



STATEMENT OF PARTNERSHIP

BETWEEN
THE GREEN CLIMATE FUND
AND
THE INTERNATIONAL DEVELOPMENT FINANCE CLUB

This **Statement of Partnership** is between the Green Climate Fund and the International Development Finance Club, collectively referred to as the “Parties”, and individually referred to as a “Party”.

WHEREAS the Green Climate Fund (hereinafter referred to as the “GCF”), is designated as an operating entity of the financial mechanism under Article 11 of the United Nations Framework Convention on Climate Change and established pursuant to the Governing Instrument for the Green Climate Fund (hereinafter referred to as “the Governing Instrument”) possessing juridical personality in order to operate effectively internationally, having such legal capacity as is necessary for the exercise of its functions and the protection of its interests and having its headquarters at Songdo Business District, 175 Art center-daero, Yeonsu-gu, Incheon 22004, Republic of Korea;

WHEREAS the International Development Finance Club (hereinafter referred to as the “IDFC”) is the leading group of 24 national and regional development banks from all over the world, a majority active in emerging markets.

WHEREAS the GCF is established with a purpose to make a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change;

WHEREAS the GCF promotes the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change, accounting for the needs of those developing countries particularly vulnerable to the adverse effects of climate change;

WHEREAS IDFC takes a leading role, as the largest provider of public development and climate finance globally and as a platform for advocacy, vision and action to address climate change and the Sustainable Development Goals and foster related engagement throughout the financial community;



WHEREAS IDFC members have a unique function of supporting domestic and regional policies while transferring international priorities into their own constituencies;

WHEREAS IDFC is committed to align with the Paris Agreement among others by (i) further embedding climate change considerations within their strategies and activities and (ii) redirecting financial flows in support of transitions towards low-carbon and climate-resilient sustainable development;

WHEREAS the parties share the long-standing and successful history of collaboration since their respective establishment in 2010 and 2011, with numerous contributions, exchanges and activities of common interest at the times of the setting up and operationalization of GCF, and subsequent concrete cooperation on and co-financing of projects and programmes;

WHEREAS the GCF and IDFC intend to strengthen their collaboration and formally structure their partnership, with a view to becoming strategic partners for each other, playing a leadership role together to serve the needed transformations to achieve the Paris Agreement objectives and of promoting the key role of national and regional development banks to provide, intermediate, implement and/or mobilize domestic and international climate finance.

NOW, THEREFORE, the Parties have reached the following understanding:

ARTICLE 1. PURPOSE OF THE COOPERATION

The purpose of this collaboration is to provide a framework for collaboration between the Parties to develop and promote joint initiatives in support of the Parties' respective mandates in the areas of cooperation set out below.

ARTICLE 2. AREAS OF COOPERATION

2.1 GCF and IDFC and its members, as Accredited Entities and potential Readiness Delivery Partners of GCF, or more broadly as institutions pursuing similar objectives regarding climate action, commit to collaborate in the following areas:

- i. **Sharing knowledge for climate finance and action.** GCF and IDFC will engage to share knowledge and best practices in climate finance, via regular learning exchanges, support to mutual publications and/or cross-review of analytical work and strategic and position papers, co-organization and/or joint participation in knowledge events, and other collaborative activities.



Knowledge sharing topics may comprise, inter alia:

- a. definition and operationalization of the concept of aligning with the Paris Agreement, including its Art. 2.1c) calling to make finance flows consistent with a pathway towards low-emission and climate-resilient development; among others, IDFC will exchange with GCF in the context of an IDFC-sponsored study on the operationalization of the concept of alignment among Club members;
 - b. support to country-led climate related policies: development of enabling policy and regulatory environments, elaboration of long term 2050 decarbonization pathways as well as long term resilience approaches, integration of such long term considerations into short term decisions and actions, technical capacities and institutional strengthening to enable the translation of NDCs and longer term climate strategies into policies, investments plans and projects;
 - c. design and financing of projects and programmes generating transformational climate results;
 - d. catalyzing investments and mobilizing local and international private capital, e.g. through blended finance;
 - e. promotion and strengthening of adaptation and resilience, especially in developing countries that are particularly vulnerable to the adverse impacts of climate change, including least developed countries, small island developing states and African states;
 - f. identification and management of climate-related financial risks (physical risks, transition risks) and uncertainties; and
 - g. support to transitions to renewables and energy resource efficiency.
- ii. **Integration of climate considerations within financial institutions.** GCF and IDFC will jointly promote the mainstreaming of climate considerations throughout the financial community and the related processes of internal transformation of financial institutions (governance, strategies, processes, activities, reporting and transparency, etc.), taking into account among others existing initiatives, such as the Mainstreaming Climate Action in Financial Institutions initiative launched and supported by many IDFC members as well as a wide range of other public and private financial institutions worldwide.



