide;

13. *Requests* the Board, following the receipt of expressions of interest, to conduct an open and transparent process for the selection of the host country, and to decide on a host country for endorsement by the Conference of the Parties at its eighteenth session, in accordance with paragraph 22 of the governing instrument;

14. *Also requests* the Board and the host country of the Green Climate Fund 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 expeditious manner;

15. *Further requests* the Board to establish the independent secretariat of the Green Climate Fund in the host country in an expedited manner as soon as possible, in accordance with paragraph 19 of the governing instrument;

16. *Invites* the Board to select 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;

17. *Requests* the Board to initiate a process to collaborate with the Adaptation Committee and the Technology Executive Committee, as well as other relevant thematic bodies under the Convention, to define linkages between the Fund and these bodies, as appropriate;

18. *Recognizes* the need to facilitate the immediate functioning of the Green Climate Fund and ensure its independence, requests the UNFCCC secretariat jointly with the Global Environment Facility secretariat to take the necessary administrative steps to set up the interim secretariat of the Green Climate Fund as an autonomous unit within the UNFCCC secretariat premises without undue delay after the seventeenth session of the Conference of the Parties so that the interim secretariat can provide technical, administrative and logistical support to the Board until the independent secretariat of the Green Climate Fund is established;

19. *Decides* that the interim arrangements should terminate no later than the nineteenth session of the Conference of the Parties;

20. *Also decides* that the interim secretariat shall be fully accountable to the Board and shall function under its guidance and authority, and that its head shall report to the Board;

21. *Urges* the Board to move promptly to appoint the head of the interim secretariat;

22. *Decides* that the criteria for the selection of the head of the interim secretariat shall include, inter alia, expertise in the design or management of funds, relevant administrative and management experience, experience in or working with developing countries, and policy expertise;

23. *Requests* the interim secretariat to make arrangements for convening the first Board meeting by 30 April 2012;

24. *Welcomes* the offers made by Switzerland and the Republic of Korea to host the first and second meetings of the Board respectively, and invites Parties to host subsequent meetings;

25. *Invites* Parties to make financial contributions for the start-up of the Green Climate Fund, including administrative costs of the Board and its interim secretariat;

26. *Welcomes* the generous offers of the Republic of Korea, Germany and Denmark to contribute to the start-up cost of the Green Climate Fund.

Annex

Governing instrument for the Green Climate Fund

The Green Climate Fund (hereinafter the “Fund”) is hereby established and will operate in accordance with the following provisions:

I. Objectives and guiding principles

1. Given the urgency and seriousness of climate change, the purpose of the Fund is to make a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change.
2. The Fund will contribute to the achievement of the ultimate objective of the United Nations Framework Convention on Climate Change (UNFCCC). In the context of sustainable development, the Fund will promote the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change, taking into account the needs of those developing countries particularly vulnerable to the adverse effects of climate change.
3. The Fund will be guided by the principles and provisions of the Convention. The Fund will operate in a transparent and accountable manner guided by efficiency and effectiveness. The Fund will play a key role in channelling new, additional, adequate and predictable financial resources to developing countries and will catalyse climate finance, both public and private, and at the international and national levels. The Fund will pursue a country-driven approach and promote and strengthen engagement at the country level through effective involvement of relevant institutions and stakeholders. The Fund will be scalable and flexible and will be a continuously learning institution guided by processes for monitoring and evaluation. The Fund will strive to maximize the impact of its funding for adaptation and mitigation, and seek a balance between the two, while promoting environmental, social, economic and development co-benefits and taking a gender-sensitive approach.

II. Governance and institutional arrangements

A. Relationship to the Conference of the Parties

4. The Fund will be designated as an operating entity of the financial mechanism under Article 11 of the Convention and will be accountable to and function under the guidance of the Conference of the Parties (COP).
5. The Fund will be governed and supervised by a Board that will have full responsibility for funding decisions.
6. Arrangements will be concluded between the COP and the Fund, consistent with Article 11 of the Convention, to ensure that the Fund is accountable to and functions under the guidance of the COP. In order to ensure accountability to the COP, pursuant to Article 11, paragraph 3, the Board will:
 - (a) Receive guidance from the COP, including on matters related to policies, programme priorities and eligibility criteria, and matters related thereto;
 - (b) Take appropriate action in response to the guidance received;
 - (c) Submit annual reports to the COP for its consideration and receive further guidance.

B. Legal status

7. In order to operate effectively internationally, the Fund will possess juridical personality and will have such legal capacity as is necessary for the exercise of its functions and the protection of its interests.
8. The Fund will enjoy such privileges and immunities as are necessary for the fulfilment of its purposes. The officials of the Fund will similarly enjoy such privileges and immunities as are necessary for the independent exercise of their official functions in connection with the Fund.

C. Rules of procedure of the Board

1. Composition

9. The Board will have 24 members, composed of an equal number of members from developing and developed country Parties. Representation from developing country Parties will include representatives of relevant United Nations regional groupings and representatives from small island developing States (SIDS) and least developed countries (LDCs).

10. Each Board member will have an alternate member, with alternate members entitled to participate in the meetings of the Board only through the principal member, without the right to vote, unless they are serving as the member. During the absence of the member from all or part of a meeting of the Board, his or her alternate will serve as the member.

2. Selection of Board members

11. The members of the Board and their alternates will be selected by their respective constituency or regional group within a constituency. Members of the Board will have the necessary experience and skills, notably in the areas of climate change and development finance, with due consideration given to gender balance.

3. Term of membership

12. Members and alternate members will serve for a term of three years and be eligible to serve additional terms as determined by their constituency.

4. Chairmanship

13. Two co-chairs of the Board will be elected by the Board members from within their membership to serve for a period of one year, with one being a member from a developed country Party and the other being a member from a developing country Party.

5. Decision-making

14. Decisions of the Board will be taken by consensus of the Board members. The Board will develop procedures for adopting decisions in the event that all efforts at reaching consensus have been exhausted.

6. Quorum

15. A two-thirds majority of Board members must be present at a meeting to constitute a quorum.

7. Observers

16. The Board will make arrangements, including developing and operating accreditation processes, to allow for effective participation by accredited observers in its meetings. The Board will invite, to participate as active observers: two civil society representatives, one each from developing and developed countries, and two private sector representatives, one each from developing and developed countries.

8. Additional rules of procedure

17. Additional rules of procedures will be developed by the Board.

D. Role and functions of the Board

18. The Board of the Fund will:

- (a) Oversee the operation of all relevant components of the Fund;
- (b) Approve operational modalities, access modalities and funding structures;
- (c) Approve specific operational policies and guidelines, including for programming, project cycle, administration, and financial management;
- (d) Approve funding in line with the Fund's principles, criteria, modalities, policies and programmes;
- (e) Develop environmental and social safeguards and fiduciary principles and standards that are internationally accepted;
- (f) Develop criteria and application processes for the accreditation of implementing entities of the Fund and accredit implementing entities and withdraw such accreditation;
- (g) Establish subcommittees and panels and define their terms of reference, as appropriate;
- (h) Establish additional thematic windows and/or substructures to address specific activities, as appropriate;

- (i) Establish a framework for the monitoring and evaluation of performance and the financial accountability of activities supported by the Fund and any necessary external audits;
- (j) Review and approve the administrative budget of the Fund and arrange for performance reviews and audits;
- (k) Appoint the Executive Director of the secretariat;
- (l) Appoint the head of the evaluation unit and the heads of all accountability units;
- (m) Receive guidance and take action in response to any guidance from the COP and prepare annual reports to the COP on its activities;
- (n) Develop working and coordination arrangements with other relevant bodies under the Convention and other relevant international institutions;
- (o) Select, appoint and enter into legal and administrative arrangements with the trustee;
- (p) Exercise such other functions as may be appropriate to fulfil the objectives of the Fund.

