

**GREEN
CLIMATE
FUND**

Meeting of the Board
13 – 16 March 2023
Songdo, Incheon, Republic of Korea
Provisional agenda item 4

GCF/B.35/Inf.01/Rev.01
7 March 2023

Board decisions proposed between the thirty-fourth and thirty-fifth meetings of the Board

Summary

This document provides information on decisions proposed between the thirty-fourth and thirty-fifth meetings of the Board as at 7 March 2023.

I. Introduction

1. In accordance with paragraph 41 of the Rules of Procedure of the Board, “Decisions without a Board meeting may occur on an extraordinary basis when in the judgement of both Co-Chairs, a decision must be taken by the Board that should not be postponed to the next Board meeting”. In such instances, the Secretariat, with the approval of the Co-Chairs, shall transmit to members and alternate members of the Board a proposed decision with the invitation to approve the decision on a no-objection basis within a prescribed period between Board meetings.

2. This document summarizes decisions proposed to the Board between its thirty-fourth and thirty-fifth meetings (B.34 and B.35) as at 7 March 2023. In accordance with decision B.32/11, this document on the matter of decisions proposed without a Board meeting for consideration at the next Board meeting includes the comments, clarifications and objections received, in accordance with the IDP.

1.1 Decisions approved as at 7 March 2023

3. As at 7 March 2023, the following decisions were approved between meetings on a non-objection basis:

- (a) “Recommendation on waiver before employment by the Secretariat”: the proposed decision was transmitted to the Board on a limited distribution basis as document GCF/BM-2022/10 on 15 December 2022 with a no-objection period of 7 days ending on 22 December 2022.
 - (i) Comments were received from the Board during the no-objection period;
 - (ii) The decision was deemed approved as decision B.BM-2022/11, circulated to the Board on a limited distribution basis on 29 December 2022;
 - (iii) The comments and clarifications received are included in the limited distribution addendum to this document (document GCF/B.35/Inf.01/Add.01).
- (b) “Status of approved funding proposals: extension of deadline in respect of FP185 (Climate Change: The New Evolutionary Challenge for the Galapagos)”: the proposed decision was transmitted to the Board as document GCF/BM-2022/11 on 19 December 2022 with a no-objection period of 14 days ending on 2 January 2023, during which no objections were received. The decision was thus deemed approved as decision B.BM-2022/12, circulated to the board on 3 January 2023 and published on the GCF website.
- (c) “Election of Co-Chairs of the Board for 2023”: the proposed decision was transmitted to the Board as document GCF/BM-2023/01 on 10 January 2023 with a no objection period of 7 days ending on 17 January 2023;
 - (i) One objection was received during the no-objection period;
 - (ii) The Co-Chairs worked through the objection directly with the Board member. Following discussion with the Co-Chairs, the Board member lifted their objection;
 - (iii) The decision was thus deemed approved as decision B.BM-2023/01, circulated to the Board on 26 January 2023 along with the Co-Chairs’ written report and published on the GCF website;
 - (iv) The comments, clarifications and objections received, as well as the Co-Chairs’ written report, are included in annexes I and II to this document.

- (d) “Accreditation of observer organizations”: the proposed decision was transmitted to the Board on a limited distribution basis as document GCF/BM-2023/02 on 6 February 2023 with a no-objection period of 21 days ending on 27 February 2023, during which no objections were received. The decision was thus deemed approved as decision B.BM-2023/02, circulated to the board on 28 February 2023 and published on the GCF website.

II. Decisions proposed pending approval as at 7 March 2023

4. There are no decisions proposed pending approval as at 7 March 2023.

III. Next steps

5. On approval by the Board, decisions are transmitted to the Board and made available on the GCF website except for limited distribution decisions.
6. Decisions approved between meetings will be recorded in the report of the next meeting in accordance with paragraph 44 of the Rules of Procedure.

Annex I: Comments, clarifications, and objection related to document GCF/BM-2023/01

1. This document contains the details of the written inputs received on the proposed decision presented in document GCF/BM-2023/01 titled “Election of Co-Chairs of the Board for 2023”, which was transmitted to the Board by the Secretary to the Board for its consideration on 10 January 2023 for a 7-day period for replies ending 17 January 2023.
2. One objection was received from the Board during the period for replies. The objection was subsequently lifted.
3. Table 1 presents a message following the transmittal of the proposed decision to the Board on 10 January.
4. Table 2 contains the e-mail correspondences and objection received from the Board following the transmittal of the proposed decision.