GCF and IDFC will join efforts to:

- a. contribute to making climate change considerations a core component of how financial institutions conduct business, parallel to and in addition to the necessary development of appropriate regulatory and enabling environments at the domestic and international levels;
 - b. promote a shift from incremental financing of climate activities to ensuring that climate change – as both a risk and an opportunity – is a fundamental consideration around which financial institutions shall deploy all their capital; and
 - c. foster integration of climate considerations within financial institutions that are implementing, intermediating or benefiting from GCF and/or IDFC resources, including beyond those accredited by GCF, and promote the mainstreaming of such considerations in GCF accreditation and review processes.
- iii. **Facilitation of access to GCF resources with co-financing from IDFC members and support to capacity building activities.** GCF and IDFC will engage to facilitate access of eligible IDFC members to GCF activities and resources and further develop co-financing activities, including on:
- a. providing information on how to liaise efficiently with GCF;
 - b. developing and sharing toolkits (e.g. on the accreditation process, environment and social safeguards and gender policies, regarding GCF's Readiness Programme and Project Preparation Facility), including with a view to promoting direct access to GCF resources by national and regional development banks;
 - c. exploring the possibility for eligible IDFC members to access the Readiness Programme, the Project Preparation Facility and other technical assistance and capacity building activities;
 - d. identifying, developing and scaling up of innovative/transformational policies, projects and programmes;
 - e. collaborating and providing cross-support in the context of the IDFC Climate Facility, whose objectives are to facilitate joint work among IDFC members on climate change and strengthen the capacity of IDFC members to originate and develop climate



mitigation and adaptation projects as well as new collaboration opportunities.

- iv. **Outreach and awareness raising.** Building on GCF's and IDFC's leading positioning on climate finance, GCF and IDFC will seek to jointly advocate their shared vision and goals, by raising their respective visibility in international fora on climate finance, via joint or coordinated publications, events or activities, and/or by reaching out to key stakeholders in the area of climate finance.

Outreach topics to be jointly promoted by GCF and IDFC would focus among others on:

- a. the paradigm shifts necessary for low-emission and climate-resilient sustainable development pathways;
- b. the promotion of the concept of alignment with the Paris Agreement, including the integration of climate and sustainable development considerations by financial institutions, as well as the role of national and regional development banks such as IDFC members, to contribute to redirecting all financial flows towards Paris Agreement goals in the context of sustainable development;
- c. the promotion of direct access by national and regional development banks to international climate finance resources such as those of GCF; and
- d. the importance of collective action to continuously advance on the fight against climate change and the adaptation to its effects.

ARTICLE 3: ORGANIZATION OF THE COOPERATION

- 3.1 The Parties will appoint focal points for the implementation of activities set out in this collaboration and will hold periodic consultations to review and evaluate the planning, implementation, and outcome of their cooperation as well as identify opportunities and follow-up activities for enhancing their collaboration.
- 3.2 In the event that opportunities for specific activities are identified in the course, or as a result, of the cooperation between the Parties on the basis of this collaboration, the Parties will negotiate and enter into supplementary agreements in accordance with the relevant internal procedures and approval process.



3.3 Notwithstanding paragraph 3.2 above, it is understood and agreed that nothing herein will constitute, or be construed as, an offer, promise or undertaking by either Party to finance all or part of any specific activity identified herein or pursuant hereto. Unless otherwise agreed in the supplementary agreements referred to in paragraph 3.2 above, each Party will bear its own cost with respect to the implementation of this collaboration.

ARTICLE 4. USE OF NAME AND LOGO

4.1 The Parties agree to recognize and acknowledge this cooperation, as appropriate. To this end, the Parties will consult with each other concerning the manner and form of such recognition and acknowledgment in all public information documentation related to such cooperation.

4.2 Neither Party will use the name, logo or trademarks of the other Party, or any abbreviation thereof, without the express prior written approval of the other Party in each case.

ARTICLE 5. COMMUNICATIONS

Any notice or other communication to be given or made under this Partnership will be addressed and sent to the following focal points or at such other address as either Party designates by notice to the other Party.

For the IDFC:	For the Green Climate Fund:
Address: 5 rue Roland Barthes, 75 598 PARIS Cedex 12	Address: Songdo International Business District, 175, Art Center-daero, Yeonsu-gu, Incheon, 22004, Republic of Korea
Attention of: Head of the IDFC Secretariat	Attention of: Director of the Private Sector Facility
E-mail: secretariat_idfc@afd.fr	E-mail: privatesector@gcfund.org

ARTICLE 6. FINAL PROVISIONS

6.1 This Statement of Partnership reflects the views and intentions of the Parties to co-operate on a non-exclusive basis, expressed in good faith. It does not create any legal obligation or the incurrence of any financial or other commitment by GCF or IDFC. It does not represent any commitment with regard to funding or any form of preferential treatment on the part of GCF or IDFC. Any such commitment



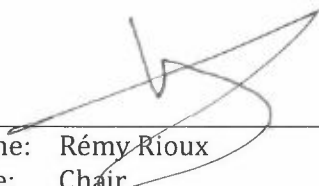
would be established in separate agreements that may be entered into by GCF and IDFC in accordance with their respective mandate, policies, rules and procedures.

- 6.2 The intents described herein may be reviewed at any time by mutual written agreement of the GCF and IDFC. Nothing contained herein shall be construed as, or constitute, a waiver, renunciation or other modification of any privileges, immunities and exemptions accorded to the GCF or any of the IDFC members under relevant international conventions or any other applicable law.
- 6.3 This Statement of Partnership will become effective on the date it is signed by the last of the two Parties and will remain in effect for three years, unless terminated earlier by either Party upon three-months advance written notice to the other Party. Subject to satisfactory past implementation, this Statement of Partnership may be extended by written agreement between the Parties.
- 6.4 This Statement of Partnership may be amended only by mutual written agreement of the Parties.

IN WITNESS WHEREOF, the Green Climate Fund and the International Development Finance Club, each acting through its duly authorized representative, have signed this Statement of Partnership in two originals, in English language.

**FOR THE INTERNATIONAL
DEVELOPMENT FINANCE CLUB**

FOR THE GREEN CLIMATE FUND


Name: Rémy Rioux
Title: Chair
Date: 26 June, 2019


Name: Yannick Glemarec
Title: Executive Director
Date: 26 June, 2019