



Climate Finance



November 2015

GCF approved its first batch of project proposals

Report on decisions at the 11th Meeting of the Green Climate Fund Board

2-5 November 2015, Livingstone, Zambia

Mahlet Eyassu Melkie

Climate Analytics gGmbH

Supporting science based policy to prevent dangerous
climate change enabling sustainable development

Friedrichstraße 231 / Haus B
10969 Berlin / Germany

T / +49 (0)30 259 22 95 20
W / www.climateanalytics.org



Key Messages for policymakers in SIDS and LDCs

The GCF has approved its first eight projects including 2 from SIDS (Fiji and Maldives) and 3 from LDCs (Bangladesh, Malawi and Senegal). From these 5 projects only one project (Senegal) was submitted through a Nationally Implementing Entity. Therefore, SIDS and LDCs should work actively on having their National Implementing Entities (NIEs) and Regional Implementing Entities (RIEs) accredited and work closely with accredited entities to start developing and submitting more projects. The Board has also taken a decision to explore options for fast-track accreditation of NIEs, which will be a good opportunity to enhance direct access.

The newly established project preparation facility will make up to 10% of the requested funding (maximum of \$1.5 million per proposal) available for the preparation of projects to be targeted at Direct Access entities. Hence, SIDS and LDCs should take this opportunity to prepare ambitious and good quality project proposals.

While preparing project proposals, the comments and recommendations of the Secretariat and the Independent Technical Assessment Panel (ITAP) on the presented proposals should be taken as important lessons to make sure that project proposals will meet the investment criteria of the Fund. The role of the ITAP was also strengthened by encouraging early communication between the ITAP and project proponents when necessary.

The Board aspires to approve funding proposals worth of \$2.5 billion in 2016. In order to meet this target, the Board might focus on approving large-scale projects, which might be at the cost of small-scale projects. Therefore, SIDS and LDCs must make sure that a simplified approval process for small-scale activities is adopted at the next meeting.

Additional finance is made available for the readiness and preparatory activities, which SIDS and LDCs should take as an opportunity to access more funding for readiness activities and also for NAPs processes. The Board, by acknowledging the complexity of the application and approval process for readiness support, will be working on simplifying the process to access readiness funds to significantly increase the approval and timely disbursement of these funds. SIDS and LDCs must ensure that their special needs and circumstances are taken into account during the review of the readiness allocation system for preserving the currently agreed 50% minimum allocation for LDCs, SIDS and African States.

The Board has taken decisions to reform policies to make the Fund more responsive to the needs of developing countries, enhance country ownership, simplify and expedite the project application and approval process. In the preparation of the Strategic Plan of the Fund, SIDS and LDCs should be actively engaged and make submissions by 1 December and participate in the Informal meeting of early 2016.

Table of Contents

KEY MESSAGES FOR POLICYMAKERS IN SIDS AND LDCS	1
OVERVIEW OF KEY DECISIONS GCFB-11	3
DETAILED SUMMARY OF MEETING OUTCOMES	5
CONTEXT.....	5
COMPARISON OF SALARY LEVELS FOR COMPARABLE POSITIONS AT OTHER SPECIALIZED GLOBAL FUNDS FOR THE HEADS OF THE ACCOUNTABILITY UNIT	5
THE FINANCIAL STATEMENTS OF THE GREEN CLIMATE FUND FOR THE YEAR ENDED 31 DECEMBER 2014 AND ANNUAL REPORT 2014/15	5
STRATEGIC PLAN FOR THE GREEN CLIMATE FUND (PROGRESS REPORT).....	5
READINESS PROGRAMME IMPLEMENTATION (PROGRESS REPORT)	6
STATUS OF THE INITIAL RESOURCE MOBILIZATION PROCESS	7
OTHER MATTERS.....	8
UPDATE TO ADMINISTRATIVE GUIDELINES ON CORPORATE PROCUREMENT	8
ADMINISTRATIVE BUDGET OF THE GREEN CLIMATE FUND FOR 2016 – 2018	8
ELECTION OF THE CO-CHAIRS	9
INITIAL MONITORING AND ACCOUNTABILITY FRAMEWORK FOR ACCREDITED ENTITIES	9
CONSIDERATION OF FUNDING PROPOSALS	10
UPDATED ADMINISTRATIVE GUIDELINES ON HUMAN RESOURCES	13
DATE AND VENUE OF THE NEXT MEETING OF THE BOARD OF THE GREEN CLIMATE FUND	13
APPOINTMENT OF MEMBERS TO COMMITTEES OF THE BOARD.....	13