Table 1: Transmittal of the proposed decision to the Board on 10 January 2023

Message following transmittal of proposed decision
<p>From: Green Climate Fund - Secretary to the Board Sent: Tuesday, January 10, 2023 3:07 PM Subject: Proposed decision without a Board meeting – Election of Co-Chairs of the Board for 2023</p> <p>Subject: Proposed decision without a Board meeting – Election of Co-Chairs of the Board for 2023</p> <p>To: Members and alternate members of the Board of the Green Climate Fund (advisers copied)</p> <p>Dear members and alternate members of the Board,</p> <p>Kindly find attached the following proposed decision between meetings:</p> <ul style="list-style-type: none">• Election of Co-Chairs of the Board for 2023 (GCF/BM-2023/01) <p>With the agreement of the Co-Chairs, and as per the Rules of Procedure, this draft decision is transmitted to the Board with an invitation for Board members to approve the decision on a non-objection basis for a 7-day period ending on Tuesday, 17 January 2023 at 18:00 hrs. KST (UTC+9). The Co-Chairs confirm that all alternate Board members may participate in this decision-making process through their Board member and encourage alternate Board members to engage with the Board member accordingly.</p> <p>In accordance with paragraph 43 of the Rules of Procedure, at the expiration of the 7-day period for replies, the decision will be deemed approved unless there is an objection. If an objection has been received, the Co-Chairs will work through the objection with the Board member directly. If the objecting Board member upholds</p>

his/her objection following discussion with the Co-Chairs, the proposed decision will be considered by the Board at the following meeting.

The Secretariat shall circulate all written comments and objections to Board members and alternate members and notify all the Board members and alternate members of the action taken pursuant to the Rules of Procedure. In line with decision B.32/11, the document on the matter of decisions proposed without a Board meeting for consideration at the next Board meeting will include the comments, clarifications and objections received, in accordance with the Information Disclosure Policy.

In accordance with paragraph 41 of the Rules of Procedure of the Board and decision B.32/11, the draft decision will be provided to the active observers for their information and be published on the GCF website.

With kind regards,

Pa

Pa Ousman Jarju

Secretary to the Board and Head of the
Office of Governance Affairs

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Green Climate Fund

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Facebook: [@GCFOfficial](https://www.facebook.com/GCFOfficial) Instagram: [@greenclimatefund](https://www.instagram.com/greenclimatefund)

Table 2: Correspondence related to the objection from the Board

Objection received on 16 January

From: Pacifica Achieng

Sent: Monday, January 16, 2023 10:14 PM

To: Green Climate Fund - Secretary to the Board

Cc: Selam K. Abebe; Richard Sherman; Tlou Ramaru; Green Climate Fund - Secretariat

Subject: Subject: Proposed decision without a Board meeting – Election of Co-Chairs of the Board for 2023

Dear Secretary,

Please find the attached submission by AGN for your consideration on election of co-chairs of the Board for 2023.

Best regards

Pacifica Ogola

Contents of attachment

Dear Secretariat

Please find attached an objection to the current decision on the election of Co-Chairs for 2023 submitted on behalf of all the African Board and Alternate members.

Given the primary Board seat is vacant Chair I am submitting this objection as the alternate serving as the member.

Thank you

Pacifica

Dear Co-Chairs

We thank you for the decision circulated for a decision without a Board meeting to elect the 2023 Co-Chairs of the Board.

While fully respecting the nominations from constituencies, we believe this current decision gives rise to a number of issues that need to be resolved. As such we are obligated to raise our concerns and objections. In accordance with the agreed guidelines, we are lodging an objection to the decision in its current form.

At COP17, all Parties agreed to launch the Green Climate Fund by adopting its Governing Instrument. The Governing Instrument provides a legal obligation that the "Fund shall receive financial inputs from developed countries" (paragraph 29). We note that the

nominated developed country Co-Chair has a non-converted pledge from the IRM period and did not contribute to the GCF-1 programming period. In our view, the Board needs to address the risks and financial policies related to the contributions of developed countries and the significant impact this has on the Fund's commitment authority.