E. Secretariat

1. Establishment of the secretariat

19. The Fund will establish a secretariat, which will be fully independent. The secretariat will service and be accountable to the Board. It will have effective management capabilities to execute the day-to-day operations of the Fund.

20. The secretariat will be headed by an Executive Director with the necessary experiences and skills, who will be appointed by and be accountable to the Board. The Board will approve the job description and qualifications for the Executive Director. The Executive Director will be selected through a merit-based, open and transparent process.

21. The secretariat will be staffed with professional staff with relevant experience. The staff selection will be managed by the Executive Director and will be open, transparent and based on merit, taking into account geographical and gender balance.

22. The selection of the host country of the Fund will be an open and transparent process. The selection of the host country will be endorsed by the COP.

2. Functions

23. The secretariat will be responsible for the day-to-day operations of the Fund, providing administrative, legal and financial expertise. In particular, the secretariat will:

- (a) Organize and execute all administrative duties;
- (b) Report information on the Fund's activities;
- (c) Liaise with members, implementing entities, and cooperating bilateral and multilateral institutions and agencies;
- (d) Prepare performance reports on the implementation of activities under the Fund;
- (e) Develop the work programme and annual administrative budget of the secretariat and trustee and submit them for approval by the Board;
- (f) Operationalize the project and programme cycle processes;
- (g) Prepare financial agreements related to the specific financing instrument to be concluded with an implementing entity;
- (h) Monitor the financial risks of the outstanding portfolio;
- (i) Work with the trustee to support the Board to enable it to carry out its responsibilities;
- (j) Carry out monitoring and evaluation functions;
- (k) Support the Board in arranging replenishment processes;
- (l) Establish and run effective knowledge management practices;
- (m) Perform any other functions assigned by the Board.

F. Trustee

24. The Fund will have a trustee with administrative competence to manage the financial assets of the Fund. The trustee will maintain appropriate financial records and will prepare financial statements and other reports required by the Board, in accordance with internationally accepted fiduciary standards.

25. The trustee will administer the assets of the Fund only for the purpose of, and in accordance with, the relevant decisions of the Board. The trustee will hold the assets of the Fund separate and apart from the assets of the trustee, but may commingle them for administrative and investment purposes with other assets maintained by the trustee. The trustee will establish and maintain separate records and accounts in order to identify the assets of the Fund.

26. The World Bank will serve as interim trustee for the Fund, subject to a review three years after the operationalization of the Fund.

27. The trustee will be accountable to the Board for the performance of its responsibilities as trustee for the Fund.

III. Administrative costs

28. The Fund will finance the operating costs of the Board, secretariat and trustee.

IV. Financial inputs

29. The Fund will receive financial inputs from developed country Parties to the Convention.

30. The Fund may also receive financial inputs from a variety of other sources, public and private, including alternative sources.

V. Operational modalities

31. The Fund will provide simplified and improved access to funding, including direct access, basing its activities on a country-driven approach and will encourage the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects.

32. The Board will steer the Fund's operations so that they evolve with the Fund's scale and maturity and will exercise flexibility to allow the Fund to evolve over time and become the main global fund for climate change finance.

A. Complementarity and coherence

33. The Fund shall operate in the context of appropriate arrangements between itself and other existing funds under the Convention, and between itself and other funds, entities, and channels of climate change financing outside the Fund.

34. The Board will develop methods to enhance complementarity between the activities of the Fund and the activities of other relevant bilateral, regional and global funding mechanisms and institutions, to better mobilize the full range of financial and technical capacities. The Fund will promote coherence in programming at the national level through appropriate mechanisms. The Fund will also initiate discussions on coherence in climate finance delivery with other relevant multilateral entities.

B. Eligibility

35. All developing country Parties to the Convention are eligible to receive resources from the Fund. The Fund will finance agreed full and agreed incremental costs for activities to enable and support enhanced action on adaptation, mitigation (including REDD-plus),² technology development and transfer (including carbon capture and storage), capacity-building and the preparation of national reports by developing countries.

36. The Fund will support developing countries in pursuing project-based and programmatic approaches in accordance with climate change strategies and plans, such as low-emission development strategies or plans, nationally appropriate mitigation actions (NAMAs), national adaptation plans of action (NAPAs), national adaptation plans (NAPs) and other related activities.

C. Funding windows and fund structure

37. The Fund will have thematic funding windows. Initially, the Fund will have windows for adaptation and mitigation. An integrated approach to funding mitigation and adaptation will be used to allow for cross-cutting projects and programmes.

38. The Board shall also ensure adequate resources for capacity-building and technology development and transfer. The Fund will also provide resources for innovative and replicable approaches.

39. The Board will consider the need for additional windows. The Board will have the authority to add, modify and remove additional windows and substructures or facilities as appropriate.

² Reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

1. Readiness and preparatory support

40. The Fund will provide resources for readiness and preparatory activities and technical assistance, such as the preparation or strengthening of low-emission development strategies or plans, NAMAs, NAPs, NAPAs and for in-country institutional strengthening, including the strengthening of capacities for country coordination and to meet fiduciary principles and standards and environmental and social safeguards, in order to enable countries to directly access the Fund.

2. Private sector

41. The Fund will have a private sector facility that enables it to directly and indirectly finance private sector mitigation and adaptation activities at the national, regional and international levels.

42. The operation of the facility will be consistent with a country-driven approach.

43. The facility will promote the participation of private sector actors in developing countries, in particular local actors, including small- and medium-sized enterprises and local financial intermediaries. The facility will also support activities to enable private sector involvement in SIDS and LDCs.

44. The Board will develop the necessary arrangements, including access modalities, to operationalize the facility.

D. Access modalities and accreditation

45. Access to Fund resources will be through national, regional and international implementing entities accredited by the Board. Recipient countries will determine the mode of access and both modalities can be used simultaneously.

46. Recipient countries may designate a national authority. This national designated authority will recommend to the Board funding proposals in the context of national climate strategies and plans, including through consultation processes. The national designated authorities will be consulted on other funding proposals for consideration prior to submission to the Fund, to ensure consistency with national climate strategies and plans.

1. Direct access

47. Recipient countries will nominate competent subnational, national and regional implementing entities for accreditation to receive funding. The Board will consider additional modalities that further enhance direct access, including through funding entities with a view to enhancing country ownership of projects and programmes.

2. International access

48. Recipient countries will also be able to access the Fund through accredited international entities, including United Nations agencies, multilateral development banks, international financial institutions and regional institutions.

3. Accreditation

49. The Board will develop, manage and oversee an accreditation process for all implementing entities based on specific accreditation criteria that reflect the Fund's fiduciary principles and standards and environmental and social safeguards.

E. Allocation

50. The Board will balance the allocation of resources between adaptation and mitigation activities under the Fund and ensure appropriate allocation of resources for other activities.

51. A results-based approach will be an important criterion for allocating resources.

52. In allocating resources for adaptation, the Board will take into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change, including LDCs, SIDS and African States, using minimum allocation floors for these countries as appropriate. The Board will aim for appropriate geographical balance.

F. Programming and approval processes

53. The Fund will have a streamlined programming and approval process to enable timely disbursement. The Board will develop simplified processes for the approval of proposals for certain activities, in particular small-scale activities.

VI. Financial instruments

54. The Fund will provide financing in the form of grants and concessional lending, and through other modalities, instruments or facilities as may be approved by the Board. Financing will be tailored to cover the identifiable additional costs of the investment necessary to make the project viable. The Fund will seek to catalyze additional public and private finance through its activities at the national and international levels.

55. The Fund may employ results-based financing approaches, including, in particular for incentivizing mitigation actions, payment for verified results, where appropriate.

56. Financial management practices and financing agreements will be in keeping with the Fund's fiduciary principles and standards and environmental and social safeguards to be adopted by the Board. The Board will develop an appropriate risk management policy for funding and financial instruments.