Overview of Key Decisions GCFB-11

The GCF Board took some major decisions at its 11th meeting. Even though more than 30 agenda items were proposed, the Board was able to take decisions only on 14 agenda items due to time constraints. Important decisions on the accreditation of entities, formal replenishment process, trustee arrangements, adoption of the risk register, simplified approval process for small-scale activities and communication strategy were deferred to the next meeting. The main decisions taken at the meeting were on:

Strategic Plan: An ad-hoc group of members was established to oversee and guide the preparation of the Strategic Plan of the GCF by the Secretariat that will be presented for approval at its 12th meeting. Board members, active observers and observer organizations are invited to make submissions by 1 December 2015. An informal meeting to address the Strategic Plan will be held early next year.

Readiness Programme: The Board requested the Secretariat to present to the Board at its next meeting a proposal on how to simplify the process to access readiness and preparatory support. The Board decided to make an additional \$14 million available for the readiness and preparatory programme and this programme may support the national adaptation planning (NAPs) process. The Board will review the interim readiness allocation system at its 12th meeting.

Status of the Initial Resource Mobilization Process: The Board urged contributing countries to sign their contribution agreements as soon as possible. The Secretariat was requested to develop policies and procedures for contributions from philanthropic foundations and other non-public and alternative sources for its 14th meeting and prepare document on how to explore alternative sources of finance that are additional to the current contributions for its 15th meeting.

Initial monitoring and accountability framework for accredited entities: The Board adopted an initial monitoring and accountability framework for accredited entities and an interim policy on fees for accredited entities with the policy to be developed by the Accreditation Committee and presented to the Board at its 14th meeting.

Performance Review of the Executive Director: the Board established an Executive Director Performance Review Committee to conclude its work by the 12th meeting with the support of an independent external evaluation firm. The current contract of the Executive Director ends in September 2016.

Consideration of Project Proposals: The Board requested the Secretariat to provide an update of the pipeline of portfolio of projects for each board meeting. Furthermore, the Secretariat was requested to review the proposal approval process and deliver a report at the 13th meeting.

A project preparation facility that is directed to small-scale activities and direct access entities was established to provide 10% of the requested funding with a maximum of \$1.5 million per proposal. The Board aspires to approve funding proposals in 2016 to a value of \$2.5 billion.

The Board will also look at options for fast-tracking accreditation of Nationally Implementing Entities and

simplify the concept note and funding proposal template.

The Board approved the proposals listed below contingent on the fulfillment of conditions and due consideration to recommendations.

No	Project name	Accredited Entity	Country/Region	Theme	Public/Private	GCF funding requested (in million USD)
FP 001	Building the Resilience of Wetlands in the Province of Datem del Marañón in Peru	Profonampe	Peru	Cross Cutting	Public	6.2
FP 002	Scaling Up the Use of Modernized Climate Information and Early Warning Systems in Malawi	UNDP	Malawi	Adaptation	Public	12.3
FP 003	Increasing the Resilience of Ecosystems and Communities through the Restoration of the Productive Bases of Salinized Lands in Senegal	CSE	Senegal	Adaptation	Public	7.6
FP 004	Climate Resilient Infrastructure Mainstreaming in Bangladesh	KfW	Bangladesh	Adaptation	Public	40
FP 005	KawiSafi Ventures Fund in Eastern Africa	Acumen	Multiple (Africa)	Cross Cutting	Private	25
FP 006	Energy Efficiency Green Bond in Latin America and the Caribbean	IDB	Multiple (Latin America)	Mitigation	Private	22
FP 007	Supporting Vulnerable Communities in Maldives to Manage Climate Change- Induced Water Shortages	UNDP	Maldives	Adaptation	Public	23.6
FP 008	Urban Water Supply and Wastewater Management Project in Fiji	ADB	Fiji	Cross Cutting	Public	31
Total funding requested (in million USD)						168

Administrative Decisions

- The Board approved its Financial Statement that ended 31 December 2014 and took note of the Annual Report 2014/2015. It also approved an administrative budget of \$29,157,227 for the time from 1 January 2016 to 31 December 2016.
- The Board approved to continue the application of administrative guidelines on human resources until it approves a revised one. This will be reviewed at its 12th meeting. Board members are invited to submit their views on the current guidelines to the Secretariat by 15th of December 2015.
- The Board decided to extend the period of application of the Corporate Procurement Guidelines until the end of its 12th meeting.
- The Board also elected South Africa and Australia to serve as co-chairs in 2016 and appointed members to its various Committees.