In order to lift our objection we require assurance that gaps in the implementation of the paragraph 29 of the GI, as well as the need for a full suite of policies regulating the Fund's contribution policy, in particular matters regarding the non-conversion of contributions, and in particular arrears, as well as incentives and enforcement of contributions by all developed countries, will be addressed by the Board early in 2023 and prior to the next GCF-2 replenishment meeting. We also require assurance that an potential decision does not constitute agreement to waiver the need for such policies or normalise the situation of non-contributing Parties involvement on the Board.

Given the significant impact of non-contributions and non-conversion and/or non-payment of exiting pledge and signed contributions agreements on the GCF's commitment authority, the Board's active engagement on these matters is a matter of priority.

In this regard, we request the Co-Chairs to consider additional paragraphs to the current decision that would confirm the Board's agreement to address matters relating to the implementation of paragraph 29 and other contribution related policies.

Yours Sincerely

Pacifica Ogola

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On behalf of the African Board and Alternate members

Response from the Secretariat

From: Green Climate Fund - Secretary to the Board

Sent: Tuesday, January 17, 2023 10:03 AM

To: Pacifica Achieng; Green Climate Fund - Secretary to the Board

Cc: Selam K. Abebe; Richard Sherman; Tlou Ramaru; Green Climate Fund - Secretariat

Subject: RE: Subject: Proposed decision without a Board meeting – Election of Co-Chairs of the Board for 2023

Dear Pacifica,

Thank you for your message. On behalf of the Secretary to the Board, we acknowledge receipt of your communication containing the objection of the African Board members to the proposed decision between meetings.

We confirm your message has been duly communicated to the Co-Chairs of the Board.

Best regards,

Lalit

Response from the Co-Chairs

From: richard sherman

Sent: Thursday, January 19, 2023 3:33 AM

To: Pacifica Achieng; Tlou Ramaru; DONNELLIER Jean-Christophe; Wael Aboelmagd Amb Khargia; Seyni Nafo; Antwi-Boasiako Amoah; tanguy gahouma; Green Climate Fund - Secretary to the Board

Cc: MOHAMED NASR; Selam Kidane; LANNOY Marine; BESANCON Kévin

Subject: Co-Chairs réponse to African Objection Letter

Dear Pacifica and Colleagues

We have received your letter of objection on behalf of the African Board and Alternate members regarding the decision recently circulated by the Co-Chairs.

As per the Rules of Procedure and the guidelines on decisions without a meeting, the Co-Chair's are to work through the objection directly with the member(s).

Your letter had requested the Co-Chairs to propose a solution so that the issues you raised will be addressed by the Board in 2023.

Tlou and myself have held detailed conversations on these issues and we would like to offer the following solution as a means for the lifting of your objection.

We have proceeded on the understand that there is no objection to the nomination of Co-Chairs and that the African members are merely following the agreed guidelines by procedurally objecting to the decision to ensure issues of concern can be brought to the Board's attention.

We have assessed several options, including that of adding new procedural language in the decision to address your concerns. However, we have concluded that issuing a revised decision is not likely to lead to consensus, meaning that the matter would need to be taken to B.35 for resolution. We understand that this is not the intent of the objection.

The matters you have raised need to be discussed by the Board. It is our responsibility to ensure the Secretariat is preparing for B.35. As Co-Chairs of the Board we give you our undertaking that

the matter will be placed on the draft B.35 agenda. It will be up to the new Co-Chairs to ratify this agenda and for the Board to approve the agenda.

As part of the guidelines, the Co-Chairs will share with the Board the objection and the outcome of the working through process. Thus your objection will be duly noted and registered at the Board level as an ongoing concern.

We look forward to hearing from you and hope that this is a satisfactory way forward that enables you to lift the objection? We would appreciate a response by Friday 20 January.

Yours sincerely

Jean-Christophe and Tlou

From 18 – 25 January, the Co-Chairs held informal discussions with the members and a resolution to the matters was agreed upon.

Response from the objecting member

From: Pacifica Achieng

Subject: Fw: Subject: Proposed decision without a Board meeting – Election of Co-Chairs of the Board for 2023

Date: 25 January 2023 at 12:15:49 SAST

To: Tlou Ramaru, Richard Sherman

Reply-To: Pacifica Achieng

Dear Tlou,

The email below refers.

Please find attached response on the above subject matter for your consideration and submission on behalf of AGN.