VII. Monitoring

57. The programmes and projects, as well as other activities, funded by the Fund will be regularly monitored for impact, efficiency and effectiveness in line with rules and procedures established by the Board. The use of participatory monitoring involving stakeholders will be encouraged.

58. A results measurement framework with guidelines and appropriate performance indicators will be approved by the Board. Performance against these indicators will be reviewed periodically in order to support the continuous improvement of the Fund's impact, effectiveness and operational performance.

VIII. Evaluation

59. There will be periodic independent evaluations of the performance of the Fund in order to provide an objective assessment of the results of the Fund, including its funded activities and its effectiveness and efficiency. The purpose of these independent evaluations is to inform decision-making by the Board and to identify and disseminate lessons learned. The results of the periodic evaluations will be published.

60. To this end, the Board will establish an operationally independent evaluation unit as part of the core structure of the Fund. The head of the unit will be selected by, and will report to, the Board. The frequency and types of evaluation to be conducted will be specified by the unit in agreement with the Board.

61. Reports of the Fund's independent evaluation unit will be provided to the COP for purposes of periodic reviews of the financial mechanism of the Convention.

62. The COP may commission an independent assessment of the overall performance of the Fund, including Board performance.

IX. Fiduciary standards

63. The Board will agree on, adopt, and ensure the application of best practice fiduciary principles and standards to the Fund's entities, the trustee's function related to the Fund, and to all operations, projects and programmes financed by the Fund, including the implementing entities.

64. The Fund will support the strengthening of capacities in recipient countries, where needed, to be able to meet the Fund's fiduciary principles and standards, based on modalities that will be established by the Board.

X. Environmental and social safeguards

65. The Board will agree on and adopt best practice environmental and social safeguards, which shall be applied to all programmes and projects financed using the resources of the Fund.

66. The Fund will support the strengthening of capacities in recipient countries, where needed, to enable them to meet the Fund's environmental and social safeguards, based on modalities that shall be developed by the Board.

XI. Accountability mechanisms

67. The Fund's operations will be subject to an information disclosure policy that will be developed by the Board.

68. The Board will establish an independent integrity unit, to work with the secretariat and report to the Board, to investigate allegations of fraud and corruption in coordination with relevant counterpart authorities.

69. The Board will establish an independent redress mechanism that will report to the Board. The mechanism will receive complaints related to the operation of the Fund and will evaluate and make recommendations.

XII. Expert and technical advice

70. In carrying out its functions the Board will develop mechanisms to draw on appropriate expert and technical advice, including from the relevant thematic bodies established under the Convention, as appropriate.

XIII. Stakeholder input and participation

71. The Board will develop mechanisms to promote the input and participation of stakeholders, including private-sector actors, civil society organizations, vulnerable groups, women and indigenous peoples, in the design, development and implementation of the strategies and activities to be financed by the Fund.

XIV. Termination of the Fund

72. Termination of the Fund will be approved by the COP based on a recommendation of the Board.

Decision 1/CP.18

Agreed outcome pursuant to the Bali Action Plan

62. *Agrees* to further elaborate, at its twentieth session, the linkages between the Technology Mechanism and the financial mechanism of the Convention, taking into consideration the recommendations of the Board of the Green Climate Fund, developed in accordance with decision 3/CP.17, paragraph 17, and of the Technology Executive Committee, developed in accordance with decision 4/CP.17, paragraph 6;

64. *Reiterates* that a significant share of new multilateral funding for adaptation should flow through the Green Climate Fund, and the request to the Board of the Green Climate Fund to balance the allocation of the resources of the Green Climate Fund between adaptation and mitigation activities;

72. *Requests* the Board of the Green Climate Fund to expeditiously implement its 2013 workplan, with a view to making the Green Climate Fund operational as soon as possible to enable an early and adequate replenishment process;

Decision 6/CP.18

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

The Conference of the Parties,

Recalling Article 11 of the Convention,

Also recalling decision 1/CP.16, paragraph 102, and decision 3/CP.17, paragraphs 2–6, 12 and 13,

Reaffirming that a significant share of new multilateral funding for adaptation should flow through the Green Climate Fund,

Reiterating the request to the Board of the Green Climate Fund to balance the allocation of the Green Climate Fund resources between adaptation and mitigation activities,

Taking into account the initial guidance to the operating entities of the financial mechanism of the Convention contained in decision 11/CP.1,

Taking note of the ongoing efforts to operationalize the Green Climate Fund,

Welcoming the nomination of the Board of the Green Climate Fund,

Emphasizing the important role of the Green Climate Fund in the climate finance architecture,

Noting with appreciation the progress of the Board of the Green Climate Fund in operationalizing the Green Climate Fund, the prompt set-up of the interim secretariat of the Fund by the UNFCCC and Global Environment Facility and the establishment of the Financial Intermediary Fund for the Green Climate Fund by the World Bank serving as interim trustee of the Fund,

1. *Takes note with appreciation* of the first annual report of the Board of the Green Climate Fund to the Conference of the Parties;¹
2. *Expresses* its gratitude to Germany, Mexico, Namibia, Poland, Republic of Korea and Switzerland for submitting their offers to host the Green Climate Fund;
3. *Welcomes and endorses* the consensus decision of the Board of the Green Climate Fund to select Songdo, Incheon, Republic of Korea as the host of the Green Climate Fund, on the basis of an open and transparent process;
4. *Requests* the Board of the Green Climate Fund and the Republic of Korea to conclude, in accordance with decision 3/CP.17, annex, paragraphs 7 and 8, the legal and administrative arrangements for hosting the Green Climate Fund, and to ensure that juridical personality and legal capacity are conferred to the Green Climate Fund, and the necessary privileges and immunities are granted to the Green Climate Fund and its officials in an expedited manner;
5. *Notes* the progress made by the Board of the Green Climate Fund and calls on the Board to ensure that the Green Climate Fund expeditiously implements its workplan and develops the policies, eligibility criteria and programmes of the Green Climate Fund, taking into account the guidance of the Conference of the Parties with a view to making the Green Climate Fund operational as soon as possible;
6. *Decides* to provide initial guidance to the Green Climate Fund at its nineteenth session;
7. *Requests* the Board of the Green Climate Fund, in its report to the Conference of the Parties at its nineteenth session, to report on the implementation of decision 3/CP.17 in which inter alia requested the Board:
 - (a) To develop a transparent no-objection procedure to be conducted through national designated authorities referred to in paragraph 46 of the governing instrument,² in order to ensure consistency with national climate strategies and plans and a country-driven approach and to provide for effective direct and indirect public and private-sector financing by the Green Climate Fund, and to determine this procedure prior to approval of funding proposals by the Fund;
 - (b) To balance the allocation of the resources of the Green Climate Fund between adaptation and mitigation activities;

¹ FCCC/CP/2012/5.

² Decision 3/CP.17, annex.