Detailed Summary of Meeting Outcomes

Context

The 11th meeting of the Board was a very important meeting as the Board was presented with eight project proposals for its consideration. There was a high expectation from this meeting as the approval of the first batch of project proposals will send a positive signal for the Paris Climate Summit in which Parties to the UNFCCC are expected to adopt a new legally binding deal that applies to all Parties. This created pressure on the Board to approve projects that were presented on its table even though there were still some policy gaps in the process for approving these projects. With some of these projects not fully meeting the investment criteria of the Fund, the Board approved the projects contingent on the fulfillment of conditions.

As there were many agenda items that were not taken up in previous meetings, the 11th meeting was a 4-days meeting with one additional day. However, the consideration of funding proposals took most of the time and resulted in the deferral of other important decisions to the next meeting such as the accreditation of entities, simplified approval process for small scale activities and the development of a formal replenishment process.

Comparison of salary levels for comparable positions at other specialized global funds for the Heads of the Accountability Unit

It is to be recalled that the Board has endorsed the selection process for the Heads of the Accountability Units but has not decided on their remuneration levels. As per the request by the Board, the Secretariat presented a comparison of salary levels with other comparable positions of specialized global funds. The Board, by taking note of this document that was prepared for its 11th meeting, decided that the appointment level for the Heads of Accountability Units will range from IS-6 (Principal Specialist or equivalent level) to IS-8 (Director or equivalent level) taking the candidate's work experience, current position and educational background into consideration. The highest level for the Secretariat's salary structure is IS-10, which is the Executive Director's salary level.

The financial statements of the Green Climate Fund for the year ended 31 December 2014 and Annual Report 2014/15

The Board approved the Financial Statements for the year ended 31 December 2014 and took note of the GCF Annual Report 2014/2015.

Strategic plan for the Green Climate Fund (Progress report)

The Strategic Plan of the GCF is to assist the Board in taking decisions on how to invest its resources while meeting its objectives. Based on the Board's invitation at the last meeting, six submissions from the African States, Ecuador, Germany, Japan, SIDS and the UK were made prior to this meeting. The Board took note of these submissions and noted the convergence on the need to set out a strategic plan for the GCF to further operationalize the Governing Instrument of the Fund. The Board also noted other convergences that the Strategic Plan should:

- Be a living document that will be reviewed and updated regularly;
- Clearly articulate the vision and operational priorities of the GCF to make it more accessible to countries and to strengthen its partnership with Nationally Designated Authorities/Focal Points and accredited entities;
- Identify opportunities, policy gaps and challenges in operationalizing these objectives and guiding principles; and
- Present an action plan for the implementation of strategic measures to strengthen the GCF as the distinctly transformational, high-impact, country-owned, dedicated climate fund, operating at scale.

The Strategic plan should focus on:

- Allowing the GCF to scale up its investments in developing countries to promote urgent and ambitious actions enhancing climate change adaptation and mitigation;
- Maximize the impacts of its funding in adaptation and mitigation while seeking a balance between the two; and
- Ensuring that the GCF is responsive to the needs of developing countries, enhancing country-ownership, direct access, fast disbursement and ensuring effective use of resources and enhancing transparency.

The Board established an ad hoc group of members comprised of three developing country members and three developed country members to oversee and guide the preparation of the Strategic plan by the Secretariat. Further an invitation for submission by 1 December 2015 on elements of the Strategic Plan was extended to Board/alternate members, active observers and observer organizations.

Furthermore, the Board decided to hold an informal Board meeting that is open to active observers in early 2016 (before the 12th meeting of the Board) to address the strategic plan. The ad hoc group was requested to present an initial draft and guiding questions that require further consideration by the Board. The Strategic Plan is to be presented to the Board for approval at its 12th meeting.

