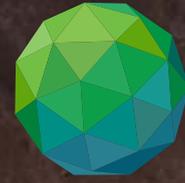


RAISING AMBITION. EMPOWERING ACTION.



GREEN
CLIMATE
FUND

Report on the progress of the Green Climate Fund
during its initial resource mobilization period
(January 2015 to July 2019)





GCF investments in the private sector are helping to improve the health of Rwandans such as Nyirahirwa Pascazie by moving from smoky indoor stoves that burn wood and charcoal to renewable biogas energy

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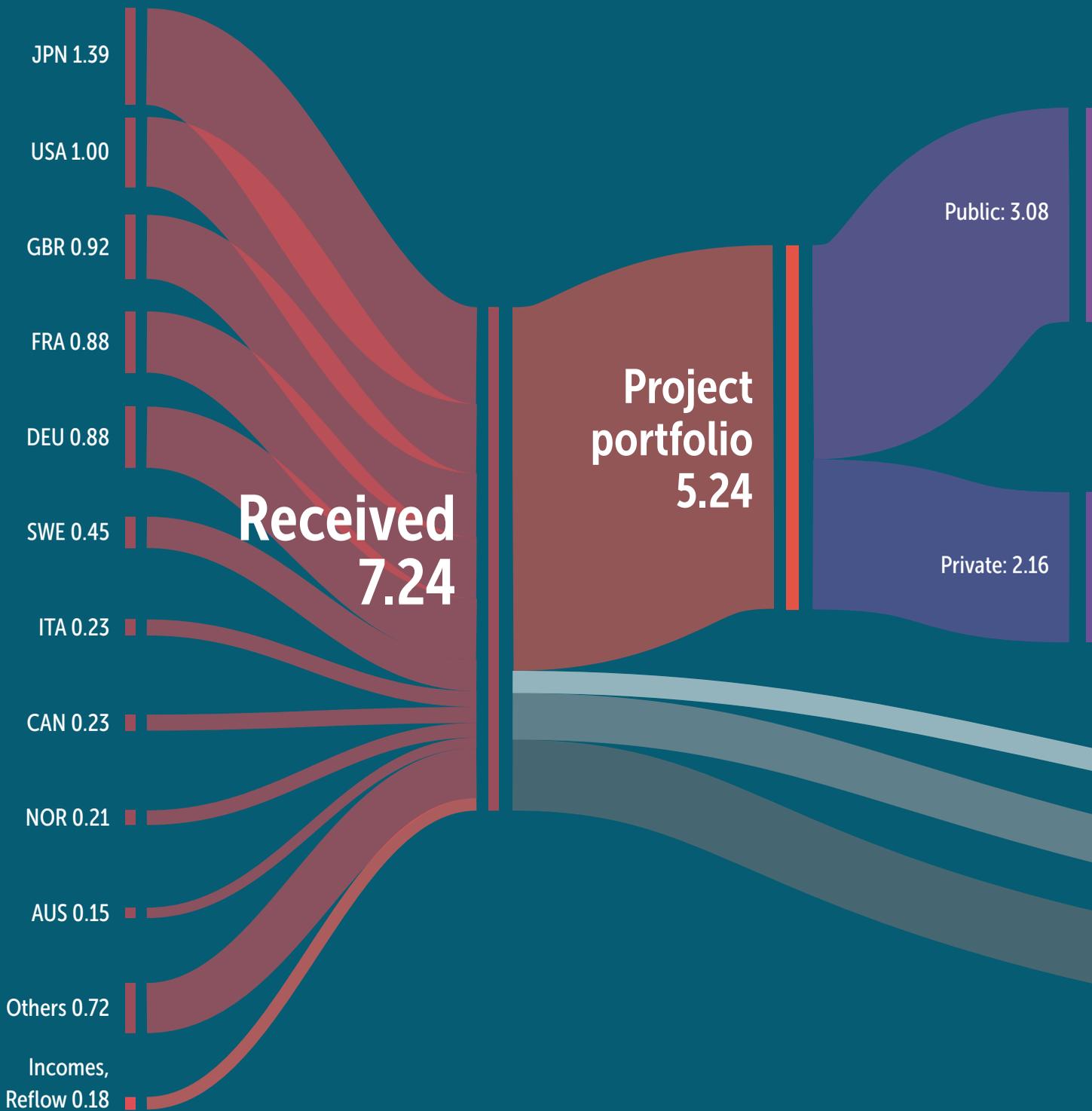
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KEY RESULTS

