



Conference of the Parties

Twenty-sixth session

Glasgow, 31 October to 12 November 2021

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 (for 2020 and 2021)**

Matters relating to finance

Proposal by the President

Draft 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 session,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 continued efforts of the Green Climate Fund to make a significant and ambitious contribution to the global effort to meet the goals set by the international community in relation to combating 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 funding 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 2020–2023,² Integrated Results Management Framework and a results tracking tool;

¹ FCCC/CP/2020/5 and FCCC/CP/2021/8.

² Contained in Green Climate Fund document GCF/B.27/21, annex II. Available at <https://www.greenclimate.fund/document/gcf-b27-21>.



(d) 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 consideration by the Board of Independent Redress Mechanism reports on requests for reconsideration, grievances and complaints;

(e) The approval of its evaluation policy;

(f) The continued collaboration between the Green Climate Fund, the Climate Technology Centre and Network and the Technology Executive Committee;

(g) The collaboration between the Green Climate Fund, the Adaptation Committee and the Least Developed Countries Expert Group;

4. *Welcomes* the long-term vision on complementarity, coherence and collaboration between the Green Climate Fund and the Global Environment Facility³ and *requests* the Board to enhance coherence and complementarity with other climate finance delivery channels with a view to enhancing the impact and effectiveness of its work;

5. *Encourages* further collaboration and engagement between the Green Climate Fund, the Climate Technology Centre and Network and the Technology Executive Committee, through continued joint work, as well as collaboration on events, and taking into consideration elements related to gender mainstreaming and observer engagement;

6. *Reiterates* the request to the Board to continue efforts to maintain the balance in the allocation of resources between adaptation and mitigation;⁴

7. *Encourages* the Board to further clarify the role of data and information from, inter alia, the Intergovernmental Panel on Climate Change, and traditional, local and indigenous knowledge and practices in the assessment of concept notes, project preparation funding applications and funding proposals;

8. *Also encourages* the Board to strengthen country ownership and regional management by proactively engaging national designated authorities in all aspects of the project and programme cycle;

9. *Takes note* of the exceptional circumstances of the coronavirus disease 2019 pandemic and its significant impact on the implementation of the Board's updated four-year workplan, *recognizes* the Board's efforts during that period and *encourages* the Board to continue to improve the efficiency and effectiveness of its work;

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

11. *Notes* the significant number of remaining policy gaps, including updating the accreditation framework including approving the project-specific assessment approach, updating the simplified approval process, approving the policy on programmatic approaches, completing policies related to the investment framework, and addressing matters related to the Private Sector Facility and strategy, as well as outstanding matters from the rules of procedure of the Board,⁵ and *urges* the Board to prioritize closing the policy gaps as a matter of urgency and to explore diversifying its selection of financial instruments for addressing climate risk including parametric insurance for climatic events;

12. *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

³ Contained in Global Environment Facility document GEF/C.60/08, annex I. Available at <https://www.thegef.org/council-meeting-documents/long-term-vision-complementarity-coherence-and-collaboration-between-green>.

⁴ Decision 4/CP.19, para. 9(a).

⁵ Available at <https://www.greenclimate.fund/document/rules-procedure>.

invites the Board to continue efforts to ensure that the Fund enjoys privileges and immunities as are necessary;

13. *Urges* the Board to finalize in a timely manner its work related to the guidance and arrangements of the Conference of the Parties on financing for forests and alternative approaches as mandated by decision 7/CP.21, paragraphs 23–25;

14. *Encourages* the Board to continue the integration of gender considerations into its activities, including through its gender policy and by promoting gender balance across the structures of the Fund;

15. *Invites* the Board to consider ways of improving access to the Fund for local non-governmental and private sector organizations;

16. *Also invites* Parties to submit to the secretariat views and recommendations on elements of guidance for the Green Climate Fund via the submission portal⁶ no later than 10 weeks prior to the twenty-seventh session of the Conference of the Parties (November 2022);

17. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 16 above when preparing its draft guidance for the Green Climate Fund for consideration by the Conference of the Parties at its twenty-seventh session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session (November 2022);

18. *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;

19. *Takes note* of decision -/CMA.3⁷ 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 2–8 of that decision.⁸

⁶ <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

⁷ Draft decision entitled “Guidance to the Green Climate Fund” proposed under agenda item 8(b) of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its third session.

⁸ In accordance with decision 1/CP.21, para. 61.