This is a critical time for the Fund, as the preparation of its Strategic Plan is underway. Board members should give their inputs before the 1 December 2015 deadline on how the Fund should further be operationalized to fulfill its mandate and achieve its objectives.

Readiness programme implementation (Progress Report)

The readiness and preparatory support programme was launched at the 8th meeting of the Board in Barbados, October 2015, with an initial \$15 million for 2015. Even though this Programme was launched a year ago, progress has been very slow and only \$ 4.6 million was disbursed for 17 countries out of the 87 requests. Most Board members especially from developing countries are frustrated with the slow progress of this programme and have been asking the Secretariat to be more responsive to the requests for readiness activities support.

The Board reaffirmed that readiness and preparatory support is a priority for the Fund to enhance country ownership, ensure a strong pipeline and build institutional capacity to enable direct access. Further the Board emphasized the importance of significantly increasing the approval and timely disbursement of resources for readiness activities. In relation to this, the Secretariat was requested to present at the 12th

meeting a proposal to improve and simplify the process to access funds for country programming and readiness and preparatory support in consultation with NDAs and focal points. This is a very important step in expediting the approval and disbursement process of readiness funds. The Secretariat should work very closely with NDAs and focal points to take lessons from their experiences and challenges and to incorporate their recommendations in the proposal.

The Board decided to make an additional \$14 million available for the execution of the readiness and preparatory support programme. The decision also reaffirmed that the GCF through its readiness programme may support voluntary, country driven national adaptation planning (NAPs) processes in coordination with other programmes and channels. As there are other institutions that support the preparation of NAPs, it is important that the GCF's readiness support compliments other efforts without duplicating them. The Secretariat's proposal to allocate up to \$2 million per country for the development of NAPs was rejected by the Board, because it felt that there was no justification for limiting funding available for this activity to this particular number of \$2 million.

Moreover, the Board decided to review the interim readiness allocation system at its 12th meeting in accordance with decision B08/11 (para h). The Secretariat was requested to present for the Board's consideration a revised allocation system taking into account the needs and priorities of developing countries. The Board also requested the revised allocation system to include an information note on how the GCF can support developing countries in their voluntary NAP processes including activities the funds can be used for. The current readiness support's allocation system is favorable to particularly vulnerable and capacity-constrained countries with at least 50% of the support being allocated for LDCs, SIDS and African States. The readiness support programme is in its early stage and faced with various challenges that resulted in only a few countries having effectively accessed funds for their readiness activities. In the revision of the allocation system, the special needs and circumstances of these group of countries needs to be taken into consideration and it is important to maintain the minimum allocation floor (50% for LDCs, SIDS and African States). The Secretariat should propose ways to simplify the approval and disbursement process so that many countries in need of readiness support would benefit.

Status of the Initial Resource Mobilization Process

It is to be recalled that the Initial Resource Mobilization Process has resulted in a pledge of \$10.2 billion by December 2014. The Board has taken a decision at its 8th meeting that the Fund will become effective once 50% of the total pledged amount at the November 2014 high level pledging conference is signed into contribution agreements and no later than April 30, 2015. To date 27 countries have signed their contributions agreement with a remaining of 9 countries including US, Canada, Spain and Finland. In addition, 5 countries that have signed only partially.

At the 11th meeting of the Board, representatives from developing countries proposed a firm deadline (December 31st) for those countries, which have not yet turned their pledges into contributions. However, these countries have expressed their concerns that having another deadline will not help their national efforts. Therefore the Board, in its decision, urged contributing countries to confirm their pledges as soon as possible.

The Board requested the Secretariat to prepare a document for understanding and defining alternative sources of financial inputs to the GCF, that are additional to current contributions, for its 15th meeting. In addition, the Secretariat was requested to develop policies and procedures for contributions from philanthropic foundations and other non-public and alternative sources to the IRM process for the Board to

consider at its 14th meeting. Since the financial needs for climate change activities are large, the GCF should explore various ways of raising more funds additionally to public funds from contributing countries and send positive signals to other interested contributors.

Other matters

The Board decided to undertake and conclude a review of the performance of the Executive Director by its first meeting of 2016. The current contract of the Executive Director ends in September 2016. To undertake this review, the Board adopted the terms of reference of the Executive Director Performance Review Committee and appointed the following Board members:

- Mr. David Kaluba (Zambia);
- Ms. Caroline Leclerc (Canada);
- Ms. Andrea Ledward (UK); and
- Mr. Yingming Yang (China).