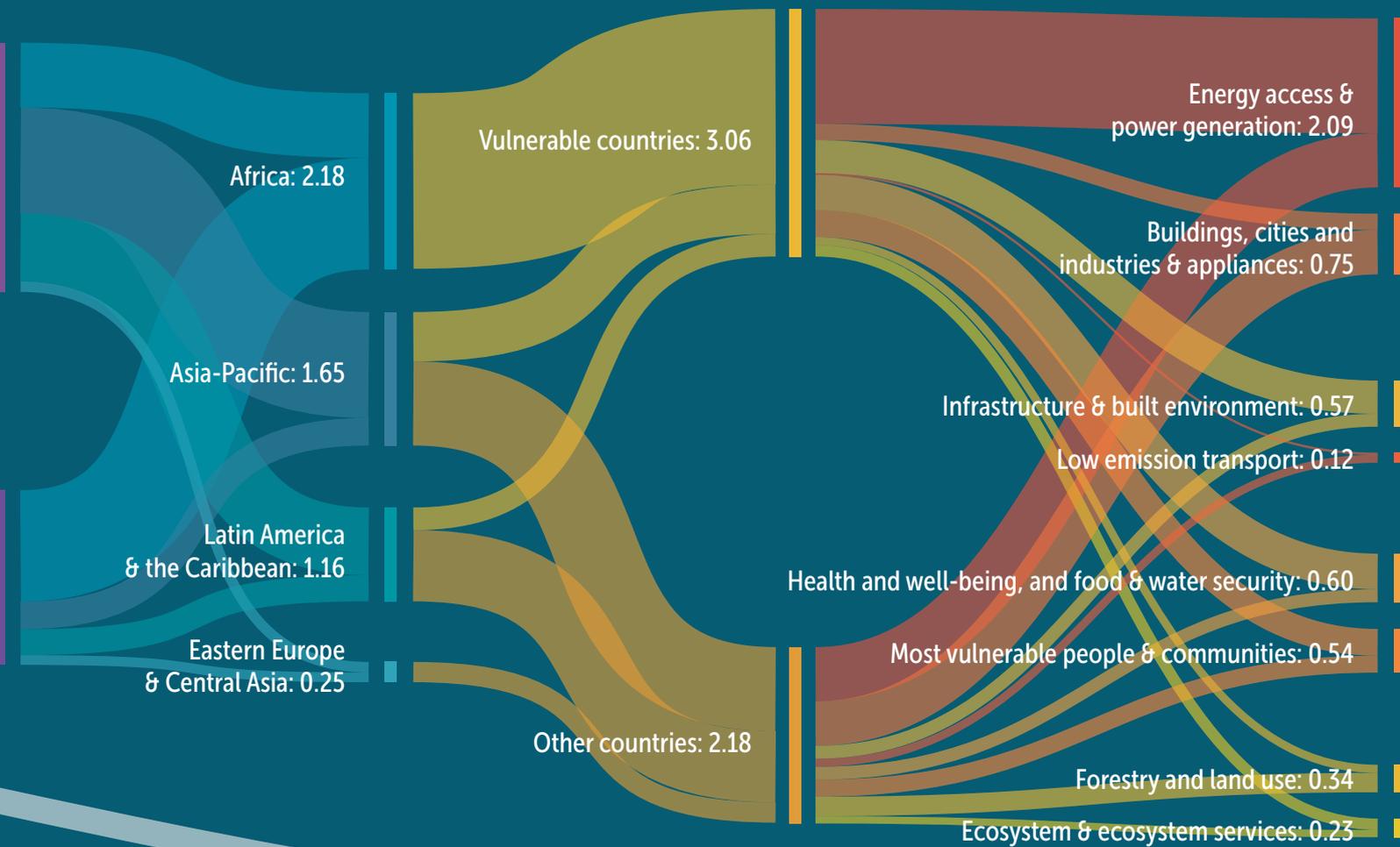
FUNDED ACTIVITIES

The results described in this report could not have been achieved without contributors' investment into GCF. This investment has enabled the fund to allocate USD 5.24 billion to drive paradigm shift towards low greenhouse gas emitting economies and to support essential action to adapt to the impacts of climate change in developing countries.



GCF APPROACHES FIRST REPLENISHMENT

In the initial resource mobilization period, GCF received pledges of over USD 10.3 billion, of which it has received USD 7.2 billion. In only four years, GCF has allocated over USD 5.2 billion, leading the Board to launch discussions for the first replenishment in October 2018.



Mitigation: 3.30
46% in Grant Equivalent* terms

1.5 billion tonnes of CO₂

Anticipated tonnes of CO₂ equivalent avoided

Adaptation: 1.94
54% in Grant Equivalent* terms

310 million beneficiaries

Anticipated number of people with increased resilience

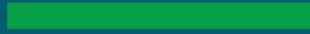
**Readiness and Project
Preparation Facility: 0.32**

**Administration and
Accredited Entity fees: 0.67**

**Remaining board
commitment authority: 1.02**

Many contributions to the GCF are pledged in countries' own national currencies. All values illustrated in this chart are expressed in United States dollars equivalent, based on the foreign exchange rate as at 30 June 2019. Depending on the rate at the time of conversion, the United States dollars equivalent amount fluctuates accordingly. The values within the project portfolio are expressed as a percentage of the total approved project portfolio of USD 5.24 billion as at July 2019.

**Grant equivalence is the amount of grant-like element embedded in GCF's financing and can be used as a measure of concessionality*



LETTER FROM THE EXECUTIVE DIRECTOR

The impacts of climate change are being felt all around us, with extreme climate events threatening to reverse gains in economic development and jeopardize the lives and livelihoods of millions. Never has the Green Climate Fund (GCF) been more relevant than now.

GCF is a unique institution designed to break down barriers, scale up ambition and empower developing countries to realize their climate ambitions. By piloting new programmes, scaling up projects and deploying its flexible toolkit of financial instruments, GCF is driving a paradigm shift to lower greenhouse gas emissions and supporting action to adapt to the impacts of climate change in developing countries. The Fund has a particular focus on delivering in the most vulnerable countries, including the least developed countries, small island developing States and African States.

Shortly after the initial resource mobilization period commenced in 2015, GCF was given the important role of serving the Paris Agreement and supporting the goal of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit increases to 1.5 °C.

Since approving its first projects in 2015, GCF has grown and delivered. Together with its global network of 88 partners the Fund has mobilized over USD 18.7 billion of financing and investments in projects across 99 countries, and helped developing countries to build plans to fight climate change through its Readiness and Preparatory Support Programme.

In these first four and a half years of operation, GCF has become the world's largest dedicated climate fund,

equally committed to supporting countries in adapting to climate change and to driving the transformation to low-emission economies. We ensured that the Fund maintained a balance in the allocation of its funding, positioning it to create synergies through interventions that optimize adaptation, mitigation and sustainable development co-benefits.

Over these first years GCF also strengthened key internal policies and processes critical to operationalizing its business model. This included developing class-leading policies in key areas such as indigenous peoples, gender and environmental and social safeguards. The Secretariat also grew in capacity over the period, from 27 to over 220 talented and committed staff.

This report covers the results of the work of the GCF and its partners, showing how our resources are already transforming lives and driving a paradigm shift. With this solid track record, the Fund is ready to step up the pace and achieve even more in the years to come. Having now allocated over USD 5.2 billion of the USD 7 billion the Fund has received during its initial resource mobilization period, we are raising our sights towards the first replenishment. As countries prepare to ratchet up their nationally determined contributions under the Paris Agreement in 2020, GCF will play an increasingly important role in channelling adequate and predictable climate finance to match developing countries' capacity for action.

A successful and ambitious replenishment is crucial for GCF to continue delivering on its ambitious mandate. With the backing of its partners, GCF is ready to rise to the challenge.

Yannick Glémarec,
GCF Executive Director



EXECUTIVE SUMMARY

GCF was created to support the efforts of developing countries in responding to the challenge of climate change. It seeks to promote a paradigm shift to low-emission and climate-resilient development, taking into account the needs of nations that are particularly vulnerable to climate change impacts.

Established in 2010 by the 194 Parties to the United Nations Framework Convention on Climate Change as an operating entity of the Convention's Financial Mechanism, GCF aims to deliver equal amounts of funding to climate change mitigation and adaptation, while being guided by the Convention's principles and provisions. It launched its initial resource mobilization in late 2014, raising USD 10.3 billion equivalent in pledges from 48 countries, regions and cities.

In 2015, GCF was given an important role in serving the Paris Agreement and supporting the goal of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change.

The growth of GCF over its first programming period has been nothing short of remarkable, considering that at the beginning of 2015 it had just 27 staff and had adopted only a small number of policies and approved no projects for financing. Over its initial resource mobilization programming period GCF has deployed over USD 5.2 billion of its own investment, supporting 111 projects in 99 countries, and delivered over 260 capacity-building grants in over 125 countries to governments and organizations to mainstream climate rationale into their organizational strategies. This has leveraged over USD 13.5 billion in co-financing from the private sector, governments and other development investment funds to build a project portfolio with a total value of USD 18.7 billion.

GCF has become fully operational with over 220 staff, and capable of responding to countries' demands for programming climate change investments on a large scale. It is ready to support developing countries as they raise their nationally determined contributions in 2020 under the Paris Agreement.

Over the initial resource mobilization period, GCF achieved a number of milestones and demonstrated results in a number of ways, both in its programming and building of a portfolio and in its institutional maturity. A summary of the achievements of GCF over its first four and a half years of operation is provided below.