Best regards

Pacifica

Contents of attachment

Dear Co-Chairs

Thank you for the reply and for informal discussions with our Members.

We agree to the proposal that the matter be placed on the provisional agenda for B.35 and that the provisional agenda be published in accordance with the Rules of Procedure.

This in our mind will allow the Board to consider these matters and not be guided only by the GCF-2 replenishment contributors. We note our concern that these important matters, that have significant impacts on the GCF's commitment authority, have not been addressed by the Board since B.08 in 2014. We further note that the GCF-1 policy for contributions did not include any follow up actions from the policies agreed for the Initial Resource Mobilisation Period, and that the draft of the CGF-2 policy for contributions is silent on these matters.

We look forward to the Board's deliberation on these critical matters.

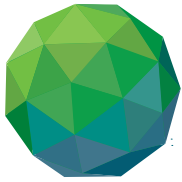
Yours Sincerely

Pacifica

On behalf of the African Board and Alternate Members

Annex II: Co-Chairs' written report related to document GCF/BM-2023/01

The Co-Chairs' written report related to document GCF/BM-2023/01 is contained below.



GREEN
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Election of Co-Chairs of the Board for 2023

Co-Chairs' written report

26 January 2023
Informal document

Report of the Co-Chairs in relation to objections received for a decision without a Board meeting

1. As per paragraph 11 of the agreed guidelines (decision B.32/11, annex XI), “the Co-Chairs will provide a written report to the Board detailing their discussions with the objecting Board member(s). The Secretariat shall circulate all written comments and objections to Board members and alternate members and notify all the Board members and alternate members of the action taken as outlined in the Co-Chairs written report.” This report outlines the actions of the Co-Chairs in working through the objection and the actions taken. All documentation related to the decision is contained in the annexes to the report.
2. Following nominations received from the developed and developing country constituencies, the Co-Chairs circulated a proposed decision without a Board meeting on 10 January 2023 to elect the Board Co-Chairs for the term starting 1 January and ending 31 December 2023. The proposed decision was circulated to the Board for a period of replies of seven days on a no-objection basis. The proposed decision is presented in annex I to this report.
3. On 16 January 2023, the Co-Chairs received an objection to the proposed decision from the members on behalf of the African Board and Alternate Members. The objection is presented in annex II to this report. On 17 January, the Secretariat acknowledged receipt of the objection.
4. As part of the prescribed working-through process, on 18 January the Co-Chairs responded to the African Board and Alternate Members’ requests for assurances that the issues raised in their objection would be addressed by the Board as part of its formal agenda in 2023. The Co-Chairs’ response to the objection is presented in annex III to this report.
5. Between 18 and 25 January, informal discussions were held with the members and a resolution to the matters was agreed upon. On 25 January, the Co-Chairs received a letter from the African members lifting the objection on the basis of the matter being included on the provisional agenda for the thirty-fifth meeting of the Board (B.35). The letter lifting the objection is presented in annex IV to this report.
6. The Co-Chairs agreed to an additional request to publish the provisional agenda for B.35, in accordance with the Rules of Procedure of the Board, to include the matter of the Fund’s Policy for Contributions on the provisional agenda. The Co-Chairs are of the view that this would allow for a considered sequence of the Policy for Contributions at B.35, followed by discussions as part of the second replenishment process in April, and that this would then allow the Board to conclude the matter by adopting the Policy for Contributions at B.36.
7. The Co-Chairs also agreed on the provisional agenda for B.35 and instructed the Secretariat to sequentially publish the provisional agenda to be followed by this report, informing the Board that the objection has been lifted and the decision on the election of the 2023 Co-Chairs is approved.
8. We thank the African Board and Alternate Members for their cooperative spirit in resolving these matters and we wish the 2023 Co-Chairs all success in their term.

Jean-Christophe and Tlou

Annex I: Proposed decision on the election of Co-Chairs for 2023

The Board, having considered document GCF/BM-2023/01 titled “Election of Co-Chairs of the Board for 2023”:

Elects Mr. Nauman Bhatti and Ms. Victoria Gunderson as the Co-Chairs of the Board for 2023 for the period until 31 December 2023.

Annex II: Objection letter

16 January 2023, at 3:13 p.m.

Dear Co-Chairs

We thank you for the decision circulated for a decision without a Board meeting to elect the 2023 Co-Chairs of the Board.

