Obtaining Financial Support for GHG Mitigation Projects from the Green Climate Fund

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Basic Facts on the Fund

NAME GREEN CLIMATE FUND

TYPE Financial Mechanism of the Convention - UNFCCC

ESTABLISHED 11 December 2010 in Cancun, Mexico

STAKEHOLDERS 194 Countries
Signatories to the UNFCCC

GOVERNANCE Board + Secretariat + Independent Accountability Units
Equal Board members from developing and developed countries

MANDATE To promote low-emission and climate-resilient development in developing countries

HEADQUARTERS Songdo, Republic of Korea
GCF resources

- USD 10.3 billion in pledges
- USD 10.1 billion in signed contributions
- 50/50 split between adaptation & mitigation
- Geographical balance
- 50% of adaptation resources for SIDS, LDCs and African States
- ~USD 80 million for Readiness support
- USD 40 million for Project Preparation

Figures as of 7 December 2016
Characteristics of GCF

- Country ownership through NDAs and focal points
- Balance between adaptation and mitigation
- Equal voice for developed and developing countries
- Diversity of accredited entities
- Diversity of financial instruments
- Dedicated Private Sector Facility (PSF)
- Largest dedicated climate fund globally
Engaging with GCF

- Establish and maintain a National Designated Authority (NDA) or focal point
- Strategic engagement through country programmes
- Identify and seek accreditation of entities to access resources from the Fund
- Develop projects and programmes to bring forward funding proposals through accredited entities
8 Strategic Results Areas

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
- **Needs of recipients**: Vulnerability and financing needs of beneficiary in targeted group
Project approval process
Legal arrangements

Accredited Entity

Secretariat

GCF Board

NDA

1. Generation of Project idea
2. Concept note (optional)
3. Submission of funding proposal
4. Analysis and recommendation
5. Board Decision
6. Technical Advisory Panel

Possible request for Readiness support by NDA
Possible support from Project Preparation Facility to AE

Concept note
Submission of funding proposal
Analysis and recommendation
Board Decision

No-objection

Trustee

Legal arrangements

Project approval process
Growing portfolio
$3.5b for 74 projects

Status as of August 2018
Portfolio composition

**BY REGION (%)**
- Africa: 45%
- Asia-Pacific: 29%
- LAC: 22%
- Eastern Europe: 4%
- LDCs, SIDS, Africa: 24%
- Other Developing Countries: 16%

**BY WINDOW (%)**
- Adaptation: 27%
- Cross-cutting: 32%
- Mitigation: 41%
Portfolio composition

**BY INSTRUMENT (%)**
- Grant: 42%
- Loan: 39%
- Equity: 18%
- Guarantee: 1%

**CO-FINANCING**
- GCF: 2.2 billion
- Co-financing: 5.1 billion

Status as of B16 (Apr 2017)
Investments by results areas

Portfolio

GCF funding by results areas (%)

Energy access & generation
Transport
Energy efficiency
REDD+ & land use
Livelihoods
Health, food & water security
Infrastructure resilience
Ecosystem

Public  Private

Status as of B16 (Apr 2017)
www.greenclimate.fund