GCF ENABLED DEVELOPING COUNTRIES TO REMAIN IN THE DRIVING SEAT OF CLIMATE ACTION THROUGH ITS COUNTRY-DRIVEN APPROACH

A core principle of GCF engagement with developing countries is to boost country ownership in climate financing decisions. This is being carried out through its Readiness and Preparatory Support Programme, which helps to build capacities in developing countries to enable the effective utilization of climate finance. This dedicated grant programme helps to prepare countries to engage with GCF and develop impactful climate projects that reflect country needs and ambitions.

By the end of 2018, GCF had become the world's largest supporter of climate finance capacity-building in developing countries through the above-mentioned programme, helping countries to fully integrate climate information and risks when planning and implementing their policies, regulations and investment decisions. Over the initial resource mobilization period the country-driven approach of GCF resulted in the following:

- The number of countries with an appointed national designated authority has increased from under 80 to 147;
- Over 50 per cent of GCF accredited partners are subnational, national or regional organizations nominated by developing country nationally designated authorities, including 38 national direct access accredited entities and 13 regional direct access accredited entities;
- A total of 127 countries accessed GCF readiness support; and
- USD 159.1 million in funding was approved for readiness activities.

GCF ESTABLISHED ITSELF AS A COLLABORATIVE AND OPEN CLIMATE FUND

GCF works through a network of accredited entities for project design and implementation. Partners include multilateral and national banks, international financial institutions, development finance institutions, United Nations agencies, conservation organizations, equity funds, government agencies and regional institutions. These diverse partnerships enable GCF to build on knowledge and experience to drive systemic change that achieves climate ambitions. Over the initial resource mobilization period fund scaled up its partnerships engagement in the following ways:

- The Fund established a process for accrediting partner organizations that enables accredited entities to deliver paradigm-shifting projects and programmes; and
- GCF accredited 88 partners from both the public and the private sector, including international, regional and national partners, to develop and implement projects in developing countries.

GCF ENSURED SPECIAL ATTENTION TO VULNERABLE COUNTRY NEEDS

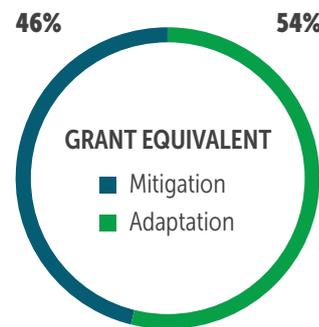
GCF is mindful of the needs of developing countries which are particularly vulnerable to the adverse effects of climate impacts, including the least developed countries, small island developing States and African States. GCF delivered results to particularly vulnerable countries by:

- Exceeding the GCF initial target of allocating 50 per cent of all project finance to vulnerable countries by allocating USD 3.06 billion, or 58 per cent; and
- Allocating over 61 per cent of all capacity-building funding to vulnerable countries.

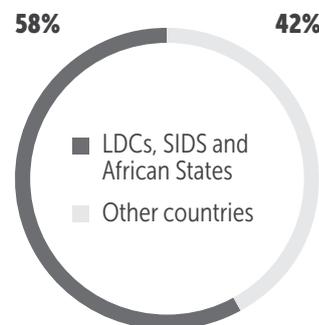
GCF MAINTAINED AN EQUITABLE BALANCE IN FINANCING MITIGATION AND ADAPTATION

While scaling up its allocation of climate finance, GCF has sought to maximize positive impacts as well as achieving a balanced approach to funding climate change mitigation and adaptation activities.

Over the initial resource mobilization period, GCF has delivered against the targets that had been set out for it, including by developing a climate finance portfolio of projects and programmes addressing climate change adaptation of over USD 1.94 billion, which represented 54 per cent of GCF financing on grant equivalent terms.

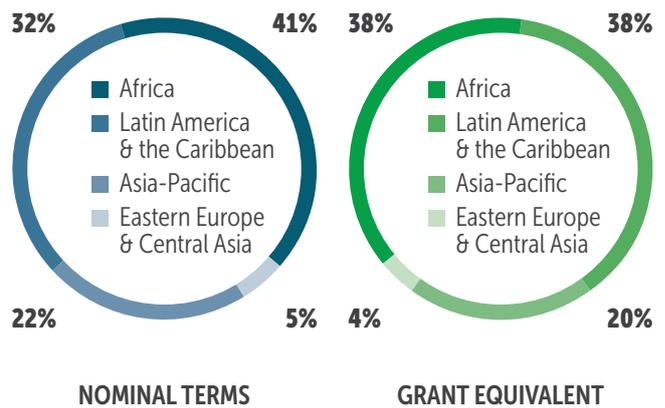


GCF'S PORTFOLIO



GCF ENSURED GEOGRAPHIC BALANCE IN THE ALLOCATION OF ITS ACTIVITIES AND PORTFOLIO

The GCF global mandate ensures that all developing country Parties to the United Nations Framework Convention on Climate Change have an equal opportunity to access GCF support through readiness and climate finance. Over the initial resource mobilization period, GCF achieved its mandate to ensure that its project portfolio and funded activities were distributed fairly among regions, with over 30 per cent being allocated to African States.



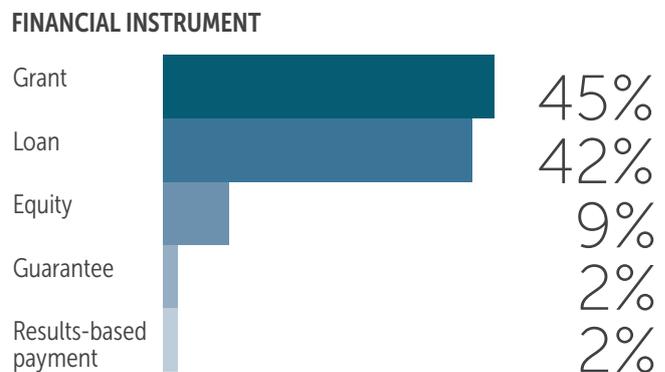
GCF DEMONSTRATED ITS CAPACITY TO STRATEGICALLY DEPLOY INNOVATIVE FINANCE INSTRUMENTS

GCF is able to combine a full range of financing instruments, including loans, equity, guarantees and grants to design bespoke solutions that tackle specific investment barriers. Over the initial resource mobilization period, GCF deployed its resources to de-risk high-impact, transformative and innovative climate investments that crowd in private finance, delivering:

- Grants, loans, equity investments, investment guarantees and results-based payments; and
- Crowding in over USD 13.5 billion of co-investments from the private sector, governments and other development finance organizations.

BOOSTING PRIVATE SECTOR PARTICIPATION

A defining feature of GCF in the world of climate finance is its unique ability to tap both public and private finance flows. Throughout the initial resource mobilization period, GCF stepped up its efforts to create co-financing opportunities with both international financial entities and locally based entrepreneurs to fund mitigation and, increasingly, adaptation activities. This accords with a widespread recognition that the private sector will have to play a significant part in rechannelling current financial flows into new climate action pathways to help to raise the trillions of United States dollars necessary to address climate change.



By the end of the GCF initial resource mobilization period, the GCF private sector portfolio had achieved a number of key milestones, including:

- Developing a portfolio of 25 projects, committing USD 2.2 billion of GCF funding and leveraging USD 7.0 billion in co-financing;
- Accrediting 17 private sector entities to design and implement projects; and
- Many other entities accredited to GCF, including national, regional and multilateral development banks, public sector entities and non-governmental organizations, having brought forward funding proposals through the Private Sector Facility.