- (c) To secure funding for the Green Climate Fund, taking into account paragraphs 29 and 30 of the governing instrument, to facilitate its expeditious operationalization, and to establish the necessary policies and procedures to enable an early and adequate replenishment process;
- (d) To establish the independent secretariat of the Green Climate Fund in the host country in an expedited manner as soon as possible, in accordance with paragraph 19 of the governing instrument;
- (e) To select 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;
- (f) To initiate a process to collaborate with the Adaptation Committee and the Technology Executive Committee, as well as other relevant thematic bodies under the Convention, to define linkages between the Fund and these bodies, as appropriate;
8. *Looks forward* to the appointment of the Executive Director of the Green Climate Fund in accordance with decision 3/CP.17;
9. *Reaffirms* its decision that the interim arrangements³ should terminate no later than the nineteenth session of the Conference of the Parties;
10. *Requests* the Board of the Green Climate Fund to continue to include in its report to the Conference of the Parties the specific steps that it has undertaken to implement the request contained in paragraphs 5 and 7 above, as well as information on the status of financial contributions for the administrative budget of the Green Climate Fund, including the administrative costs of the Board of the Green Climate Fund and its interim secretariat;
11. *Expresses its appreciation* for the cumulative contributions of USD 4.298 million as at 4 December 2012 from the Governments of Australia, Finland, Netherlands, Republic of Korea and Sweden for the administrative budget of the Green Climate Fund to the Green Climate Fund Trust Fund established by the interim trustee of the Fund;
12. *Also expresses its appreciation* to the Governments of Denmark, Germany, Norway, Spain, Switzerland and United States of America for approving the total amount of approximately USD 1.32 million carried over from contributions made to the Transitional Committee for further use in 2012 by the interim secretariat of the Green Climate Fund;
13. *Welcomes* the cumulative pledges of USD 4.554 million for the administrative budget of the Green Climate Fund made by the Governments of Denmark, France, Germany, Japan, Norway and the United Kingdom of Great Britain and Northern Ireland as at 29 November 2012 and expects their early fulfilment;
14. *Requests* the Board of the Green Climate Fund to expeditiously implement its 2013 workplan, with a view to making the Green Climate Fund operational as soon as possible, which will enable an early and adequate replenishment process;
15. *Requests* the Board of the Green Climate Fund to make available its annual reports to the Conference of the Parties as early as possible, and no later than 12 weeks prior to a session of the Conference of the Parties, for consideration by Parties;
16. *Invites* Parties to submit to the secretariat annually, and no later than 10 weeks prior to the subsequent session of the Conference of the Parties, their views and recommendations in writing on the elements to be taken into account in developing guidance to the operating entities of the financial mechanism of the Convention;
17. *Requests* the secretariat to compile the submissions referred to in paragraph 16 above into a miscellaneous document for consideration by Parties in developing guidance to the operating entities of the financial mechanism of the Convention.

³ Decision 3/CP.17 paragraph 19.

Decision 7/CP.18

Arrangements between the Conference of the Parties and the Green Climate Fund

The Conference of the Parties,

Recalling Article 11, in particular its paragraph 3;

Also recalling decisions 1/CP.16 and 3/CP.17, which, inter alia, designated the Green Climate Fund as an operating entity of the financial mechanism of the Convention,

1. *Recognizes* that the provisions contained in Article 11, paragraph 3, and decision 3/CP.17 and the governing instrument of the Green Climate Fund contained in the annex to 3/CP.17 form the basis for arrangements between the Conference of the Parties and the Green Climate Fund to ensure that the Green Climate Fund is accountable to and functions under the guidance of the Conference of the Parties to support projects, programmes, policies and other activities in developing country Parties;

2. *Requests* the Standing Committee and the Board of the Green Climate Fund to develop arrangements between the Conference of the Parties and the Green Climate Fund in accordance with the governing instrument of the Green Climate Fund and Article 11, paragraph 3, for agreement by the Board and subsequent agreement by the Conference of the Parties at its nineteenth session.

Decision 12/CP.18

National adaptation plans

Recognizing that the Green Climate Fund will support developing countries in pursuing project-based and programmatic approaches in accordance with climate change strategies and plans,¹ such as national adaptation programmes of action, national adaptation plans and other related activities,

6. *Also invites* the operating entities of the financial mechanism of the Convention, bilateral and multilateral agencies and other relevant organizations, as appropriate, to take this decision into account when providing financial and technical support to developing country Parties in responding to decision 5/CP.17;

¹ Decision 3/CP.17, annex, paragraph 36.

Decision 13/CP.18

Report of the Technology Executive Committee

6. *Encourages* the Technology Executive Committee to continue its consultations with relevant stakeholders under and outside the Convention;

7. *Also encourages* the Technology Executive Committee to continue to consult relevant institutional arrangements under the Convention, including the Adaptation Committee, the Standing Committee and the Board of the Green Climate Fund, and to initiate consultations with the advisory board of the Climate Technology Centre and Network as soon as it is established, in order to seek their views on and coordinate the proposed modalities of the Technology Executive Committee on linkages with other relevant institutional arrangements under the Convention;¹

¹ FCCC/SB/2012/2, annex.

Decision 14/CP.18

Arrangements to make the Climate Technology Centre and Network fully operational

5. *Decides* that the Advisory Board of the Climate Technology Centre and Network is hereby established, with the constitution contained in annex II to this decision and with the functions contained in decision 2/CP.17, annex VII, paragraphs 8 and 9;

Annex II

Constitution of the Advisory Board of the Climate Technology Centre and Network

1. The Advisory Board of the Climate Technology Centre and Network (CTCN), with the aim of achieving fair and balanced representation, shall constitute the following:

(c) One of the Co-Chairs, or a member designated by the Co-Chairs, of the Green Climate Fund Board in his/her official capacity as a Green Climate Fund representative;

Decision 15/CP.18

Doha work programme on Article 6 of the Convention

6. *Invites* multilateral and bilateral institutions and organizations, including operating entities of the financial mechanism of the Convention, as appropriate, to provide financial resources to support the activities relating to the implementation of Article 6 of the Convention;

Decision 16/CP.18

Prototype of the registry

2. *Reiterates* its invitation to developed country Parties, the entity or entities entrusted with the operation of the financial mechanism, including the Global Environment Facility and the Green Climate Fund, multilateral, bilateral and other public donors, and private and non-governmental organizations that are in position to do so, to submit, as appropriate, information on financial, technology and capacity-building support available and/or provided for the preparation and/or implementation of nationally appropriate mitigation actions, in accordance with decision 2/CP.17, paragraph 48;

Decision 1/CP.19

Further advancing the Durban Platform

2. *Decides*, in the context of its determination to adopt a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties at its twenty-first session (December 2015) and for it to come into effect and be implemented from 2020:

(b) To invite all Parties to initiate or intensify domestic preparations for their intended nationally determined contributions, without prejudice to the legal nature of the contributions, in the context of adopting a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties towards achieving the objective of the Convention as set out in its Article 2 and to communicate them well in advance of the twenty-first session of the Conference of the Parties (by the first quarter of 2015 by those Parties ready to do so) in a manner that facilitates the clarity, transparency and understanding of the intended contributions, without prejudice to the legal nature of the contributions;

(c) To request the Ad Hoc Working Group on the Durban Platform for Enhanced Action to identify, by the twentieth session of the Conference of the Parties, the information that Parties will provide when putting forward their contributions, without prejudice to the legal nature of the contributions, referred to in paragraph 2(b) above;

(d) To urge and request developed country Parties, the operating entities of the financial mechanism and any other organizations in a position to do so to provide support for the related activities referred to in paragraphs 2(b) and 2(c) above as early as possible in 2014;

Decision 3/CP.19

Long-term climate finance

9. *Recalls* that a significant share of new multilateral funding for adaptation should flow through the Green Climate Fund;

Decision 4/CP.19
Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund

The Conference of the Parties,

Recalling Articles 4 and 11 of the Convention,

Taking into account decision 11/CP.1,

Recalling decisions 1/CP.16, 3/CP.17, 1/CP.18, 6/CP.18 and 7/CP.18,

1. *Takes note with appreciation* of the second annual report of the Board of the Green Climate Fund to the Conference of the Parties as contained in document FCCC/CP/2013/6;
2. *Welcomes* the Board's decisions to establish the independent secretariat and the selection of Ms. H la Cheikhrouhou as the Executive Director of the independent secretariat of the Green Climate Fund;
3. *Also welcomes* the conclusion and entry into force of the Headquarters Agreement between the Green Climate Fund and the Government of the Republic of Korea;
4. *Takes note* of the termination of the interim arrangements for the operation of the interim secretariat and expresses its appreciation to the UNFCCC and Global Environment Facility secretariats for supporting the interim secretariat;
5. *Welcomes* the adoption of the third administrative budget of the Green Climate Fund, which will enable the establishment of the independent secretariat in Songdo, Incheon City, Republic of Korea;
6. *Notes* the progress made by the Board to ensure the operationalization of the Green Climate Fund, including the adoption of its 2014 workplan and the resource mobilization process;

