

Decision -/CP.19

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 Articles 4 and 11 of the Convention,

Taking into account decision 11/CP.1,

Recalling decisions 1/CP.16, 3/CP.17, 1/CP.18, 6/CP.18 and 7/CP.18,

1. *Takes note with appreciation* of the second annual report of the Board of the Green Climate Fund to the Conference of the Parties as contained in document FCCC/CP/2013/6;
2. *Welcomes* the Board's decisions to establish the independent secretariat and the selection of Ms. H la Cheikhrouhou as the Executive Director of the independent secretariat of the Green Climate Fund;
3. *Further welcomes* the conclusion and entry into force of the Headquarters Agreement between the Green Climate Fund and the Government of the Republic of Korea;
4. *Takes note* of the termination of the interim arrangements for the operation of the interim secretariat and expresses its appreciation to the UNFCCC and GEF secretariats for supporting the interim secretariat;
5. *Welcomes* the adoption of the third administrative budget of the Green Climate Fund, which will enable the establishment of the independent secretariat in Songdo, Incheon City, Republic of Korea;
6. *Notes* the progress made by the Board to ensure the operationalization of the Green Climate Fund, including the adoption of its 2014 workplan and the resource mobilization process;

A. Initial guidance to the Green Climate Fund

7. *Confirms* that the provisions contained in Article 11 of the Convention, and decisions 11/CP.1, 1/CP.16 and 3/CP.17, and the governing instrument for the Green Climate Fund, and decision 6/CP.18, together with [decision-/CP.19¹], constitute the initial guidance for the Green Climate Fund;
8. *Decides* to adopt the following initial guidance on policies, programme priorities and eligibility criteria for the Green Climate Fund, as an operating entity of the financial mechanism of the Convention;
9. *Requests* the Green Climate Fund:
 - (a) To balance the allocation of resources between adaptation and mitigation, and ensure an appropriate allocation of resources for other activities;
 - (b) To pursue a country-driven approach;

¹ Draft decision proposed for adoption under agenda item 11 d of the Conference of the Parties.

(c) In allocating resources for adaptation, the Green Climate Fund will take into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change;

10. *Confirms* that all developing country Parties to the Convention are eligible to receive resources from the Green Climate Fund;

B. Additional guidance to the Green Climate Fund

11. *Stresses* the need to achieve full operationalization of the Green Climate Fund, and in this regard urges the Board to an expeditious implementation of its 2014 workplan, including elements of decision 6/CP.18;

12. *Urges* the Board to finalize as soon as possible the essential requirements to receive, manage, programme and disburse financial resources in line with the approved workplan of the Board so that the Green Climate Fund can commence its initial resource mobilization process as soon as possible and transition subsequently to a formal replenishment process;

13. *Calls* for ambitious and timely contributions by developed countries to enable an effective operationalization, including for readiness and preparatory support of the Green Climate Fund that reflects the needs and challenges of developing countries in addressing climate change in the context of preparing, by the twentieth session of the Conference of the Parties (December 2014), the initial resource mobilization process described in paragraph 12 above;

14. *Underlines* that initial resource mobilization should reach a very significant scale that reflects the needs and challenges of developing countries in addressing climate change;

15. *Invites* financial inputs from a variety of other sources, public and private, including alternative sources, for the Board's initial resource mobilization process;

16. *Requests* the Board of the Green Climate Fund:

(a) To consider important lessons learned on country-driven processes from other existing funds;

(b) To ensure that in its consideration and finalization of the Green Climate Fund's access modalities, the Board takes into account the institutions already accredited by relevant institutions covered by the Board's agreement on the best practice fiduciary standards and principles and environmental and social standards;

(c) To report to the Conference of Parties at its twentieth session on progress made in the implementation of this decision, as well as the implementation of decision 6/CP.18;

17. *Invites* Parties to submit to the secretariat annually, and no later than 10 weeks prior to the subsequent session of the Conference of the Parties, their views and recommendations in writing on the elements to be taken into account in developing guidance to the operating entities of the financial mechanism of the Convention.