PURSuing INSTITUTIONAL PROGRESS

In addition to supporting developing countries in accessing climate finance, GCF also achieved significant milestones in professionalizing the organization over the initial resource mobilization period. It developed a robust policy framework through the adoption of over 100 policies, including the class-leading Indigenous Peoples Policy, Gender Policy and interim environmental and social safeguards. In 2017, GCF established the following independent units:

- The Independent Redress Mechanism to address complaints by people who believe they are negatively affected or may be affected by projects or programmes funded by GCF;
- The Independent Integrity Unit, which ensures that all GCF staff, in addition to external stakeholders, implementing entities and intermediaries relating to GCF adhere to the highest standards of integrity; and
- The Independent Evaluation Unit, which:
 - Informs the Board's decision-making, synthesizes lessons learned and guides GCF and its stakeholders;
 - Undertakes and delivers high-quality and independent evaluations of GCF performance, activities and results; and
 - Informs the United Nations Framework Convention on Climate Change and the Paris Agreement.

INDEPENDENT PERFORMANCE EVALUATION

Over the first half of 2019, the Independent Evaluation Unit undertook a performance evaluation of GCF to evaluate progress in delivering on its mandate and initial Strategic Plan. The resulting "Forward-looking performance review of the GCF", including critical recommendations on what GCF can do to ensure that it is faster, better and smarter in meeting its objectives, was presented to the Board in July.

TOWARDS REPLENISHMENT

By the end of 2019, GCF would have allocated the USD 7.2 billion received from contributors during the initial resource mobilization period. As a result, the Board launched the first GCF replenishment in October 2018. In a competitive global landscape, the announcements of Germany and Norway that they will double their national currency contributions have given a head start to the replenishment, sending a strong signal for others to follow. Building on the initial announcements, will be a key milestone to launch GCF formal pledging for the coming period. Subsequent efforts will continue beyond 2019 to maintain momentum in mobilizing additional pledges to meet the scale and urgency required to limit the global average temperature increase to 1.5 °C above pre-industrial levels.

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Nation rence sur les Chang

COP21

Paris,

GCF was established under the Cancun Agreements in 2010 as a dedicated financing vehicle for developing countries within the global climate architecture, serving the Financial Mechanism under Article 11 of the United Nations Framework Convention on Climate Change. In 2015, GCF was given the important role of serving the Paris Agreement and supporting the goal of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change.



Nations Unies Accords de Paris 2015/CMP11

France



“

We know that [sea level rise] will impact the Marshall Islands in very serious ways, so we have to have adaptation which we call a survival plan. In order to make that plan a reality... we need [...] the resources that will help us adapt to our situation... We know we cannot do it on our own, so the necessity of an organisation like the Green Climate Fund comes into play.

H.E. Ms. Hilda C. Heine,
President of the Republic
of the Marshall Islands

ABOUT GCF

BRIEF HISTORY

GCF was established under the Cancún Agreements in 2010 as a dedicated financing vehicle for developing countries within the global climate architecture, serving the Financial Mechanism under Article 11 of the United Nations Framework Convention on Climate Change (UNFCCC) and, since 2015, the Paris Agreement. The Governing Instrument for the GCF sets out the purpose of GCF to make a significant and ambitious contribution to attaining global goals on climate change (enshrined in the UNFCCC and the Paris Agreement) by supporting developing countries in promoting a paradigm shift towards low-emission climate-resilient development, taking particular account of the needs of the most vulnerable. As the world's largest dedicated climate fund, GCF works to support the implementation of countries' nationally determined contributions (NDCs) and climate change strategies, and is built to channel a significant

share of the USD 100 billion per year to be mobilized by developed countries, in particular multilateral funding for adaptation (UNFCCC decisions 1/CP.16 and 1/CP.21).

Since the Board approved the first project funding in 2015, GCF has made rapid strides in building a portfolio of 111 projects, reaching over 99 developing countries and providing GCF financing of USD 5.2 billion by July 2019. These projects attracted USD 13.5 billion in direct co-financing, and will deliver a projected mitigation impact of an emission reduction of 1.5 gigatonnes of carbon dioxide equivalent (GtCO₂eq), and increased resilience for 311 million beneficiaries. Fifty-eight of the approved projects, with some USD 2.5 billion in GCF funding, are being implemented, initiating work to deliver stronger climate information services and early warning systems, clean energy, more resilient water supplies, climate-resilient

The general concept for GCF is first proposed at the fifteenth session of the Conference of the Parties (COP) to the UNFCCC, held in Copenhagen, Denmark

2009

The Governing Instrument is adopted at the seventeenth session of the COP, held in Durban, South Africa

2011

The first GCF Executive Director, Hla Cheikhrouhou, is appointed. GCF establishes its permanent headquarters in Songdo, Republic of Korea

2013

2010

The COP at its sixteenth session, held in Cancun, Mexico, decides to establish GCF

2012

The Board holds its first meetings. The Board is equally balanced with members from both developed and developing countries

farming, access to finance for climate-directed businesses and more to developing country beneficiaries.

Twenty-five of the GCF approved projects are being implemented with the private sector, from which each United States dollar invested mobilizes 3.27 times that amount in co-finance. Seventy-one of the approved projects (58 per cent of approved funding) are to be implemented in the least developed countries (LDCs), small island developing States (SIDS) and African States. Adaptation funding is USD 1.9 billion (37 per cent of total funding in nominal terms and 54 per cent in grant equivalent terms), of which almost 70 per cent is for LDCs, SIDS and African States.

GCF has also approved over USD 159.1 million to support readiness activities in 127 countries, building national capacities to access and programme climate finance. This includes work to build the capabilities

of direct access entities (currently 51 of the 88 GCF accredited entities) in such areas as financial management and planning, best procurement practices and information disclosure policies, among others, and support for national adaptation planning and project preparation. In parallel GCF has been strengthening its internal operational capabilities, growing a Secretariat of over 220 professional staff and working to streamline GCF processes and improve accessibility. The initial resource mobilization period has served as a critical learning phase and, in keeping with the Governing Instrument's call for GCF to be a learning institution, GCF is investing in evaluation and knowledge management, seeking out opportunities to improve efficiency and effectiveness, and is committed to becoming a knowledge leader in the field of climate finance.