A. Initial guidance to the Green Climate Fund

7. *Confirms* that the provisions contained in Article 11 of the Convention, and decisions 11/CP.1, 1/CP.16 and 3/CP.17, and the governing instrument for the Green Climate Fund, and decision 6/CP.18, together with decision 5/CP.19, constitute the initial guidance for the Green Climate Fund;
8. *Decides* to adopt the following initial guidance on policies, programme priorities and eligibility criteria for the Green Climate Fund, as an operating entity of the financial mechanism of the Convention;
9. *Requests* the Green Climate Fund:
 - (a) To balance the allocation of resources between adaptation and mitigation, and ensure an appropriate allocation of resources for other activities;
 - (b) To pursue a country-driven approach;
 - (c) In allocating resources for adaptation, the Green Climate Fund will take into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change;
10. *Confirms* that all developing country Parties to the Convention are eligible to receive resources from the Green Climate Fund;

B. Additional guidance to the Green Climate Fund

11. *Stresses* the need to achieve full operationalization of the Green Climate Fund, and in this regard urges the Board to an expeditious implementation of its 2014 workplan, including elements of decision 6/CP.18;
12. *Urges* the Board to finalize as soon as possible the essential requirements to receive, manage, programme and disburse financial resources in line with the approved workplan of the Board so that the Green Climate Fund can commence its initial resource mobilization process as soon as possible and transition subsequently to a formal replenishment process;
13. *Calls* for ambitious and timely contributions by developed countries to enable an effective operationalization, including for readiness and preparatory support of the Green Climate Fund that

reflects the needs and challenges of developing countries in addressing climate change in the context of preparing, by the twentieth session of the Conference of the Parties (December 2014), the initial resource mobilization process described in paragraph 12 above;

14. *Underlines* that initial resource mobilization should reach a very significant scale that reflects the needs and challenges of developing countries in addressing climate change;

15. *Invites* financial inputs from a variety of other sources, public and private, including alternative sources, for the Board's initial resource mobilization process;

16. *Requests* the Board of the Green Climate Fund:

(a) To consider important lessons learned on country-driven processes from other existing funds;

(b) To ensure that in its consideration and finalization of the Green Climate Fund's access modalities, the Board takes into account the institutions already accredited by relevant institutions covered by the Board's agreement on the best practice fiduciary standards and principles and environmental and social standards;

(c) To report to the Conference of Parties at its twentieth session on progress made in the implementation of this decision, as well as the implementation of decision 6/CP.18;

17. *Invites* Parties to submit to the secretariat annually, and no later than 10 weeks prior to the subsequent session of the Conference of the Parties, their views and recommendations in writing on the elements to be taken into account in developing guidance to the operating entities of the financial mechanism of the Convention.

Decision 5/CP.19

Arrangements between the Conference of the Parties and the Green Climate Fund

The Conference of the Parties,

Recalling Article 11 of the Convention,

Also recalling decisions 1/CP.16 and 3/CP.17, which, inter alia, designated the Green Climate Fund as an operating entity of the financial mechanism of the Convention and requested the Conference of the Parties to conclude arrangements with the Green Climate Fund Board to ensure that it is accountable to and functions under the guidance of the Conference of the Parties to support projects, programmes, policies and other activities in developing country Parties using thematic funding windows,

Further recalling decision 7/CP.18, which requested the Standing Committee on Finance and the Green Climate Fund Board to develop arrangements between the Conference of the Parties and the Green Climate Fund in accordance with the governing instrument for the Green Climate Fund, as contained in the annex to decision 3/CP.17, and Article 11, paragraph 3, of the Convention for agreement by the Board and subsequent agreement by the Conference of the Parties at its nineteenth session,

Recalling paragraph 6 of the governing instrument for the Green Climate Fund,

1. *Takes note* of the report of the Standing Committee on Finance,¹ which contains the draft arrangements that were presented to the Board of the Green Climate Fund;
2. *Confirms* that the arrangements between the Conference of the Parties and the Green Climate Fund shall be in conformity with the governing instrument for the Green Climate Fund, as contained in decision 3/CP.17, and Article 11, paragraph 3, of the Convention;
3. *Notes* that the Board of the Green Climate Fund has approved the arrangements, as transmitted by the Standing Committee on Finance, contained in annex XXI to the report on the 5th meeting of the Green Climate Fund Board, as contained in the report of the Green Climate Fund;²
4. *Agrees* to the arrangements between the Conference of the Parties and the Green Climate Fund contained in the annex, thereby bringing the arrangements into force;
5. *Requests* the Board of the Green Climate Fund to report on the implementation of the arrangements referred to in paragraph 4 above in its annual reports to the Conference of the Parties, starting at the twentieth session of the Conference of the Parties (December 2014).

Annex

Arrangements between the Conference of the Parties and the Green Climate Fund

Preamble

Recalling Conference of the Parties (COP) decisions 1/CP.16, paragraph 102, and 3/CP.17, paragraphs 3–5, as well as the governing instrument for the Green Climate Fund (GCF), paragraphs 3–6.

Recognizing that the provisions contained in Article 11, paragraph 3, of the Convention, decision 3/CP.17 and the governing instrument for the GCF contained in the annex to 3/CP.17 form the basis for arrangements between the COP and the GCF.

The Conference of the Parties (hereinafter referred to as “the COP”) to the United Nations Framework Convention on Climate Change (hereinafter referred to as “the Convention”) and the Green Climate Fund (hereinafter referred to as the “GCF”) hereby reach the following arrangements:

Purpose of these arrangements

1. The purpose of these arrangements is to set out the working relationship between the COP and the GCF to ensure that the GCF is accountable to and functions under the guidance of the COP to support projects, programmes, policies and other activities in developing country Parties.

¹ FCCC/CP/2013/8.

² FCCC/CP/2013/6.

Determination and communication of guidance from the Conference of the Parties

2. The GCF shall receive guidance from the COP, including on matters related to policies, programme priorities and eligibility criteria.
3. The COP will, after each of its sessions, communicate guidance to the GCF.
4. The COP will provide guidance based, inter alia, upon a thorough consideration of the annual reports of the GCF.

Conformity with guidance of the Conference of the Parties

5. The GCF will take appropriate actions in response to the guidance received and will report on such actions taken.

Reconsideration of funding decisions

6. These arrangements reaffirm that the Board of the GCF has full responsibility for funding decisions.
7. The Board of the GCF has been mandated by paragraph 69 of the governing instrument to establish an independent redress mechanism that will report to the Board.
8. The independent redress mechanism will be open, transparent and easily accessible and will address, inter alia, the reconsideration of funding decisions.
9. The GCF will include in its annual reports to the COP the recommendations of its independent redress mechanism, and any action taken by the Board of the GCF in response to those recommendations. The COP may provide additional guidance to clarify policies, programme priorities and eligibility criteria as they impact funding decisions.
10. Further modalities for the reconsideration of funding decisions as per Article 11, paragraph 3(b), will be developed appropriately once the independent redress mechanism is operational.

Reports from the Green Climate Fund to the Conference of the Parties

11. The GCF is to submit annual reports to the COP for its consideration. Such annual reports shall include information on the implementation of policies, programme priorities and eligibility criteria provided by the COP, including information on the extent to which COP guidance has been adhered to by the Board of the GCF.
12. The GCF will include in its reports a synthesis of the different activities under implementation and a listing of the activities approved, as well as a financial report.
13. The GCF will also include in its reports information on all activities financed by the GCF.
14. The GCF will indicate in its reports actions it has undertaken to balance the allocation of resources between adaptation and mitigation activities under the Fund.
15. The GCF will also include information on the development and implementation of mechanisms to draw on appropriate expert and technical advice, including from the relevant thematic bodies established under the Convention, as appropriate.
16. The COP may request additional information from the GCF via its annual guidance.

