

Decision 10/CP.22

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 7/CP.21,

Noting the draft decision on the guidance to the Green Climate Fund prepared by the Standing Committee on Finance,¹

1. *Welcomes* the report of the Green Climate Fund to the Conference of the Parties and its addendum,² and the information contained therein on the progress made by the Green Climate Fund, including the detailed and comprehensive list of actions taken by the Board of the Green Climate Fund (hereinafter referred to as the Board) in response to the guidance received from the Conference of the Parties;

2. *Also welcomes* the following actions taken by the Board in response to previous guidance from the Conference of the Parties as contained in decisions 3/CP.17, 6/CP.18, 4/CP.19, 7/CP.20 and 7/CP.21:

(a) The approval of USD 1.17 billion for 27 projects and programmes in 39 countries and the issuance of requests for proposals for modalities that enhanced direct access, worth up to USD 200 million, and the issuance of requests for proposals for micro, small and medium-sized enterprises worth up to USD 100 million;

(b) The accreditation of 41 entities to date, including 18 direct access entities, and the decision to prioritize in 2016 and 2017 the accreditation of national direct access entities, entities in the Asia-Pacific and Eastern European regions, private sector entities, in particular those in developing countries, and entities responding to requests for proposals issued by the Green Climate Fund;

(c) The adoption of the initial strategic plan for the Green Climate Fund;

(d) Decisions to initiate and conclude the review of the initial proposal approvals process and the simplified approvals procedure for certain small-scale activities in 2016;

(e) Progress made to date in the implementation of the readiness and preparatory support programme with the approval of readiness proposals in 57 countries totalling USD 16 million, including the decision of the Board to simplify the template and to mandate the Green Climate Fund secretariat to expedite the approval and disbursement of readiness and preparatory support resources;

(f) The approval of up to USD 3 million per country in funding for the preparation of national adaptation plans and/or other national adaptation planning processes through the readiness and preparatory support programme;

(g) The operationalization of the project preparation facility of the Green Climate Fund, including the development of operational modalities and approval of an initial allocation of USD 40 million;

(h) The approval of the information disclosure policy, including the webcasting of Board proceedings, thus increasing the transparency of the Board's decision-making;

¹ FCCC/CP/2016/8, annex V.

² FCCC/CP/2016/7 and Add.1.

(i) The acknowledgment that the Green Climate Fund's modalities enable support for the preparation and implementation of the nationally determined contributions and adaptation-related elements of the Paris Agreement;

(j) Responses to the operationalization of results-based payments for the activities referred to in decision 1/CP.16, paragraph 70, consistent with decision 9/CP.19 and in accordance with Board decision B.08/08, as well as the recognition that the Green Climate Fund can support the development and implementation of national REDD-plus³ strategies or action plans and investment plans, including through the readiness and preparatory support programme;

(k) The acknowledgment that the Green Climate Fund's operational modalities enabled support for technology development and transfer, including for facilitating access to environmentally sound technologies and for collaborative research and development;

(l) The appointment of the second Executive Director of the Green Climate Fund secretariat and the Heads of the Independent Redress Mechanism, the Independent Integrity Unit and the Independent Evaluation Unit;

(m) Decisions to increase the staffing of the Green Climate Fund secretariat, in particular by addressing the capacity limitations in the Mitigation and Adaptation Division and the Private Sector Facility Division, and the secretariat's risk management capacity;

(n) Decisions to develop an operational framework on complementarity and coherence with other financing institutions, and progress on the relationship with the thematic bodies of the Convention, including the hosting of the first annual event with these bodies, and engagement with the Technology Executive Committee and the Climate Technology Centre and Network;

3. *Looks forward* to the ongoing and timely implementation by the Board of the above-mentioned decisions and guidance received from the Conference of the Parties, including the initial strategic plan, and the scaling up of investments in ambitious country-driven climate action;

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

5. *Also urges* Parties that made pledges under the initial resource mobilization process of the Green Climate Fund but have not yet confirmed them through fully executed contribution arrangements or agreements to do so as a matter of high priority;

6. *Requests* the Board to facilitate an increase in the amount of direct access proposals in the pipeline and to report to the Conference of the Parties on progress made in this regard;

7. *Also requests* the Board to take into account decision 1/CP.21, paragraph 64, to enhance the coordination and delivery of resources to support country-driven strategies through simplified and efficient application and approval procedures, and through continued readiness support to developing country Parties, including the least developed countries and small island developing States, as appropriate, and in accordance with Board decisions;

³ In decision 1/CP.16, paragraph 70, the Conference of the Parties encouraged developing country Parties to contribute to mitigation actions in the forest sector by undertaking the following activities, as deemed appropriate by each Party and in accordance with their respective capabilities and national circumstances: reducing emissions from deforestation; reducing emissions from forest degradation; conservation of forest carbon stocks; sustainable management of forests; and enhancement of forest carbon stocks.

8. *Notes with concern* the lack of signed bilateral agreements related to privileges and immunities in order for the Green Climate Fund to undertake its activities;
9. *Looks forward* to the biennial report on the matter referred to in paragraph 8 above, in accordance with decision 7/CP.20, paragraph 20, and Board decision B.08/24;
10. *Requests* the Board to enhance the delivery of resources by addressing those measures that are delaying the implementation of projects that have been approved by the Board, including the conclusion of pending accreditation master agreements and funded activity agreements;
11. *Encourages* the Board to implement its decision B.04/08 to develop modalities to support activities enabling private sector involvement in the least developed countries and small island developing States, and to seek opportunities to engage with the private sector, including local actors, on adaptation action at the national, regional and international levels;
12. *Invites* national designated authorities and focal points to utilize the readiness and preparatory support programme, and to collaborate with accredited entities to use the project preparation facility, where appropriate, to prepare adaptation and mitigation proposals of increasing quality and impact potential;
13. *Reiterates its request*⁴ to the Board to agree on the arrangements for the first formal replenishment process of the Green Climate Fund;
14. *Invites* Parties to submit via the submission portal⁵ annually, no later than 10 weeks prior to each session of the Conference of the Parties, their views and recommendations on the elements to be taken into account in developing guidance to the Green Climate Fund;
15. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 14 above when preparing draft guidance to the Green Climate Fund for consideration by the Conference of the Parties;
16. *Also requests* the Green Climate Fund, as an operating entity of the Financial Mechanism, to include in its annual report to the Conference of the Parties information on the steps it has taken and the timeline for the implementation of the guidance provided in this decision.

*10th plenary meeting
18 November 2016*

⁴ Decision 7/CP.21, paragraph 10.

⁵ <<http://www.unfccc.int/5900>>.