

GCF IN BRIEF: ABOUT THE FUND



The Green Climate Fund (GCF) is an operating entity of the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, dedicated to supporting global efforts to respond to the challenge of climate change.

GCF helps developing countries limit or reduce their greenhouse gas (GHG) emissions and adapt to climate change. It seeks to promote a paradigm shift to low-emission and climate-resilient development, taking into account the needs of developing countries that are particularly vulnerable to climate change impacts.

Guided by the principles and provisions of the UNFCCC, GCF has an important role in serving the Paris Agreement on Climate Change, and supporting the goal of keeping average global temperature rise well below 2C.

GCF aims for a 50:50 balance between mitigation and adaptation over time. It also aims for a floor of 50 percent of the adaptation allocation for particularly vulnerable countries, including Least Developed Countries (LDCs), Small Island Developing States (SIDS), and African States.

The Fund is governed by a 24-member Board, comprised equally of developed and developing countries. It makes decisions based on consensus among all Board members. GCF is accountable to and functions under the guidance of the UNFCCC Conference of Parties.

GCF is a unique climate fund dedicated to:

Transformative climate impact. GCF looks at climate impact first. The Fund aims to finance replicable and scalable mitigation and adaptation projects that help deliver systemic change in support of the Paris Agreement. Through country and entity programming, GCF works with partners to turn national plans into projects triggering long-term transformation.

Empowering countries. Guided by the principle of country ownership, GCF investments support developing countries' own aspirations for low-emission, climate-resilient development, in order to help attain their NDC objectives. GCF's approach to climate finance goes beyond project funding, through support for countries' climate capabilities and readiness, and direct access to GCF resources.

Catalysing finance at scale. The Fund is unique in its ability to engage directly with both the public and private sectors on transformational climate-sensitive investments. GCF can deploy a range of instruments including grants, loans, equity and guarantees. The Fund has the capacity to bear significant climate investment risk, allowing it to unlock other financing.

The GCF story so far

- 2010:** COP16 in Cancun decides to establish the Green Climate Fund
- 2011:** Governing Instrument adopted at COP17
- 2012:** GCF's Board holds its first meetings
- 2013:** Permanent headquarters established in Songdo, Republic of Korea
- 2014:** Initial Resource Mobilisation raises pledges of over USD 10 billion for period up to 2018
- 2015:** First investment decisions taken ahead of Paris COP
- 2016:** GCF makes first disbursements as project portfolio reaches USD 1.5 billion, 48 Accredited Entities
- 2017:** Portfolio tops USD 2.65 billion, with 59 Accredited Entities
- 2018:** 21st GCF Board Meeting invests more than USD 1 billion for projects, bringing total portfolio to 93, amounting to USD 4.6 billion.



Impact to date

Results of latest Board meeting (B.21) held in October 2018

- Approved 19 projects at a value of over USD 1 billion
- Total number of approved projects increased to 93, amounting to USD 4.6 billion
- Approved accreditation for 16 new entities, bringing total number of Accredited Entities to 75, with 41 direct access entities
- Launched GCF's first formal replenishment

Building a project portfolio of transformative projects:

GCF has approved 93 projects, totaling USD 4.6 billion in investment of GCF resources, and mobilising USD 16.4 billion of total climate finance. From green bond markets for energy efficiency in Latin America, to off-grid renewables for rural households in Africa, and climate resilience for farmers in Asia and the islands of the Pacific, GCF strives to build an ambitious and ground-breaking portfolio.

Projects under implementation: Projects to the value of over USD 2.03 billion in GCF funding are being implemented. Disbursements to projects include funding for the reduction of flood risks from glacial lakes in Northern Pakistan, expanding the use of Climate Information Services in Vanuatu, creating an investment fund to provide off-grid solar power in Rwanda and Kenya, and supporting ecosystem-based adaptation in the Gambia.

Strengthening country ownership: The Fund has approved over 200 readiness applications totaling USD 139 million for 122 countries. This support has helped Kiribati strengthen its capacity for project management, enabled Colombia to conduct workshops on climate finance, supported private sector engagement in climate change initiatives in Jamaica, helped Pakistan to strengthen climate information systems, and supported South Africa in ensuring that funding proposals are aligned with national priorities.

Supporting adaptation planning: GCF makes up to USD 3 million per country available to support the development

of National Adaptation Plans and other adaptation planning processes. Liberia received funds to support a cross-governmental approach to adaptation planning across key Ministries, agencies and authorities.

Building our partnerships: 75 entities have been approved to implement projects for GCF, including multilateral development banks, international private sector partners, and direct access entities covering national agencies, regional organisations, and local banks.

Simplifying processes: GCF strives to respond to countries in simplifying access to climate finance, and provides support to developing countries and direct access entities to help them work effectively with the Fund. By the 21st Board meeting in October 2018, 4 projects under the Simplified Approval Process have been approved.

Catalysing engagement: GCF uses its convening power to bring together public and private stakeholders to share experience, make climate finance more navigable, and drive complementarity and coherence between climate financing channels. GCF holds regular regional structured dialogues around the world to share knowledge about different countries' climate initiatives and enhance understanding about GCF processes.

Replenishment: In its 21st meeting, the GCF Board decided to launch the process for GCF's first formal replenishment, marking a key moment in the development of the world's largest dedicated fund for climate action. With a rapidly growing portfolio, accelerating implementation on the ground, and a pipeline of USD 17 billion demonstrating huge demand, GCF is now entering its first replenishment ready to step up its support of developing countries' climate action.

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