Determination and periodic review of funding necessary and available

17. In accordance with Article 11, paragraph 3(d), of the Convention, which calls for arrangements to determine in a predictable and identifiable manner the amount of funding necessary and available for the implementation of the Convention, and the conditions under which that amount shall be periodically reviewed:
 - a) The COP will make assessments of the amount of funds that are necessary to assist developing countries in implementing the Convention, in order to help inform resource mobilization by the GCF; and
 - b) The GCF is to provide information on resource mobilization and the available financial resources, including any replenishment processes, in its annual reports to the COP.

Cooperation between secretariats and representation in meetings of the governing bodies

18. The secretariat of the GCF and the secretariat of the Convention may, as necessary and subject to the direction of the Board of the GCF and the COP, respectively, cooperate and exchange views on

matters relevant to the operation of the financial mechanism of the Convention, including implementation of these arrangements between the COP and the GCF, coordination with other international financing channels and participation of representatives at relevant meetings of the bodies.

19. The participation of representatives of the secretariat of the Convention in the meetings of the GCF, and of the secretariat of the GCF in the sessions of the COP, is to be governed by the rules of procedure of the GCF and the COP, respectively.

Review and evaluation of the financial mechanism

20. The reports of the GCF should include any reports of the independent evaluation unit, including for the purposes of the periodic reviews of the financial mechanism of the Convention.

21. The COP may commission an independent assessment of the overall performance of the GCF, including of the performance of the Board of the GCF, to coincide with periodic reviews of the financial mechanism.

22. The COP will invite feedback from the GCF in advance of making any conclusions or findings from the review or evaluation of the financial mechanism.

Review of these arrangements

23. These arrangements can only be modified in writing by agreement between the COP and the GCF.

24. These arrangements shall come into force upon agreement by the GCF and subsequent agreement by the COP.

25. These arrangements may only be terminated in writing by agreement between the COP and the GCF.

Decision 9/CP.19*¹

Work programme on results-based finance to progress the full implementation of the activities referred to in decision 1/CP.16, paragraph 70

5. *Encourages* entities financing the activities referred to in decision 1/CP.16, paragraph 70, through the wide variety of sources referred to in decision 2/CP.17, paragraph 65, including the Green Climate Fund in a key role, to collectively channel adequate and predictable results-based finance in a fair and balanced manner, taking into account different policy approaches, while working with a view to increasing the number of countries that are in a position to obtain and receive payments for results-based actions;

6. *Also encourages* the entities referred to in paragraph 5 above, when providing results-based finance, to apply the methodological guidance consistent with decisions 4/CP.15, 1/CP.16, 2/CP.17, 12/CP.17 and 11/CP.19 to 15/CP.19, as well as this decision, in order to improve the effectiveness and coordination of results-based finance;

7. *Requests* the Green Climate Fund, when providing results-based finance, to apply the methodological guidance consistent with decisions 4/CP.15, 1/CP.16, 2/CP.17, 12/CP.17 and 11/CP.19 to 15/CP.19, as well as this decision, in order to improve the effectiveness and coordination of results-based finance;

8. *Encourages* entities financing the activities referred to in decision 1/CP.16, paragraph 70, through the wide variety of sources referred to in decision 2/CP.17, paragraph 65, to continue to provide financial resources to alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests;

¹ *This decision forms part of the Warsaw Framework for REDD-plus. For more information, see document FCCC/CP/2013/10, paragraph 44.

Decision 16/CP.19

Work of the Adaptation Committee

1. *Notes with appreciation* the progress made by the Adaptation Committee in the implementation of its three-year workplan, in particular:

(d) The establishment of the task force on national adaptation plans;¹

¹ The task force will include five members of the Adaptation Committee. In addition, the Adaptation Committee invites the LEG, the Standing Committee on Finance, the Technology Executive Committee and the Board of the GCF to each nominate one of their members to support the work of the task force. (FCCC/SB/2013/2, paragraphs 24 and 33, and annex I, including the terms of reference for the task force on national adaptation plans).

Decision 25/CP.19

Modalities and procedures of the Climate Technology Centre and Network and its Advisory Board

3. *Also adopts* the rules of procedure of the Advisory Board of the Climate Technology Centre and Network, contained in annex II;

Annex II

Rules of procedure of the Advisory Board of the Climate Technology Centre and Network

III. Members

3. The Board of the CTCN, with the aim of achieving fair and balanced representation, shall constitute the following:

(c) One of the Co-Chairs, or a member designated by the Co-Chairs, of the Green Climate Fund Board in his/her official capacity as a Green Climate Fund representative;

**Subsidiary Body for Implementation, Thirty-ninth session
Gender and climate change**

Draft conclusions proposed by the Chair¹

3. The SBI noted with appreciation efforts by United Nations organizations, multilateral, intergovernmental and other international and regional organizations, including the women and gender constituency, in relation to gender balance in the UNFCCC process and gender-sensitive climate policy.

11. The SBI encouraged United Nations organizations and multilateral, intergovernmental and other international and regional organizations to further develop additional tools, knowledge, research and strategies for implementing gender-sensitive and responsive climate policy at the international, regional and country-driven approach at the national level.

12. The SBI also encouraged the UNFCCC secretariat and other United Nations organizations and multilateral, intergovernmental and other international and regional organizations, when conducting capacity-building activities, to consider gender balance and encourage the participation of female delegates who are participating in the UNFCCC process.

¹ FCCC/SBI/2013/L.16

Decision 1/CP.20

Lima Call for Climate Action

15. *Reiterates* its call to developed country Parties, the operating entities of the Financial Mechanism and any other organizations in a position to do so to provide support for the preparation and communication of the intended nationally determined contributions of Parties that may need such support;

19. *Decides* to continue the technical examination of opportunities with high mitigation potential, including those with adaptation, health and sustainable development co-benefits, in the period 2015–2020, by requesting the secretariat to:

(a) Organize a series of in-session technical expert meetings which:

(ii) Build on and utilize the related activities of, and further enhance collaboration and synergies among, the Technology Executive Committee, the Climate Technology Centre and Network, the Durban Forum on capacity-building, the Executive Board of the clean development mechanism and the operating entities of the Financial Mechanism;

Decision 3/CP.20

National adaptation plans

11. *Requests* the Adaptation Committee and the Least Developed Countries Expert Group, in collaboration with the Green Climate Fund, as an operating entity of the Financial Mechanism, to consider how to best support developing country Parties in accessing funding from the Green Climate Fund for the process to formulate and implement national adaptation plans, and to report thereon to the Subsidiary Body for Implementation at its forty-second session.

Decision 4/CP.20

Report of the Adaptation Committee

4. *Requests* Parties, operating entities of the Financial Mechanism and other relevant entities working on adaptation to consider the recommendations contained in chapter V of the report of the Adaptation Committee, as included in the annex;

Annex

Recommendations for the Conference of the Parties

1. The Adaptation Committee (AC) agreed to include the following recommendations in its report¹ for consideration by the Conference of the Parties (COP) at its twentieth session.

2. The AC recommends that the COP invite Parties, operating entities of the Financial Mechanism and relevant entities working on adaptation to take into account the following recommendations, which are based on the outcomes of the meeting of the task force on national adaptation plans (NAPs) referred to in paragraphs 38 and 39 of the report of the AC referred to in paragraph 1 above:

(a) Recognizing the importance of raising awareness and buy-in for the NAP process by all stakeholders, in order to:

- (i) Generate interest in, demand for and leadership of the NAP process at the national level;
- (ii) Make available support for the NAP process better known;

(b) Improving coordination, collaboration and coherence among:

- (i) Bilateral and multilateral agencies and institutions, including the operating entities of the Financial Mechanism;
- (ii) Various national ministries;
- (iii) Parties and regions, with a view to:

- a. Enhancing the accessibility of NAP support;
- b. Further understanding effective pathways to achieving the objectives of the NAP process, on the basis of experience;
- c. Fostering coherence in the provision of support, including by better matching needs with support, involving more financial institutions in the NAP process and helping countries to prepare for accessing funding, including from the Green Climate Fund (GCF);

(c) Enhancing learning as stakeholders increasingly engage in the NAP process, particularly around aspects such as the role of institutional arrangements and monitoring and evaluation.