The Board adopted a methodology for the performance review and decided to engage an independent external evaluation firm to support the Executive Director's performance review committee. The Board approved a budget for performance assessment of the Executive Director including the costs of the independent external evaluation firm of up to \$20,000.

Update to administrative guidelines on corporate procurement

The Board reviewed the update of the administrative guidelines on corporate procurement that was presented by the Secretariat. Following up on this, the Board decided to extend the period of application of the Corporate Procurement Guidelines until the end of its 12th meeting on the use of consultants and the Corporate Procurement Guidelines for Goods and Services that was approved at its 8th meeting. This guideline will be reviewed at its 12th meeting and authorizes the Executive Director to implement the guidelines.

Administrative budget of the Green Climate Fund for 2016 – 2018

The Secretariat document proposed a budget of \$33,557,227 for 2016 with an increase of \$14 million as compared to the previous year (2015) with a plan of hiring more staff. The document further suggested an administrative budget of \$37,591,724 for 2017 and \$42,334,479 for 2018.

The Board had a broad discussion on this agenda item and also on another document prepared by the Secretariat to update the structure and staffing of the Secretariat. It was the view of some Board members that the restructuring of the Secretariat should be in line with the Strategic Plan of the Fund and that this restructuring should therefore only be done after the adoption of the Strategic Plan.

The Board approved an administrative budget of \$29,157,227 for the time from 1 January 2016 to 31 December 2016. The Board requested the Secretariat to present a revised staff structure of the Secretariat and a budget proposal that will respond to the Strategic Plan for the GCF for the Board to consider at its 13th meeting. Furthermore, a Budget Committee was established as a standing committee of the Board and the Board requested the Secretariat to present the terms of reference of the Committee for consideration at its 12th meeting.

Election of the Co-Chairs

The Board elected co-chairs Mr. Zaheer Fakir (South Africa) and Mr. Ewen McDonald (Australia) to serve as co-chairs for the next year (2016).

Initial monitoring and accountability framework for accredited entities

The Board adopted the initial monitoring and accountability framework for accredited entities. The Secretariat was then requested to develop the appropriate tools and internal procedures to operationalize this framework, as well as standardized templates that take into account the nature of the entities and their capacities.

The adopted framework inter alia includes a policy on reaccreditation of entities, as an entity's accreditation is only valid for five years. The entity can then apply for re-accreditation in the same category or for an upgrade to a higher category. During the application process, the Accreditation Panel and the Secretariat will review the entity's performance of the previous five years and will make a recommendation to the Board.

The review will also include an assessment of the extent to which the overall portfolio of the entity – beyond the activities funded by the GCF – has evolved in the direction of the Fund's overall objective to promote a paradigm shift towards low emission and climate resilient development pathways. The decision mandates the Board to take this assessment into account when making its decision on re-accreditation. With this policy in place, the Board now has a tool at its disposal for reviewing progress of entities to divest from emission intensive investments such as coal. This applies in particular to international private banks seeking accreditation with the GCF that often have large investments in coal and other fossil fuels.

One of the most contentious issues was the proposed fee structure for accredited entities. Administrative costs will be higher for entities that are implementing small or micro level projects as compared to entities that will be implementing medium or large projects. The Board decided to adopt an interim policy on fees for accredited entities that applies higher percentages of maximum fees than the policy initially proposed by the Secretariat [for projects <USD 50 million: 6% for mitigation and 7% for cross-cutting and adaptation; for projects >USD 50 million: 5% for mitigation and 6% for cross-cutting and adaptation].

Size	Fee cap % of GCF funding (on grant)
Micro (<USD 10 million)	10%
Small (USD 10-50 million)	9%
Medium (USD 50-250 million)	8%
Large (> USD 250 million)	7%

Table 1: Schedule of cap on fees applicable to public sector projects/programmes

The fees cap on readiness grants will be 10%. The services that will be covered by the GCF fees are:

- Project or programme implementation and supervision;
- Project or programme completion and evaluations; and
- Reporting.

The fees to be paid to the accredited entity will be additional to the approved amount for project/programme funding and should not duplicate with other forms of support such as technical

assistance. As per the decision taken previously, fees for the private sector and non-grant instruments other than concessional loans to the public sector should be decided on a case-by-case basis.

