



Conference of the Parties

Twenty-fifth session

Madrid, 2–13 December 2019

Agenda item 8(c)

Matters relating to finance

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

Matters relating to finance

Proposal by the President

Draft decision -/CP.25

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,

Also recalling decision 10/CP.22, paragraph 5,

1. *Welcomes* the report of the Green Climate Fund to the Conference of the Parties at its twenty-fifth session and its addendum,¹ including the list of actions taken by the Board of the Green Climate Fund (hereinafter referred to as the Board) in response to guidance received from the Conference of the Parties;
2. *Also welcomes* the progress of the Green Climate Fund in 2019 on the following, 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 5.6 billion to support the implementation of 124 adaptation and mitigation projects and programmes in 105 developing countries;
 - (b) The increase in the number of entities accredited by the Board, which brings the total number of accredited entities to 95, of which 56 are direct access entities;
 - (c) The adoption of procedures for adopting decisions in the event that all efforts at reaching consensus have been exhausted, as specified in the Governing Instrument for the Green Climate Fund;
 - (d) The adoption of a revised strategy for the Readiness and Preparatory Support Programme;

¹ FCCC/CP/2019/3 and Add.1.



- (e) The adoption of the policy on the restructuring and cancellation of projects and programmes;
 - (f) The adoption of the updated Gender Policy and Action Plan 2020–2023, in particular the support modality for national designated authorities and focal points to implement the policy and action plan, as well as support for direct access entities from the project preparation facility;²
 - (g) The adoption of the workplan of the Board for 2020–2023, which establishes a regular policy implementation, learning and review cycle;
 - (h) The adoption of the Green Climate Fund’s policy on co-financing;
 - (i) The forward-looking performance review of the Green Climate Fund;
 - (j) The continued collaboration between the Green Climate Fund, the Climate Technology Centre and Network and the Technology Executive Committee;
 - (k) The collaboration between the Green Climate Fund, the Adaptation Committee and the Least Developed Countries Expert Group;
 - (l) The steps agreed at the 24th meeting of the Board to finalize, at the 25th meeting of the Board, the draft Strategic Plan 2020–2023;
 - (m) Policies related to integrity, notably the policy on the protection from sexual exploitation, sexual abuse and sexual harassment and the standard on anti-money-laundering and countering the financing of terrorism;
3. *Further welcomes* the pledges made by 28 contributors and the successful conclusion of the first formal replenishment process of the Green Climate Fund, resulting in a nominal pledge of USD 9.66 billion and a notional credit of USD 118.47 million that may be earned in the event all contributors make early encashment;
 4. *Encourages* further pledges and contributions towards the first formal replenishment period;³
 5. *Also encourages* contributing countries to confirm their pledges to the Green Climate Fund in the form of fully executed contribution agreements or arrangements as soon as possible;
 6. *Reiterates* the request to the Green Climate Fund to accelerate the disbursement of funds for already approved projects, including for readiness support, and provide detailed information on disbursement levels and measures taken in this regard in its report to the Conference of the Parties;
 7. *Welcomes* the approval of the Board’s four-year workplan and *requests* the Board to complete its work on closing policy gaps, streamlining and simplifying approval processes, including for readiness support and national adaptation plans, and addressing the review of the accreditation framework as soon as possible so as not to disrupt the project and programme approval cycle during the first formal replenishment;
 8. *Encourages* the Board of the Green Climate Fund to continue its efforts to ensure that the Green Climate Fund enjoys privileges and immunities;
 9. *Takes note* of the engagement of the President of the Conference of the Parties at its twenty-fifth session with the Secretary-General of the United Nations on the matter of granting privileges and immunities for the Green Climate Fund and its officials through a possible institutional linkage between the United Nations and the Green Climate Fund, and requests the President to report on this engagement at its twenty-sixth session (November 2020);
 10. *Decides* to continue its consideration of the matter in paragraph 9 above at its twenty-sixth session;
 11. *Invites* Parties to submit to the secretariat their views and recommendations on elements to be taken into account in developing guidance for the Board via the submission

² Green Climate Fund Board document GCF/B.24/12, para. (d).

³ In accordance with Green Climate Fund Board document GCF/B.24/02.

portal⁴ no later than 10 weeks prior to the twenty-sixth session of the Conference of the Parties;

12. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 11 above when preparing its draft guidance to the Board 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;

13. *Also requests* the Board 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;

14. *Takes note* of decision -/CMA.2⁵ 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 paragraphs 15–21 below, in accordance with decision 1/CP.21, paragraph 61;

15. *Welcomes* the report of the Green Climate Fund to the Conference of the Parties at its twenty-fifth session and its addendum, including the list of actions taken by the Board in response to guidance received from the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

16. *Also welcomes* the Board's decision⁶ confirming that the current Green Climate Fund modalities enable support for the preparation and implementation of nationally determined contributions and adaptation-related elements of the Paris Agreement;

17. *Recalls* Article 7, paragraph 1, of the Paris Agreement, in which Parties established a global goal on adaptation for enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change;

18. *Takes note* of the encouragement of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement⁷ for the Green Climate Fund, among others, to continue channelling support to developing country Parties for the implementation of their adaptation plans and actions in accordance with the priorities and needs outlined in their adaptation communication and/or nationally determined contributions;

19. *Encourages* the Green Climate Fund to continue to enhance its support for adaptation and requests the Green Climate Fund to:

(a) Swiftly conclude its work on guidance on the approach and scope for providing support to adaptation activities;⁸

(b) Continue to enhance its support for the implementation of national adaptation plans, in line with Board decisions on enhancing readiness programming;⁹

20. *Also encourages* the Green Climate Fund to continue to collaborate with the Climate Technology Centre and Network and the Technology Executive Committee with a view to both strengthening cooperative action on technology development and transfer at different stages of the technology cycle and achieving a balance between support for mitigation and support for adaptation;

21. *Invites* the Board of the 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, and to facilitate efficient access in this regard, and in this context to take into account the strategic workstreams of the five-year rolling workplan of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts.¹⁰

⁴ <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

⁵ Draft decision proposed for adoption under agenda item 7(b) of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its second session.

⁶ Green Climate Fund Board decision GCF/B.13/10.

⁷ Decision 9/CMA.1, para. 21.

⁸ Pursuant to Green Climate Fund Board document GCF/B.17/10.

⁹ Green Climate Fund Board decisions GCF/B.22/10 and GCF/B.22/11.

¹⁰ FCCC/SB/2017/1/Add.1, annex.