3. In supporting the monitoring and evaluation of adaptation, the AC recommends that the COP invite Parties, operating entities of the Financial Mechanism and relevant entities working on adaptation to take into account the following recommendations:

(a) Monitoring and evaluation frameworks need to be appropriate, relevant to needs and tailored to country circumstances. A common set of global indicators is not useful, owing to the context-specific nature of adaptation;

(b) National-level assessments can play a different role in measuring adaptive capacity from subnational or project-based assessments. National-level assessments could, for example, measure the degree of coordination and integration of adaptation in national priorities;

(c) A positive learning environment, which encourages formal and informal learning, including peer-to-peer learning, and which encourages learning from negative as well as positive experiences, is important;

(d) Planning and allocation of resources, both technical and financial, are key for effective monitoring and evaluation systems.

4. In the context of the monitoring and evaluation of adaptation, the AC also recommends that the COP invite the Board of the GCF, with respect to its Results Management Framework, to consider:

(a) Keeping indicators simple;

(b) Designing indicators that are qualitative as well as quantitative;

(c) Designing indicators in such a way as to capture the progress that countries are able to make in integrating adaptation into their development and sectoral planning, policies and actions;

(d) Giving countries sufficient flexibility to define their indicators in line with their national and local planning, strategies and priorities.

¹ FCCC/SB/2014/2.

5. Furthermore, the AC agreed to forward the following recommendations resulting from the workshop on best practices and needs of local and indigenous communities referred to in paragraph 45 of its report referred to in paragraph 1 above for consideration by the COP. The COP may wish to:

(b) Encourage the Adaptation Fund, the Global Environment Facility (GEF) and the GCF to enhance their consideration of local, indigenous and traditional knowledge and practices and their integration into adaptation planning and practices, as well as procedures for monitoring, evaluation and reporting.

6. Regarding the operating entities of the Financial Mechanism, the AC recommends the following actions for consideration by the COP:

(a) Inviting the Board of the GCF to consider the significant work undertaken under the Cancun Adaptation Framework and on the NAP process as it continues to provide the governance of the Fund;

(b) Inviting the Board of the GCF to engage with institutions that have started initiatives on countries' readiness to access GCF funding and exploring how more countries can benefit from such initiatives;

Decision 5/CP.20

Long-term climate finance

Welcomes with appreciation the pledges to the Green Climate Fund and to the sixth replenishment of the Global Environment Facility, and contributions to the Least Developed Countries Fund, the Special Climate Change Fund, and the Adaptation Fund;

Decision 7/CP.20

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

The Conference of the Parties,

Recalling Articles 4 and 11 of the Convention,

Taking into account decision 11/CP.1,

Recalling decisions 1/CP.16, 3/CP.17, 1/CP.18, 6/CP.18, 7/CP.18, 4/CP.19 and 5/CP.19,

1. *Welcomes* the report of the Green Climate Fund to the Conference of the Parties,¹ in particular the detailed and comprehensive list of responses of the Green Climate Fund Board to guidance received from the Conference of the Parties;²

2. *Notes with appreciation* the progress made by the Green Climate Fund, and the information contained thereon in the report of the Green Climate Fund, in particular the decision on the confirmation of the completion of the essential requirements and the commencement of the initial resource mobilization process;

3. *Welcomes with appreciation* the successful and timely initial resource mobilization process of the Green Climate Fund that led to the mobilization of USD 10.2 billion to date by contributing Parties,³ enabling the Green Climate Fund to start its activities in supporting developing country Parties of the Convention, and making it the largest dedicated climate fund;

4. *Requests* the Green Climate Fund to ensure that the ongoing resource mobilization efforts are commensurate with the ambitions of the Fund, and *calls* for contributions by other developed country Parties,⁴ as well as *invites* financial inputs from a variety of other sources, public and private, including alternative sources,⁵ throughout the initial resource mobilization process;

5. *Urges* the Green Climate Fund, the Interim Trustee, and contributors to confirm the pledges in the form of fully executed contribution agreements/arrangements, taking note that the commitment authority of the Green Climate Fund will become effective when 50 per cent of the contributions pledged by the November 2014 pledging session are reflected in fully executed contribution agreements/arrangements received by the secretariat no later than 30 April 2015 as provided for in Green Climate Fund Board decision B.08/13, annex XIX, paragraph 1(c);

6. *Notes* Green Climate Fund Board decisions, including the decisions made at its 8th meeting, regarding the formal replenishment process for the Fund;

7. *Welcomes* Green Climate Fund Board decision B.08/07 to start taking decisions on the approval of projects and programmes no later than its 3rd meeting in 2015;

8. *Requests* the Board of the Green Climate Fund to accelerate the operationalization of the adaptation and mitigation windows, and to ensure adequate resources for capacity-building and technology development and transfer, consistent with paragraph 38 of the Governing Instrument;⁶

9. *Also requests* the Board of the Green Climate Fund to accelerate the operationalization of the private sector facility by aiming to ensure that private sector entities and public entities with relevant experience in working with the private sector are accredited in 2015, expediting action to engage local private sector actors in developing country Parties, including small- and medium-sized enterprises in the least developed countries, small island developing States and African States, emphasizing a country-driven approach, expediting action to mobilize resources at scale, and developing a strategic approach to engaging with the private sector;

¹ As contained in document FCCC/CP/2014/8.

² As contained in sections II and III of document FCCC/CP/2014/8.

³ Australia, Austria, Belgium, Canada, Colombia, Czech Republic, Denmark, Finland, France, Germany, Indonesia, Italy, Japan, Liechtenstein, Luxembourg, Mexico, Monaco, Mongolia, Netherlands, New Zealand, Norway, Panama, Peru, Republic of Korea, Spain, Sweden, Switzerland, United Kingdom of Great Britain and Northern Ireland, and United States of America.

⁴ As per decision 4/CP.19, paragraph 13.

⁵ As per decision 4/CP.19, paragraph 15.

⁶ Annex to decision 3/CP.17.

10. *Further requests* the Board of the Green Climate Fund, in the implementation of its 2015 workplan, to complete its work related to policies and procedures to accept financial inputs from non-public and alternative sources, the investment and risk management frameworks of the Green Climate Fund, the impact analysis on its initial results areas, including options for determining Board level investment portfolios across the structure of the Fund,⁷ and the approval process of the Fund, including methodologies for selecting programmes and projects that best achieve the objectives of the Fund;⁸

11. *Requests* the Board of the Green Climate Fund to consider ways by which to further increase the transparency of its proceedings;

12. *Also requests* the Board of the Green Climate Fund to accelerate the implementation of its work programme on readiness and preparatory support, ensuring that adequate resources are provided for its execution, including from the initial resource mobilization process, providing urgent support to developing countries, in particular the least developed countries, small island developing States and African States, led by their national designated authorities or focal points to build institutional capacities in accordance with Green Climate Fund Board decision B.08/11;

13. *Encourages* the timely implementation of the accreditation framework and *requests* the Board of the Green Climate Fund, in its implementation, to pay adequate attention to the priorities and needs of developing country Parties, including the least developed countries, small island developing States and African States, emphasizing the need to provide readiness support to those national and regional entities eligible for fast tracking that request it;

14. *Invites* developing country Parties to expedite the nomination of their national designated authorities and focal points as soon as possible, as well as the selection of their national and subnational implementing entities, to facilitate their engagement with the Green Climate Fund;