The first projects are approved, covering both mitigation and adaptation. A total of 195 countries agree to the historic Paris Agreement, which GCF now serves as an operating entity of the UNFCCC Financial Mechanism

2015

GCF achieves a significant increase in the number of projects and programmes, with disbursements increasing from 1 to 19 within the year

2017

GCF approves over USD 5.2 billion of the USD 7.2 billion funding it has received, kicking off its first replenishment

2019

2014

Following the establishment of its operational principles and guidelines, GCF commences its initial resource mobilization, raising over USD 10 billion equivalent by the end of the year

2016

Marks the first full year of GCF operations, with the development of a portfolio of 32 projects, worth over USD 1.3 billion by the end of the year, to be implemented by the 48 GCF accredited entities

2018

GCF makes great strides in accelerating climate action on the ground, with 40 projects under implementation by the end of the year, totalling USD 1.8 billion in GCF resources

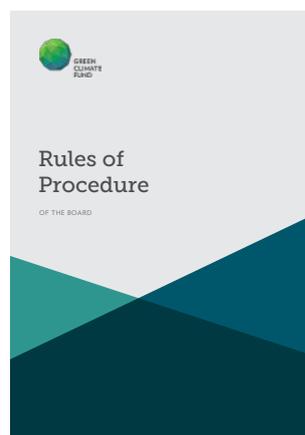
GOVERNANCE

GCF is governed and supervised by a Board, which has full responsibility for funding decisions. The 24 members of the Board comprise an equal number of members from developed countries and developing countries representing the United Nations regional groupings. Board members serve three-year terms of office and normally meet in person three times every year to take decisions relevant for GCF operation on the basis of consensus. The Board held its first meeting in 2012; to date it has held 23 meetings, 14 of which were held during the initial resource mobilization programming period. Assisted by its committees, panels and advisory group of experts in its decision-making, the Board took a number of decisions on all aspects of institutional and operational matters.

Alongside the fruitful funding decisions, the Board established frameworks and approved policies that enhance GCF financial activities, and integrate environmental and social considerations which ultimately are to support developing countries in addressing climate change in line with their national plans and in support of the goals set by the international community. Furthermore, the Board adopted various safeguards, as well as procedures for adopting decisions in the event that all efforts at reaching consensus have been exhausted. As GCF enters its replenishment and the third term of its Board membership in 2019, it continues to enhance its policy framework and outreach activities to local communities. The records of Board meetings and other Board documents are available online.



GCF, an operating entity of the UNFCCC Financial Mechanism, was established by 194 Parties to the UNFCCC under the Cancun Agreements of 2010 (UNFCCC decision 1/CP.16).



GCF is accountable to and functions under the guidance of the COP. It is headquartered in Songdo, Republic of Korea, and has its own Secretariat and Trustee (International Bank for Reconstruction and Development).

CONTRIBUTORS TO GCF

Responding to the climate challenge requires collective action from all countries, cities, businesses and private citizens. Among these concerted efforts, advanced economies have formally agreed to jointly mobilize USD 100 billion per year by 2020, from a variety of sources, to address the pressing mitigation and adaptation needs of developing countries.

Governments also agreed that a significant share of new multilateral, multi-billion dollar funding should be channelled through GCF. At the G7 Summit in June 2015, leaders emphasized the role of GCF as a key institution for global climate finance. Many developing countries, too, have explicitly expressed their expectations from GCF in their intended NDCs.

GCF is accepting new pledges to its resource mobilization on an ongoing basis. Scale is essential for GCF to deliver on its ambitious mandate.

As at July 2019, GCF had raised USD 10.3 billion equivalent in pledges from 48 countries, USD 24.3 million equivalent in pledges from 3 regional governments and USD 1.3 million equivalent in pledges from 1 municipal government.

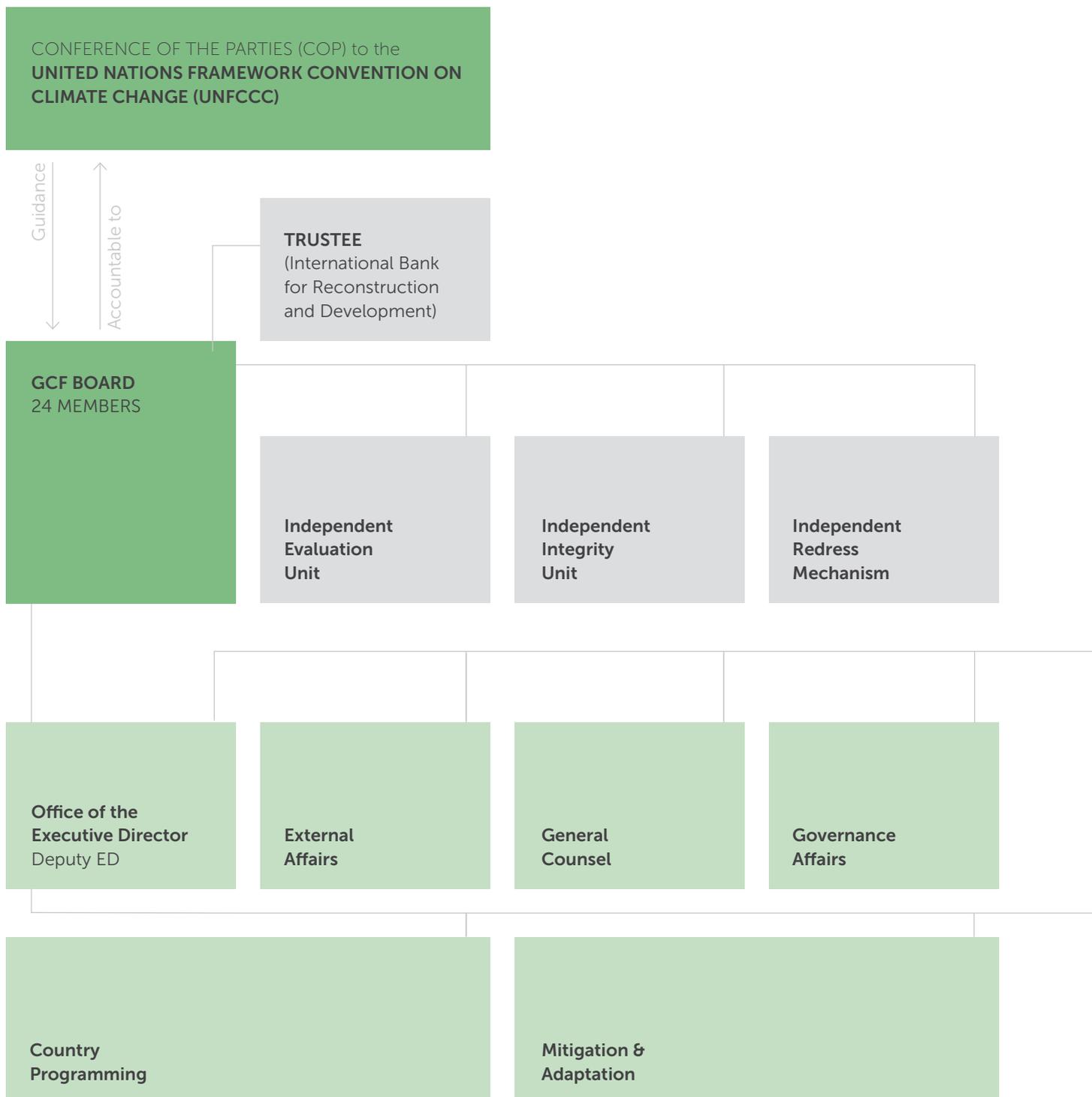
SIGNED CONTRIBUTIONS TO GCF OVER THE INITIAL RESOURCE MOBILIZATION PERIOD*



United States dollars equivalent based on the reference exchange rates established for the GCF High Level Pledging Conference (GCF/BM-2015/Inf.01)

STRUCTURE OF GCF

STATUS AS AT JULY 2019



The Secretariat supports the work of the Board in developing policies as well as identifying and implementing high-impact transformative projects.