The Board requested the Accreditation Committee, supported by the Secretariat, to develop a policy on fees for accredited entities for the Board's consideration at its 14th meeting based on the lessons learnt from the interim policy on fees and explore options for a performance-based approach and appropriate incentives. The Board also requested the Secretariat to conduct an analysis of the fee structure of comparable funds to establish the appropriateness and applicability of the fee structure to accredited direct access entities.

Consideration of funding proposals

There were eight project proposals with a total volume of \$168 million with 2 in SIDS (Fiji and Maldives) and 3 in LDCs (Bangladesh, Malawi, Senegal) that were presented to the Board for its consideration. The Board had a very long discussion about each of the projects after listening to the assessments and recommendations by the Secretariat and the Independent Technical Assessment Panel (ITAP). The fact that there was some policy gaps in the approval process, such as no clarity on eligibility criteria and risk investment criteria put the Board in a difficult situation to approve or reject these projects. This was the first meeting that the Board was presented with project proposals for its consideration but according to the ITAP's assessment some of these projects lacked ambition, innovation and it was not clear if they are directly addressing the effects and impacts of climate change while some also did not fully meet the Fund's investment criteria.

After reviewing the projects that were presented for consideration, the Board noted some common areas in which the projects provide a better demonstration of how they meet existing GCF policies:

- Linkage between climate actions and how they enable economic development to proceed in a sustainable manner;
- How the project/programme incorporates potential innovation;
- How benefits will be sustained once GCF financing ends;
- Monitoring and evaluation, including how lessons can be disseminated to inform and possibly promote replication in other regions/countries;
- How benefits for women and girls will be delivered;
- How fiduciary weaknesses in project countries will be addressed;
- Country ownership and effective stakeholder engagement; and
- Additionality of the funding.

The Board finally approved the following eight projects contingent on the fulfillment of conditions and due consideration to recommendations.



No	Project name	Accredited Entity	Country/Region	Theme	Public/Private	GCF funding requested (in million USD)
FP 001	Building the Resilience of Wetlands in the Province of Datem del Marañón in Peru	Profonampe	Peru	Cross Cutting	Public	6.2
FP 002	Scaling Up the Use of Modernized Climate Information and Early Warning Systems in Malawi	UNDP	Malawi	Adaptation	Public	12.3
FP 003	Increasing the Resilience of Ecosystems and Communities through the Restoration of the Productive Bases of Salinized Lands in Senegal	CSE	Senegal	Adaptation	Public	7.6
FP 004	Climate Resilient Infrastructure Mainstreaming in Bangladesh	KfW	Bangladesh	Adaptation	Public	40
FP 005	KawiSafi Ventures Fund in Eastern Africa	Acumen	Multiple (Africa)	Cross Cutting	Private	25
FP 006	Energy Efficiency Green Bond in Latin America and the Caribbean	IDB	Multiple (Latin America)	Mitigation	Private	22
FP 007	Supporting Vulnerable Communities in Maldives to Manage Climate Change- Induced Water Shortages	UNDP	Maldives	Adaptation	Public	23.6
FP 008	Urban Water Supply and Wastewater Management Project in Fiji	ADB	Fiji	Cross Cutting	Public	31
Total funding requested (in million USD)						168

Table 2. Projects approved at the GCFB-11.

To address the concern raised by most developing country Board members, the Secretariat was requested to provide an update of the pipeline portfolio and submit it to the Board at each meeting. This will assist the Board to have a clear picture and understanding of what kind of projects are in the pipeline and their statuses. Further the Secretariat was requested to publish on its website the funding proposals along with the ITAP’s assessment. This will further strengthen the transparency of the Fund’s operations.

The Board agreed to include in its 2016 Work Plan outstanding decisions related to the proposal approval process, programme and project cycle and simplified process for the approval of proposals for certain activities, in particular for small-scale activities. It also decided to review the proposal approval process that was approved at its 7th meeting based on the experience gathered from the review of the first batch of proposals submitted:

- Strengthen and scale up the Fund's pipeline and country pipelines and programmes;
- Streamline and improve the transparency of the proposal approval process;
- Define further decision making options including deferral of proposal approvals;
- Review how concept notes should work within the project cycle, facilitate the ITAP's feedback on concept notes, and facilitate contact of the ITAP with accredited entities as useful and necessary;
- Support the Board to make decisions regarding funding proposals;
- Strengthen project/programme eligibility criteria, including categories of incremental cost eligible for funding; and
- Interim procedures for redress pending the recruitment of the head of the independent redress mechanism.