While fully respecting the nominations from constituencies, we believe this current decision gives rise to a number of issues that need to be resolved. As such we are obligated to raise our concerns and objections. In accordance with the agreed guidelines, we are lodging an objection to the decision in its current form.

At COP17, all Parties agreed to launch the Green Climate Fund by adopting its Governing Instrument. The Governing Instrument provides a legal obligation that the "Fund shall receive financial inputs from developed countries" (paragraph 29). We note that the nominated developed country Co-Chair has a non-converted pledge from the IRM period and did not contribute to the GCF-1 programming period. In our view, the Board needs to address the risks and financial policies related to the contributions of developed countries and the significant impact this has on the Fund's commitment authority.

In order to lift our objection we require assurance that gaps in the implementation of the paragraph 29 of the GI, as well as the need for a full suite of policies regulating the Fund's contribution policy, in particular matters regarding the non-conversion of contributions, and in particular arrears, as well as incentives and enforcement of contributions by all developed countries, will be addressed by the Board early in 2023 and prior to the next GCF-2 replenishment meeting. We also require assurance that an potential decision does not constitute agreement to waiver the need for such policies or normalise the situation of non-contributing Parties involvement on the Board.

Given the significant impact of non-contributions and non-conversion and/or non-payment of exiting pledge and signed contributions agreements on the GCF's commitment authority, the Board's active engagement on these matters is a matter of priority.

In this regard, we request the Co-Chairs to consider additional paragraphs to the current decision that would confirm the Board's agreement to address matters relating to the implementation of paragraph 29 and other contribution related policies.

Yours Sincerely

Pacifica Ogola

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On behalf of the African Board and Alternate members

Annex III: Co-Chairs' response

18 January 2023, at 8:32 p.m.

Dear Pacifica and Colleagues

We have received your letter of objection on behalf of the African Board and Alternate members regarding the decision recently circulated by the Co-Chairs.

As per the Rules of Procedure and the guidelines on decisions without a meeting, the Co-Chair's are to work through the objection directly with the member(s).

Your letter had requested the Co-Chairs to propose a solution so that the issues you raised will be addressed by the Board in 2023.

Tlou and myself have held detailed conversations on these issues and we would like to offer the following solution as a means for the lifting of your objection.

We have proceeded on the understand that there is no objection to the nomination of Co-Chairs and that the African members are merely following the agreed guidelines by procedurally objecting to the decision to ensure issues of concern can be brought to the Board's attention.

We have assessed several options, including that of adding new procedural language in the decision to address your concerns. However, we have concluded that issuing a revised decision is not likely to lead to consensus, meaning that the matter would need to be taken to B.35 for resolution. We understand that this is not the intent of the objection.

The matters you have raised need to be discussed by the Board. It is our responsibility to ensure the Secretariat is preparing for B.35. As Co-Chairs of the Board we give you our undertaking that the matter will be placed on the draft B.35 agenda. It will be up to the new Co-Chairs to ratify this agenda and for the Board to approve the agenda.

As part of the guidelines, the Co-Chairs will share with the Board the objection and the outcome of the working through process. Thus your objection will be duly noted and registered at the Board level as an ongoing concern.

We look forward to hearing from you and hope that this is a satisfactory way forward that enables you to lift the objection? We would appreciate a response by Friday 20 January.

Yours sincerely

Jean-Christophe and Tlou

Annex IV: Confirmation of the lifting of the objection

25 January 2023, at 12:15 p.m.

Dear Co-Chairs

Thank you for the reply and for informal discussions with our Members.

We agree to the proposal that the matter be placed on the provisional agenda for B.35 and that the provisional agenda be published in accordance with the Rules of Procedure.

This in our mind will allow the Board to consider these matters and not be guided only by the GCF-2 replenishment contributors. We note our concern that these important matters, that have significant impacts on the GCF's commitment authority, have not been addressed by the Board since B.08 in 2014. We further note that the GCF-1 policy for contributions did not include any follow up actions from the policies agreed for the Initial Resource Mobilisation Period, and that the draft of the CGF-2 policy for contributions is silent on these matters.

We look forward to the Board's deliberation on these critical matters.

Yours Sincerely

Pacifica
On behalf of the African Board and Alternate Members