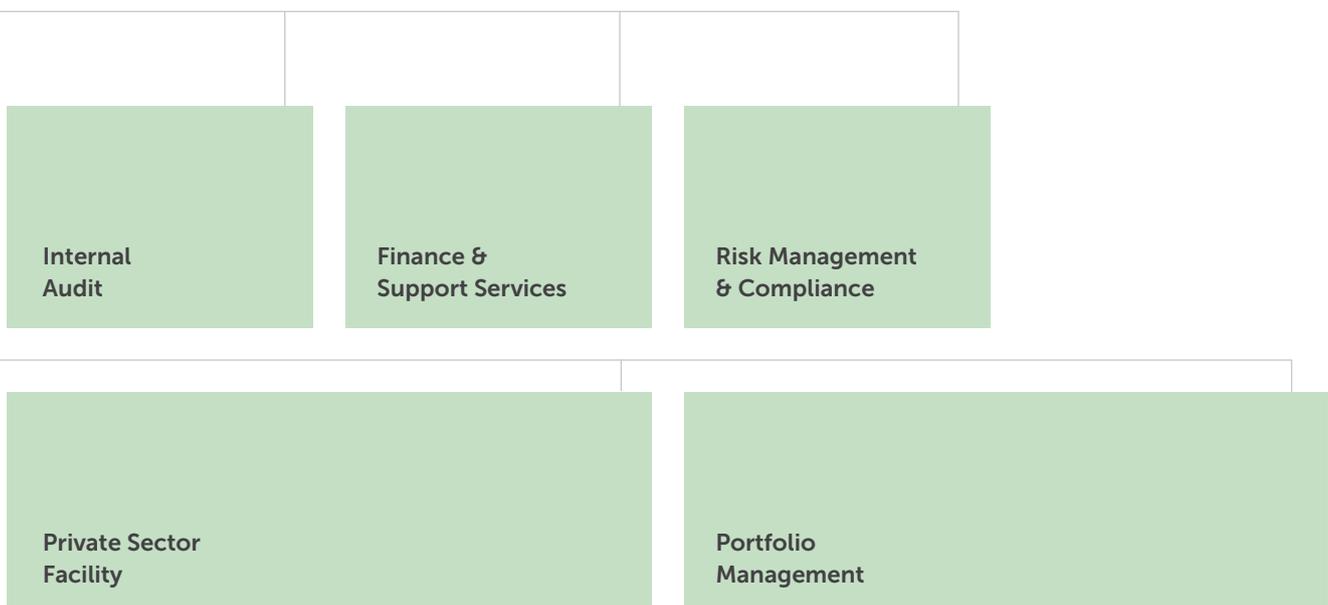
The Secretariat structure is organized with two sets of office roles: a back-office role which includes divisions providing support services and an operational role which includes divisions in charge of project review and implementation.

The back-office cluster includes the Office of the Executive Director (OED), the Office of Governance Affairs and Secretary to the Board (OGA), the Office of Internal Audit (OIA), the Division of Finance and Support Services (DSS) and the Division of External Affairs (DEA).

The operational divisions cluster comprises (i) the divisions involved in GCF programming and (ii) other operational divisions providing support to the operation of GCF.

The programming divisions include the Division of Mitigation and Adaptation (DMA), the Division of the Private Sector Facility (PSF) and the Division of Country Programming (DCP), which are in charge of the public sector, the private sector and engagement with countries and entities, respectively.

The other operational divisions under this cluster which provide support to the operation of GCF include the Office of Risk Management and Compliance (ORMC), the Office of Portfolio Management (OPM) and the Office of the General Counsel (OGC).



PARTNERSHIPS

GCF works through a partnerships approach, and in its first four and a half years has built a network of 88 accredited entities. Partners include multilateral and national banks, international financial institutions, development finance institutions, United Nations agencies, conservation organizations, equity funds, impact investment funds, government agencies, regional institutions and non-governmental organizations, putting GCF in a unique position to serve as a bridge for developing countries in navigating a complex climate financing landscape.

Within this network, GCF plays a catalytic role that is complementary to other sources of climate finance: unlocking projects that would not have happened without GCF financing or which would not have otherwise internalized rigorous climate considerations. In this way, the Fund complements multilateral development banks, development finance institutions and other partners to crowd in investment into low-emission, climate-resilient development, while also taking a leading role in driving a greater share of climate finance into adaptation. Through its partnerships approach, GCF acts not just as a catalyst of finance, but also of strengthened decision-making and institution building, promoting the uptake of class-leading environmental, social and gender standards.

The GCF is committed to fostering synergies with other climate finance delivery channels, including the Global Environment Facility, the Adaptation Fund and the World Bank Climate Investment Funds. These synergies with other climate funds are leveraged by coordinating at the activity level, such as:

- Building on previous experiences from other climate funds to scale up impact;
- Co-financing projects and programmes together with other climate finance funds;
- Replicating from an accredited entity experience in another country or region and supported by other climate funds;
- Promoting coherence at the programming level such as coordinating country programmes and country engagement; and
- Sharing information and exchanging best practices on policy frameworks.

Through its ability to scale up impact, GCF brings to this landscape a focus on transformation and paradigm shift, while working in tandem with other climate funds to improve navigability for countries and strengthen national coordination mechanisms.

DIRECT ACCESS ENTITIES



INTERNATIONAL ACCESS ENTITIES



HOW GCF WORKS

Many big, bold ideas are needed to move the frontline on climate change. The GCF vision is to support a paradigm shift to low-emission and climate-resilient development. It is driven by innovation and targets its investments for transformational impact.

In order to achieve maximum results, GCF seeks to catalyse funds, multiplying the effect of its initial financing by opening markets to new investments. GCF creates new models for climate finance, channelling investment from both the public and the private sector. It aims to maximize the impact of public finance in a creative way, and to attract new sources of private finance to catalyse investment in mitigation and adaptation projects in the developing world.

GCF has identified eight impact areas that will deliver major mitigation and adaptation benefits.

Shifting to low-emission sustainable development pathways through:

- Energy generation and access;
- Transport;
- Buildings, cities, industries and appliances; and
- Forests and land use.

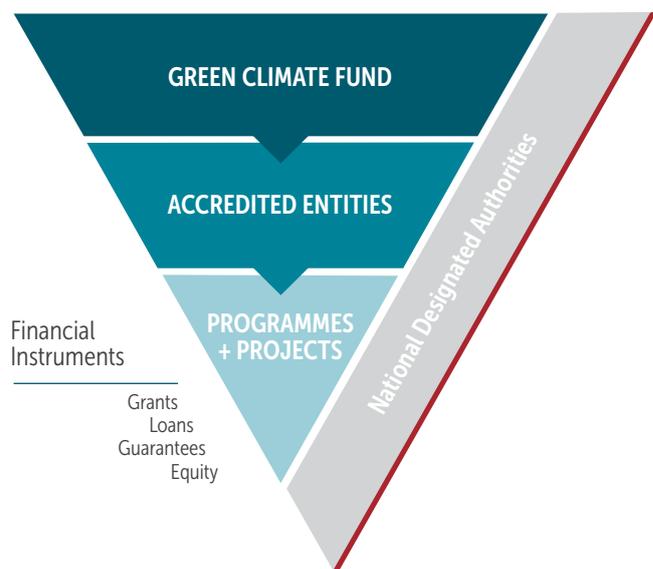
Increasing climate-resilient sustainable development for:

- Enhanced livelihoods of the most vulnerable;
- People, communities and regions;
- Health, food and water security;
- Infrastructure and the built environment; and
- Ecosystems and ecosystem services.