15. *Requests* the Board of the Green Climate Fund, when deciding its policies and programme priorities, to consider the information and lessons learned through engagement with other relevant bodies under the Convention, and other relevant international institutions;

16. *Also requests* the Green Climate Fund to enhance its collaboration with existing funds under the Convention and other climate relevant funds in order to enhance the complementarity and coherence of policies and programming at the national level;

17. *Further requests* the Board of the Green Climate Fund to further enhance the participation of all stakeholders in accordance with paragraph 71 of the Governing Instrument and other relevant Board decisions;

18. *Requests* the Board of the Green Climate Fund:

(a) To develop a monitoring and accountability framework in accordance with Green Climate Fund Board decision B.08/02;

(b) To consider decisions relevant to REDD-plus,⁹ including decisions 1/CP.16, 2/CP.17, 12/CP.17 and decisions 9/CP.19, 10/CP.19, 11/CP.19, 12/CP.19, 13/CP.19, 14/CP.19 and 15/CP.19;

19. *Urges* the Green Climate Fund to ensure that staff selection is open, transparent and based on merit without discrimination, taking into account geographical and gender balance, in accordance with the administrative policies of the Green Climate Fund;¹⁰

20. *Takes note* of Green Climate Fund Board decision B.08/24 on the institutional linkage between the United Nations and the Green Climate Fund, and *requests* the Board of the Green Climate Fund to continue further deliberations on privileges and immunities, and to report on this matter to the Conference of the Parties at its twenty-first session (November–December 2015);

21. *Urges* developing country Parties to enter into bilateral agreements with the Green Climate Fund based on the template to be approved by the Board of the Green Climate Fund, in order to provide privileges and immunities for the Fund, in accordance with Green Climate Fund Board decision B.08/24, paragraph (b);

⁷ Green Climate Fund Board decision B.08/07, paragraph (l).

⁸ Green Climate Fund Board decision B.07/03, paragraph (b).

⁹ Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

¹⁰ Green Climate Fund Board decision B.06/03, annex I.

22. *Requests* the Board of the Green Climate Fund to report biennially to the Conference of the Parties on the status of existing privileges and immunities with regard to its operational activities, starting at the twenty-first session of the Conference of the Parties;

23. *Also requests* the Board of the Green Climate Fund to make available its annual report in a timely manner and no later than 12 weeks prior to a session of the Conference of the Parties in accordance with decision 6/CP.18, paragraph 15, for due consideration by Parties;

24. *Further requests* the Green Climate Fund to include in its annual report to the Conference of the Parties the recommendations of its independent redress mechanism, if any, and any actions taken by the Board in response to those recommendations;¹¹

25. *Requests* the Board of the Green Climate Fund to report to the Conference of the Parties at its twenty-first session on progress made in the implementation of this decision, as well as the elements and provisions of the guidance contained in decisions 3/CP.17, 6/CP.18, 4/CP.19 and 5/CP.19;

26. *Invites* Parties to submit to the secretariat annually, and no later than 10 weeks prior to the subsequent session of the Conference of the Parties, their views and recommendations in writing on the elements to be taken into account in developing guidance to the Green Climate Fund;

27. *Requests* the secretariat to compile the submissions referred to in paragraph 26 above into a miscellaneous document for consideration by Parties in developing guidance through the Standing Committee on Finance to the Green Climate Fund.

¹¹ In accordance with the annex to decision 5/CP.19, paragraph 9.

Decision 9/CP.20

Fifth review of the Financial Mechanism

The Conference of the Parties,

Recalling decisions 3/CP.4, 2/CP.12, 1/CP.16, 2/CP.16 and 8/CP.19,

Welcoming the progress made by the Board of the Green Climate Fund in operationalizing the Green Climate Fund,

Noting that the fifth review of the Financial Mechanism focused on the Global Environment Facility owing to the fact that the Green Climate Fund is still developing its operations and that therefore it was premature to review many aspects of the Green Climate Fund,

4. *Encourages* the operating entities of the Financial Mechanism to address, as appropriate, these recommendations in their future work, particularly with regard to the complementarity between the operating entities of the Financial Mechanism;

7. *Decides* to consider the timing of guidance provided by the Conference of the Parties to the operating entities of the Financial Mechanism, especially that guidance which has resource implications vis-à-vis the replenishment cycles of the operating entities of the Financial Mechanism, in order to ensure that key guidance is fully considered in the programming strategies and policy recommendations associated with each replenishment period of the operating entities of the Financial Mechanism;

Annex

II. Key insights, conclusions and possible recommendations

A. Governance

2. Level of stakeholder involvement

Conclusion and recommendation

14. The GCF could build on the experience of and lessons learned from the GEF in terms of stakeholder involvement. In this regard, the GCF may consider establishing a robust consultative process with its observers in order to ensure that adequate and timely consultation is undertaken with respect to the development of its policies, procedures, guidelines, and, later on, during the implementation of programmes and projects of the Fund.

3. Gender-sensitive approaches

Conclusion and recommendation

18. In developing its own approach to gender mainstreaming, the GCF could build on the experience of the GEF. It is recommended that gender equality be integrated in the structure and organization of the GCF itself, and that gender-sensitive criteria be taken into account in funding approvals of the Fund.

4. Environmental and social safeguards

Conclusion and recommendation

21. As the GCF is developing its own environment and social safeguards, it should consider consistency with the safeguards of the GEF.

22. Since the GCF will also be using financial intermediaries such as commercial banks, it is recommended that the GCF also develop an appropriate oversight mechanism to ensure that the institutions to which these intermediaries will channel funding also comply with the environmental policies and social safeguards of the GCF.

5. Fiduciary standards

Recommendation

25. As it monitors the use of its initial fiduciary standards and reviews those standards within the next three years, the GCF should consider maintaining consistency with the standards of the GEF.

B. Responsiveness to Conference of the Parties guidance

1. Level of responsiveness to Conference of the Parties guidance

Conclusion and recommendation

29. As the GCF is under development, it is too early to assess the level of its responsiveness to COP guidance. However, the efforts made by the GCF Board to respond to COP guidance can be acknowledged.

C. Mobilization of financial resources

3. Adequacy, predictability and sustainability of funds

Conclusion and recommendations

51. The GEF and the GCF may consider collaborating in the use of funding pathways that may include the LDCF and the SCCF.

D. Delivery of financial resources

1. Accessibility to funds

Conclusion and recommendation

58. The GCF would benefit from lessons learned on the accreditation process from other funds, particularly the GEF. In the case of the GEF, the goal of accreditation of 10 project agencies was only partially achieved. The GCF may consider building on existing systems of GEF intermediaries and implementing entities, and may in the process also consider providing financial assistance to support the accreditation of national entities in recipient countries that may need it.

5. Enabling environments

Conclusion

69. There is ample room for the GCF to learn from the experiences of other funds in terms of improving the enabling environments in recipient countries. It can do this by linking investments with focused efforts to engage stakeholders within countries in programming, and by providing technical assistance and capacity-building so as to strengthen enabling environments – institutions, policies, and regulations – that support mitigation and adaptation actions in developing countries.

E. Results and impacts

2. Adaptation results

Recommendation to strengthen adaptation and mitigation results

76. The GEF and the GCF may consider collaborating to harmonize impact indicators and set new norms around reporting practice, especially in the context of adaptation finance. Furthermore, the operationalization of the GCF results-based management framework presents an opportunity to make progress in this regard.

G. Consistency and complementarity of the Financial Mechanism with the other financial flows and sources of investment

Conclusions and recommendations

92. The operating entities of the Financial Mechanism and the funds under the Convention should collaborate with the view to taking advantage of the complementarity of their respective policies and programmes. The operating entities of the Financial Mechanism should provide information on the progress made in ensuring the complementarity with the other sources of climate finance in their respective reports to the COP.

93. The Standing Committee on Finance could take into account the information on the efforts of the operating entities to enhance complementarity, when providing draft guidance for consideration by the COP.