The Secretariat was requested to undertake a review of the proposal approval process that will be overseen by the ad-hoc group of Board members (that will guide the preparation of the Strategic Plan). This review will be discussed at the Board's informal meeting and deliver a progress report at the 12th meeting and a final report at the 13th meeting.

Members from developing countries were asking for the establishment of a project preparation facility that will support the preparation of project proposals. The Board finally decided to establish a project preparation facility that provides 10% of the requested GCF funding with a maximum of \$1.5 million for any single proposal. This will be based on concept notes submitted by accredited entities that include justification of need of funding for project preparation. The Secretariat will review and assess the concept note against the investment criteria and justification of need and send this funding request for project preparation to the Board for approval. The project preparation facility would be targeted to small-scale activities and Direct Access entities and will be reviewed by the Secretariat for the Board's consideration at its 14th meeting.

The Board aspires to approve funding proposals in 2016 to a value of \$2.5 billion, which was the ask of some developing country members to ensure that the Fund would be ambitious and operates at scale.

The Accreditation Committee was requested to include options for streamlining modalities for fast-tracking in the accreditation of Nationally Implementing Entities (NIEs) using third party assessments as appropriate in the accreditation strategy. The Secretariat was also requested to simplify the funding proposal template and concept note template in an expeditious manner in consultation with the ITAP, NDAs, focal points and accredited entities. This decision to explore options of fast-track the accreditation of NIEs and simplify the concept note and funding proposal template will encourage more NIEs to be accredited and open doors for more funding proposals to come from small and capacity-constrained countries with the direct access modality.

In order to enhance country ownership, the Board decided that concept notes sent to the GCF must include a clear paragraph indicating how the project fits in with the country's national priorities and its full ownership of the concept.

Updated administrative guidelines on human resources

The Secretariat has presented to the Board a proposal to revise the salary scale of its employee's as per the Asian Development Bank's revised scale. The Board took note of the recommendation by the Secretariat and noted that the Executive Director on exceptional cases based on merits and experiences may apply more flexibility to appoint a staff between minimum and midpoint salary level.

The Board approved to continue the application of administrative guidelines on human resources until it approves a revised one. The decision requested Board members to make written submissions on their recommendations on revision of the guidelines by December 15, 2015. The Secretariat will present the revised guidelines by considering the proposed changes for the Board's approval. The Board also decided to review the administrative guidelines on human resources at its 12th meeting.

Date and venue of the next meeting of the Board of the Green Climate Fund

The Board decided the weeks and venues of the meetings to be held in 2016. The agreed dates and venues are:

- 12th meeting, Songdo, Republic of Korea, Week of 7th March 2016 (specific dates to be confirmed).
- 13th meeting, Songdo, Republic of Korea, Tuesday 28 -Thursday 30 June 2016 (dates to be confirmed at the 12th meeting).
- 14th meeting, Ecuador, Tuesday 18 - Thursday 20 October 2016 (dates to be confirmed at the 13th meeting).

Appointment of members to committees of the Board

The Board has taken decisions on appointing the following Board members to various Committees of the Board.

Committees	Board/alternate members
Investment Committee, for a term starting from 8 July 2015	<ul style="list-style-type: none"> • Ms. Kate Hughes (UK); • Mr. Frank Fass-Metz (Germany); and • Mr. Atsuyuki Oike (Japan).
Risk Management Committee, for a term starting on 8 July 2015	<ul style="list-style-type: none"> • Mr. Arnaud Buisse (France); • Mr. Masaaki Iizuka (Japan); and • Mr. Jacob Waslander (Netherlands).
Ethics and Audit Committee, for a term starting on the date of adoption of this decision	<ul style="list-style-type: none"> • Ms. Ludovica Soderini (Italy)
Private Sector Advisory Group, for the second term	<ul style="list-style-type: none"> • Mr. Morten Elkjaer (Denmark)
Accreditation Committee for the second term	<ul style="list-style-type: none"> • Mr. Ander Wallberg (Sweden); • Mr. Henrik Harboe (Norway); and • Mr. Leonardo Martinez (US).