GCF has established six criteria in its investment framework to guide its investment decisions:

- Impact potential;
- Paradigm shift potential;
- Sustainable development potential;
- Needs of the recipient;
- Country ownership; and
- Efficiency and effectiveness.

GCF Architecture



THE UNIQUE ROLE OF GCF IN CLIMATE FINANCE

At least 80 per cent of developing country NDCs presented in 2015 at the twenty-first session of the COP were conditional on the availability of concessional climate finance, technology transfer and capacity-building support. In 2020, all countries are expected to increase their NDCs under the Paris Agreement.

Estimates of the investments required to bring the world closer to the goal of limiting temperature rise to well below 2°C above pre-industrial levels are in the range of USD 5 trillion. While most of this investment is expected to come from the private sector and capital markets, public money has a critical role to play in de-risking private investment in low-carbon and climate-resilient projects by driving innovative business models, technologies and investment practices.

GCF plays a key role in ensuring the availability of public finance required by developing countries to raise and realize their climate ambitions.

Building on the experiences and track record that GCF has established over the initial resource mobilization period, the comparative advantage of GCF lies in its ability to unlock initiatives and projects that would otherwise

have remained on the drawing board. Four key elements illustrate the unique role of GCF:

GCF is country driven

GCF recognizes the need to ensure that developing country partners exercise ownership of climate change funding and integrate it into their own national action plans.

Developing countries appoint a national designated authority that acts as the interface between their government and GCF and must approve all GCF project activities within the country. This country-driven approach ensures that GCF operates in harmony with the country's NDCs. To date 147 countries have appointed a national designated authority.

Through its Readiness and Preparatory Support Programme (Readiness Programme) the GCF enhances country ownership and improves developing countries' access to climate finance. Through grants and technical assistance, the programme provides resources to strengthen the institutional capacities of nationally designated authorities, and national and regional direct access entities.

All developing countries can access the programme, and GCF aims for a floor of 50 per cent of the readiness support allocation to particularly vulnerable countries, including LDCs, SIDS and African States.

To further reinforce its country-driven approach, GCF offers up to USD 1.5 million to support the development of project concepts into full funding proposals through a project preparation facility. The facility is accessible only by direct access project partners from developing countries.

Most commonly these funds are used to finance feasibility studies, environmental and social safeguard studies, and to conduct stakeholder consultations.

Country programmes are the cornerstone of each country's pipeline development with the GCF. The process of developing a country programme is useful for prioritizing the most impactful projects or programmes to be funded by the GCF to achieve a country's ambitious long-term climate change strategies and plans, particularly those contained in the country's NDCs and

national adaptation plans and consistent with the goals of the UNFCCC and the Paris Agreement. The country programme will also identify approaches whereby the concessional financing and risk-taking ability of GCF in partnership with its accredited entities will mobilize higher amounts of climate investment from a wider range of financial sources. In 2016, long before countries had had time to produce the first drafts of their country programmes (resulting from appropriate national participatory and consultative processes) the Secretariat invited national designated authorities to capture their understanding of their countries' early programming ideas in a simplified template called the "Country programming brief" (CPB). The CPBs vetted by national designated authorities were shared with the Board under limited distribution until the nineteenth meeting of the Board (26 February to 1 March 2018), by when 49 CPBs had been received. Naturally, as countries made progress in the development of their country programmes, the CPBs began to be replaced by the products of the dedicated readiness support for country programmes, resulting in draft and final versions of each country's country programme. To date, 23 countries have final versions endorsed and approved by their respective governments and 33 countries have drafts that are at various stages of the development process.

GCF is a collaborative and open climate fund

GCF works through a network of 88 accredited entities. Guided by GCF investment framework and the priorities of developing country governments, these project partners convert concepts into action. They work alongside countries to come up with project ideas and submit funding proposals for the Board to approve.

The variety of partners that are eligible to access the Fund is unique, spanning multilateral and national banks, international financial institutions, development finance institutions, United Nations agencies, conservation organizations, equity funds, government agencies, regional institutions and more. These diverse partnerships enable GCF to build on knowledge and experience to drive systemic change that achieves climate ambition.

GCF is flexible and willing to take risk

GCF can accept higher risks when deploying its resources. Through its Private Sector Facility, GCF is changing the current paradigm by de-risking high-impact, transformative and innovative climate investments to crowd in private capital alongside public partner investment. GCF is able to combine a full range of financing instruments including grants, senior and subordinated debt, development equity, subordinated equity, first loss equity, tailored guarantees and fit-for-purpose grants, such as results-based payments to design bespoke solutions that tackle specific investment barriers.

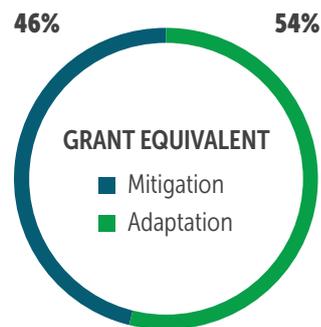
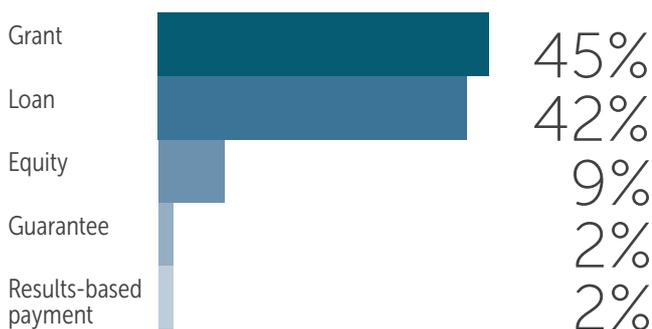
To date, the GCF project portfolio is financed by grants (45 per cent, or USD 2.4 billion) and loans (42 per cent, or USD 2.2 billion), followed by equity (9 per cent, or USD 477 million) and guarantees (2 per cent, or USD 80 million).

This capacity to take risks is supported by a robust second-level due diligence system that also promotes transparency and accountability.

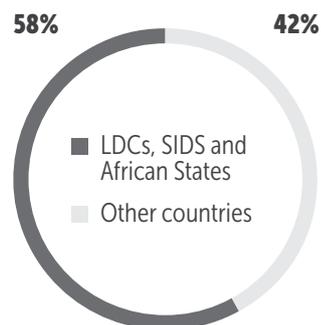
GCF balances mitigation and adaptation

GCF drives more finance into adaptation and resilience, including prioritizing funding for the particularly vulnerable. By working to deliver an equitable balance allocation of funding, the GCF is positioned to create synergies through interventions that optimize adaptation, mitigation and development co-benefits. Proving new adaptation business models, building the scale of adaptation responses and attracting greater private sector investment are challenges that the Fund is uniquely prepared to take on.

