Green Climate Fund’s Private Sector Clean Energy Initiatives

Jiwoo Choi
Head of Financial Institutions and Structured Finance
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“A new global fund created to support developing countries take on climate action by investing in low-emission and climate-resilient development.”
• USD 10.1 billion in signed pledges
• 50:50 split between adaptation and mitigation
• Geographical balance
• 50% of adaptation resources for SIDS, LDCs and African States
• USD 130 million for Readiness support, incl. adaptation planning
• USD 40 million for Project Preparation
With a focus on...
• Impacts
• Paradigm-shift potential
• Crosscutting adaptation-mitigation benefits
• Sustainable development co-benefits
Six Investment Criteria
Against which proposals are assessed

- **Impact potential**: Potential to contribute to achievement of Fund's objectives and result areas
- **Paradigm shift potential**: Long-term impact beyond a one-off investment
- **Sustainable development potential**: Wider economic, environmental, social (gender) co-benefits
- **Country ownership**: Country ownership and capacity to implement (policies, climate strategies and institutions)
- **Efficiency & effectiveness**: Economic and, if appropriate, financial soundness, as well as cost-effectiveness and co-financing for mitigation
- **Responsive to needs of recipients**: Vulnerability and financing needs of beneficiary in targeted group
Status of the GCF portfolio and private sector approved projects
Portfolio Composition post B19

76 projects/programmes with USD 3.7 billion in GCF funding

Requested and committed amount of GCF funding

BY REGION (%)
- LAC: 28.1%
- Asia-Pacific: 34.7%
- Africa: 31.2%
- LDCs, SIDS, Africa: 51.5%
- Eastern Europe: 6.0%

BY THEME (%)
- Mitigation: 43.3%
- Adaptation: 28.7%
- Cross-cutting: 28.0%
Estimated climate impacts
Portfolio post B19

Mitigation impacts
1.3 GtCO₂eq (lifetime)

Adaptation impacts
217 million beneficiaries
Investments by the Fund’s results areas
Portfolio post B19

GCF committed funding by results areas (%)

- Energy access & generation: 6.6% Public, 25.6% Private
- Transport: 1.3% Public, 0.1% Private
- Energy efficiency: 12.4% Public, 6.9% Private
- REDD+ & land use: 3% Public, 0.1% Private
- Livelihoods: 13.5% Public, 0.9% Private
- Health, food & water security: 8.1% Public, 3.3% Private
- Infrastructure resilience: 10.7% Public, 2.5% Private
- Ecosystem: 4.2% Public, 0.1% Private

Public
Private
Portfolio composition as at B19

Private Sector

Committed amount of GCF funding (17 approved projects)

- **Equity**: 27%
- **Grant**: 6%
- **Loan**: 66%
- **Guarantee**: 1.6%

**USD 1.51B**

**GCF**
- $1.51 billion

**Co-Financing**
- $4.66 billion
Portfolio composition as at B19

Private Sector

By regions
- Africa 46%
- LAC 36%
- APAC 13%
- EE 4%

Cross-Cutting 24%

By funding windows
- Mitigation 71%
- Adaptation 6%
- Cross-Cutting 24%

USD 1.51B

USD 1.51B
## Private Sector Projects

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<table>
<thead>
<tr>
<th>Countries</th>
<th>GCF financing</th>
<th>Accredited entity</th>
<th>Financial instrument</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple Countries - Global</td>
<td>USD 265 million</td>
<td>EIB</td>
<td>Equity and Grant</td>
</tr>
</tbody>
</table>

- USD 250M in equity and USD 15M in grant: fund of funds with the aim of being the first investor in RE/EE investment funds
- Significant climate impact due to the elevated multiplier effect
- Channeling institutional investors into renewable energy and energy efficiency investments in developing countries
- Emissions reduction of 769 million tCO₂e
# Private Sector Projects

## KawiSafi Ventures Fund

<table>
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<th>Country</th>
<th>GCF financing</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Kenya and Rwanda</td>
<td>USD 25 million</td>
<td>Acumen</td>
<td>Equity and Grant</td>
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</tbody>
</table>

- USD 20M in equity and USD 5M in grants for technical assistance
- Universal access to energy for people at the bottom of the pyramid
- Mobilization of private sector investors at scale for investment in SMEs in East Africa
- Conversion of a social impact fund into a Green Impact Fund
- Emissions reduction of 1.5 million tCO₂
Private Sector Projects
Egypt Renewable Energy Financing Framework

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<tr>
<th>Countries</th>
<th>GCF financing</th>
<th>Accredited entity</th>
<th>Financial instrument</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>USD 154.7 million</td>
<td>EBRD</td>
<td>Loan and Grant</td>
</tr>
</tbody>
</table>

• USD 150M in loan and USD 4.7M in grant:

• Encourage private sector investment in an environment where currently there is negligible renewable capacity installed

• to remove the bottlenecks to the lack of financing for the development of private sector renewable energy projects

• Emissions reduction of 18.9 million tCO₂e
### Mongolian Renewable Energy Financing Framework

<table>
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<th>Countries</th>
<th>GCF financing</th>
<th>Accredited entity</th>
<th>Financial instrument</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mongolia</td>
<td>USD 8.65 million</td>
<td>XacBank</td>
<td>Loan</td>
</tr>
</tbody>
</table>

- USD 8.65M in loan
- To unlock renewable energy investments in Mongolia and mobilize private sector capital
- To help Mongolia to achieve its nationally determined contribution (NDC) targets
- The project is expected to be a precursor to the Asia Super Grid initiative
- Emissions reduction of 0.30 million tCO$_2$e
RfP
Mobilizing Funds at Scale
Request for proposals
Mobilizing funds at scale

GCF INVESTMENT:
✓ Up to USD 500M in projects/programmes

COUNTRIES RECEIVED:
✓ 70+ Developing countries

NUMBER OF CONCEPT NOTES RECEIVED:
✓ 350 CNs

EST. PROJECT COST:
✓ USD 43 billion

EST GCF REQUESTED FINANCING:
✓ USD 18 Billion

Published on  ✓ 25 May 2017.
Closed on   ✓ 30 August 2017
Short-list Announced ✓ 12 December 2017

Pitch for the Planet.
Thank you
GREEN CLIMATE FUND