

Green Climate Fund

Progress Report

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Co-Chair of the Board



GCF: Background

- In December 2010, the Parties to the UN Framework Convention on Climate Change (UNFCCC) adopted a decision to establish a new multilateral operating entity of the Convention's Financial Mechanism. The decision to establish the Green Climate Fund (GCF) was the consolidation of a political commitment to increase the predictability, efficiency and address the adequacy of climate change finance under the Convention.
- The GCF has the potential to be a major channel of multilateral climate finance, and a significant share of new multilateral funding for adaptation is expected to flow through the Fund.



GCF: Purpose

- The Fund's purpose is to make a significant contribution to the global efforts to limit warming to 2 degrees Celsius by providing support to developing countries to help limit or reduce their greenhouse gas emissions, and to adapt to the unavoidable impacts of climate change.
- The Fund will promote a paradigm shift by helping developing countries shift towards low emission and climate-resilient development pathways. It will also consider the needs of those developing countries that are particularly vulnerable to climate change impacts.



GCF: Progress: 1st & 2nd Meetings

- At its first meeting, held in August 2012, the Board approved an administrative budget for the fund and agreed to a work plan for the Board's second meeting.
- At its second meeting, held in September 2012, the Board decided, by consensus, to accept the proposal of the Republic of Korea to host the Fund at Songdo in Incheon City, Republic of Korea. Other outcomes included:
 - Establishment of a working group to progress the Fund's business model framework and a committee for the selection of the Executive Director;
 - Agreement to a detailed Board work plan for 2013;
 - Further progress on the rules and policies of the Board and work towards establishing the Independent Secretariat.



GCF: Progress- 3rd Meeting

- At its third meeting, held in March 2013, the Board agreed to a number of key aspects on the Fund's business model framework, including that:
 - a country-driven approach would be a core principle,
 - the Fund would begin operating through accredited national, regional and international intermediaries and implementing entities,
 - the Fund would focus initially on grants and concessional lending and employ additional financial instruments as necessary to effectively achieve its objectives, and
 - the business model framework of the Fund would be further developed by commissioning analytical work that will underpin policy decisions at the June and September meetings.



GCF: Progress- 3rd Meeting

- Other key outcomes included:
 - Finalisation of the Board's additional rules of procedure, which cover important issues such as rules for observer participation, the composition, selection and term of Board membership, and confidentiality and conflict of interest, and
 - Approving key steps for the establishment of the independent Secretariat, including processes for finalising the Headquarters Agreement with the Republic of Korea and selecting the Executive Director by June 2013.



GCF: 2013 Expectations

Arrangements with COP

- The Board mandated the Co-Chairs to develop, in accordance with paragraph 1 of decision 7/CP.18, the draft arrangements between the COP and the Fund with the Co-Chairs of the SCF.
- The Board also decided that the draft arrangements, prepared by the SCF, will be presented for consideration at the June 2013 Board meeting to be further developed for adoption at the September 2013 meeting for presentation to COP19 for agreement.



GCF: 2013 Expectations

Business Model Framework

- The business model framework for the Fund, will form the foundation for the how the Fund operates. In June 2013, the Board will work to take key policy decisions on the following aspects of the Fund's business model framework:
 - Objectives, results and performance indicators
 - Country ownership
 - Structure and organization
 - Financial instruments
 - Private sector facility
 - Access modalities



GCF: 2013 Expectations

- Further elements of the business model framework will be considered in September 2013, including:
 - Results management framework;
 - Financial inputs; and
 - Allocation.



GCF: 2013 Expectations

Resource mobilization

- A resource mobilization strategy will be considered in September, after which the Board will finalize its approach towards resource mobilization.

Modalities for readiness and preparatory support

- Building on the discussions held at its march meeting, the Board will decide on the elements of the modalities for readiness and preparatory support at its September meeting.



GCF: 2013 Expectations

Establishment of the independent Secretariat

- **Host country agreement - finalization of the Headquarters Agreement with the Republic of Korea:** The Headquarters Agreement between the GCF and the Republic of Korea will be signed by the Green Climate Fund Co-Chairs on behalf of the fund on 10 June and will be put forward for approval by the Government of the Republic of Korea in June 2013.
- **Selection of the Executive Director:** The committee has presented a shortlist of three candidates to the Board for discussion at its June 2013 meeting.
- **Administrative policies of the independent Secretariat:** The Board considered the options for the administrative framework of the independent Secretariat at its March 2013 meeting, and is seeking to finalize the framework at its June 2013 meeting.



Logo Competition For a New International Fund To Tackle Climate Change Now Open



THE GREEN CLIMATE FUND IS A NEW GLOBAL FUND THAT AIMS TO HELP DEVELOPING COUNTRIES TO ADDRESS CLIMATE CHANGE. THE GREEN CLIMATE FUND IS HOLDING AN INTERNATIONAL COMPETITION INVITING DESIGN STUDENTS AND YOUNG PROFESSIONALS TO SUBMIT PROPOSALS FOR A LOGO FOR THE FUND.

INDIVIDUALS OR GROUPS ARE WELCOME TO ENTER THE COMPETITION AND THE LOGO SHOULD REFLECT THE VALUES AND PURPOSE OF THE FUND.

THE SUCCESSFUL INDIVIDUAL OR GROUP WILL WIN A TRIP TO THE SEPTEMBER MEETING OF THE GREEN CLIMATE FUND BOARD FOR THE UNVEILING OF THE LOGO. THE SUCCESSFUL LOGO WILL BE DISPLAYED AT THE FUND'S HEADQUARTERS IN SONGDO, INCHEON CITY, THE REPUBLIC OF KOREA, AND WILL BE USED BY THE FUND IN ITS INTERNATIONAL COMMUNICATIONS AND PUBLICATIONS.

ENTRIES CLOSE ON 21 JULY 2013.

PLEASE VISIT WWW.GCFUND.NET FOR FURTHER INFORMATION AND TERMS AND CONDITIONS.

Green Climate Fund