

DRAFT TEXT

on

COP 26 agenda sub-item 8(c) Report of the Green Climate Fund to the Conference of the Parties and guidance to the Green Climate Fund (for 2020 and 2021) CMA 3 agenda sub-item 8(b) Guidance to the Green Climate Fund

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Decision -/CP.26

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 decision 3/CP.17, annex,

1. *Welcomes* the reports of the Green Climate Fund to the Conference of the Parties at its twenty-sixth session¹, including the list of actions taken by the Board of the Green Climate Fund in response to guidance received from the Conference of the Parties;
2. *Also welcomes* the continued effort of the Green Climate Fund to contribute to the achievement of the ultimate objective of the United Nations Framework Convention on Climate Change;
3. *Further welcomes* the progress of the Green Climate Fund in 2020–2021, including in relation to guidance provided by the Conference of the Parties:
 - (a) The increase in the number of project proposals approved, which brings the total amount approved by the Board to USD 10 billion to support implementation of 190 adaptation and mitigation projects and programmes in 127 developing countries;
 - (b) The increase in the number of entities accredited by the Board, which brings the total number of accredited entities to 112, of which 72 are direct access entities;
 - (c) The approval of its Updated Strategic Plan for 2020–2023², the Integrated Results Management Framework and a results tracking tool;
 - (d) The development of the long-term vision on complementarity, coherence and collaboration between the Green Climate Fund and the Global Environmental Facility;³
 - (e) The revision of its environmental and social policy to reaffirm its commitment to preventing sexual exploitation, sexual abuse and sexual harassment; administrative remedies and exclusions policy; and guidelines to facilitate the consideration by its Board of Independent Redress Mechanism reports on requests for reconsideration, grievances and complaints;
 - (f) The approval of its evaluation policy;
 - (g) The continued collaboration between the Green Climate Fund, the Climate Technology Centre and Network and the Technology Executive Committee;
 - (h) The collaboration between the Green Climate Fund, the Adaptation Committee and the Least Developed Countries Expert Group;
4. *Requests* the Green Climate Fund to enhance coherence and complementarity with other climate finance support providers, with a view to enhancing the impact and

¹ FCCC/CP/2020/5 and FCCC/CP/2021/8.

² <https://www.greenclimate.fund/document/updated-strategic-plan-green-climate-fund-2020-2023>

³ Global Environment Facility document GEF/C.60/08. Available at XX.

effectiveness of its work and decreasing transaction costs for recipient countries, by harmonizing, where feasible and to the extent possible, its procedures and guidelines with those of other climate finance support providers;

5. *Reiterates* the request to the Green Climate Fund to maintain the balance in the allocation of resources between adaptation and mitigation and ensure an appropriate allocation of resources for other activities;⁴

6. *Encourages* the Green Climate Fund to further clarify the role of data and information from, inter alia, the Intergovernmental Panel on Climate Change, and traditional, local and indigenous knowledge in the assessment of projects;

7. *Takes note* of the consideration by the Green Climate Fund of potential regional presence with a view to enhancing coordination with national accredited entities;

8. *Encourages* the Green Climate Fund to strengthen country ownership and regional management by proactively engaging national designated authorities, including as part of the concept note development stage, in particular for programmatic approaches;

9. *Takes note* of the significant number of remaining policy gaps, recalling that 20 policy items remain to be addressed in 2021 according to the Board's revised workplan, and *urges* the Board to prioritize closing these policy gaps as a matter of urgency, including by:

(a) Finalizing guidance on the approach to and scope of providing support for adaptation activities of developing countries;

(b) The adoption of an updated simplified approval process that adheres to its environmental and social safeguards;

(c) Adopting a country-driven programmatic approach policy, in particular to facilitate efficient programming for small and medium-sized projects;

10. *Also requests* the Green Climate Fund to initiate work on a new updated strategic plan, to be concluded ahead of the second Green Climate Fund replenishment period;

11. *Takes note* of the engagement of the President of the Conference of the Parties on the matter of granting privileges and immunities for the Green Climate Fund and its officials and *requests* the Green Climate Fund to continue efforts to ensure that the Fund enjoys privileges and immunities as necessary for the fulfilment of its purposes and officials of the Fund enjoy privileges and immunities as necessary for the independent exercise of their official functions in connection with the Fund;

12. *Recalls* decision 7/CP.21, paragraph 25 and *encourages* developing country Parties to submit projects that take into account alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests;

13. *Encourages* the Green Climate Fund to improve the integration of gender across the Fund, including through implementing the gender policy and by promoting gender parity, and *requests* the Fund to report on gender balance in its annual reports of the Board of the Green Climate Fund to the COP;

14. *Takes note* of the increase in negative impacts of climate change and the need for urgent action, and *urges* the Green Climate Fund to consider further improving:

(a) Direct access by local non-governmental organizations, and local private sector organisations;

(b) The just transition of the workforce in developing countries;

(c) The funding of parametric insurance for climatic events; and

(d) The simplification of the accreditation process to ensure timely accreditation for accredited entities in developing countries;

⁴ As per decision 4/CP.19, para. 9(a).

15. *Invites* Parties to submit to the secretariat views and recommendations on elements of guidance for the Green Climate Fund via the submission portal no later than 10 weeks prior to the twenty-seventh session of the Conference of the Parties;

16. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph XX above when preparing its draft guidance for the Green Climate Fund for consideration by the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

17. *Also requests* the Board of the Green Climate Fund to include in its annual report to the Conference of the Parties information on the steps it has taken to implement the guidance provided in this decision;

18. *Takes note* of decision -/CMA.3⁵ and *decides* to transmit to the Green Climate Fund the guidance from the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement contained in decision -/CMA.3, paragraphs XX–XX.⁶

Decision -/CMA.3

Guidance to the Green Climate Fund

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

1. *Recommends* that the Conference of the Parties at its twenty-sixth session transmit to the Green Climate Fund the guidance contained in paragraphs XX–XX below;⁷

2. *Welcomes* the reports of the Green Climate Fund to the Conference of the Parties at its twenty-sixth session,⁸ including the list of actions taken by the Board of the Green Climate Fund in response to guidance received from the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

3. *Also welcomes* the continued efforts of the Board of Green Climate Fund to continue providing financial resources for activities relevant to averting, minimizing and addressing loss and damage in developing country Parties, to the extent consistent with the existing investment, results framework and funding windows and structures of the Green Climate Fund including through the Project Preparation Facility and Readiness and Preparatory Support Programme;

4. *Welcomes* the Updated Strategic Plan for 2020–2023 and *requests* the Green Climate Fund to promote activities that support countries in aligning financial flows with their climate plans and strategies;

5. *Encourages* the Board of the Green Climate Fund consider policy conditions in the approval of accreditation or reaccreditation of developing country direct access entities and ensure such approvals are within policy frameworks;

6. *Requests* the Board to enhance support for programmatic adaptation proposals, in particular proposals that support the global goal on adaptation, enhance adaptive capacity and strengthen resilience and reduce vulnerability to climate change, in order to enhance implementation of national adaptation plans, adaptation communications and other voluntary adaptation planning processes, contribute to sustainable development and ensure an adequate global response in the context of the long-term temperature goal of the Paris Agreement.

⁵ Draft decision entitled “[X]” proposed under agenda sub-item 8(b) of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its third session.

⁶ In accordance with decision 1/CP.21, para. 61.

⁷ In accordance with decision 1/CP.21, para. 61.

⁸ FCCC/CP/2020/5 and FCCC/CP/2021/8.