FINANCIAL INSTRUMENT



GCF'S PORTFOLIO





The Green Climate Fund (GCF) is committed to investing in developing countries' efforts to adapt to the effects of climate change. GCF aims to deliver a 50:50 balance between mitigation and adaptation allocations in its portfolio and ensures that at least 50 percent of adaptation funding goes to particularly vulnerable countries, including Least Developed Countries (LDCs), Small- Island Developing States (SIDS), and African States.

Photo: Overlooking the wetland area near Mbarara Uganda, which is included in the Building Resilient Communities, Wetlands Ecosystems and Associated Catchments in Uganda project

GCF PROCESS FLOW SNAPSHOT

Readiness

Nationally Designated Authority Capacity Building

NDA Capacity Building

National Adaptation Plan Development

National Climate Action Strategies

Direct Access Entities Capacity Building

Project Partner Capacity Building

Project Partners

Projects and Proposals

Origination

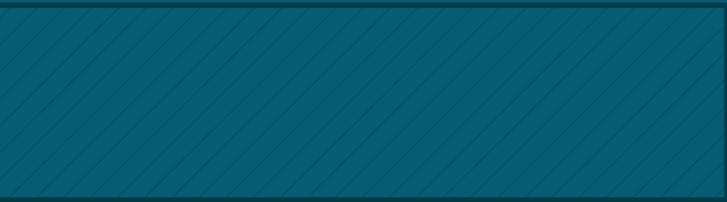
Funding Proposals

Review by
GCF Secretariat

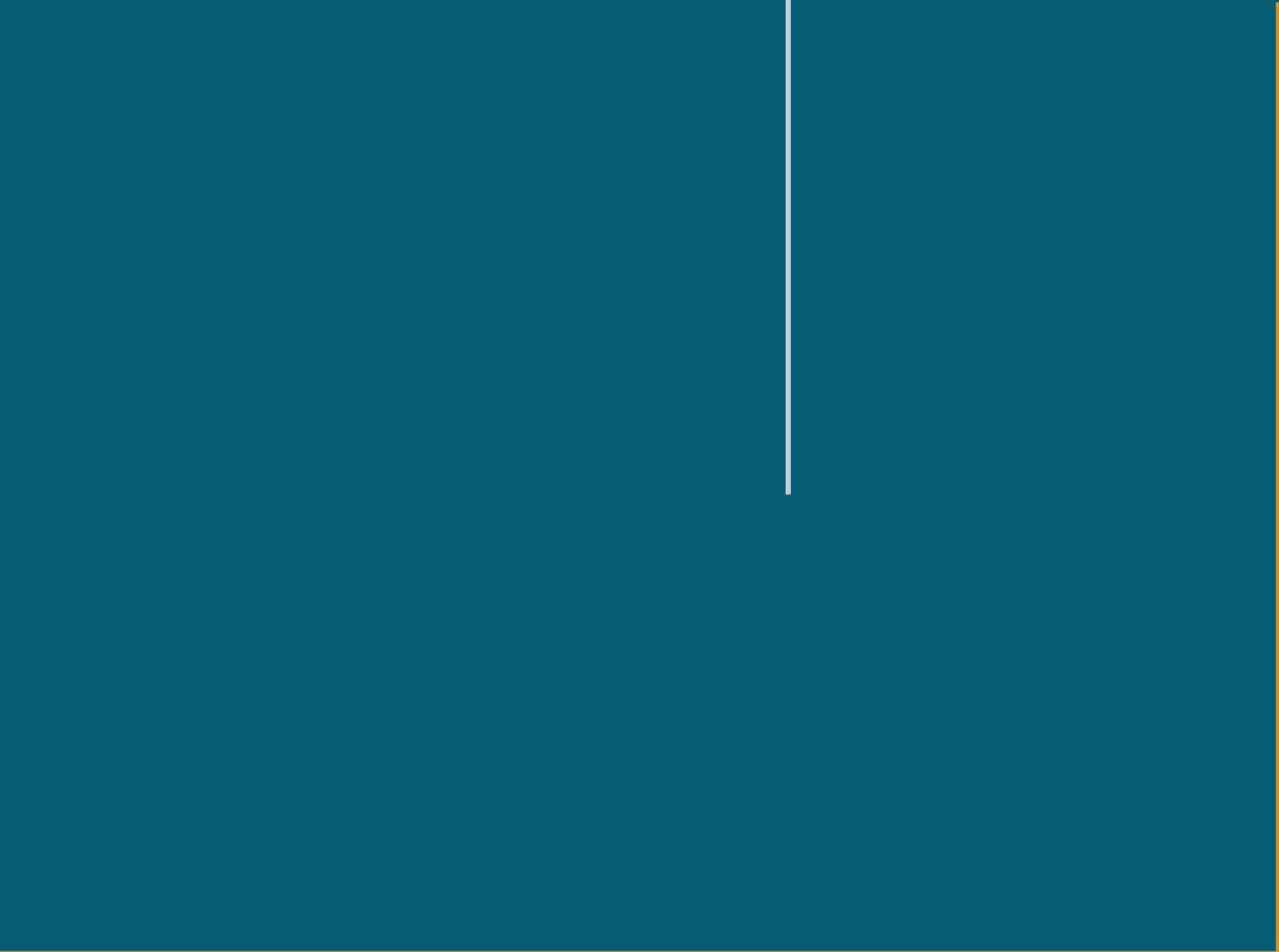
Project Preparation
Facility

Concept Note

Knowledge Management



Portfolio Management



READINESS APPROVAL PROCESS

The Readiness Programme is a funding programme to enhance country ownership and access to GCF. The programme provides resources in the form of grants or technical assistance for strengthening the institutional capacities of nationally designated authorities or focal points and direct access entities to efficiently engage with GCF. In addition, readiness resources support the development of necessary low-emission and climate-resilient development strategies, including country programmes and national adaptation plans to achieve national climate change priorities.

There is a single application process for all readiness funding, which requires all requests to be initiated by a developing country national designated authority.

PROJECT APPROVAL PROCESS

Country and entity work programmes serve as key programming tools and are designed to ensure that projects and programmes brought to GCF are country driven, advance NDC priorities and deliver high impact. Early GCF engagement through country and entity work programmes and regional structured dialogues, together with direct engagement at an early stage in support of direct access entities, contribute to increasing quality-at-entry of funding proposals and streamlining the funding proposal review process.

Funding proposals for projects and programmes should be generated from country programmes and entity work programmes, and they should advance national climate priorities as articulated in, for example, NDCs. As a first step, countries identify national priorities, analyse financial needs and gaps and identify partners to design and implement funding proposals.

Funding proposals that are submitted to GCF are subject to a rigorous review process, including through assessment carried out by the Secretariat and the independent Technical Advisory Panel, culminating in a decision by the Board as to whether to support the project.

SIMPLIFIED APPROVAL PROCESS

GCF also offers a simplified project funding approval process for requests under USD 10 million. The simplified approval process reduces the time and efforts required for preparation, review and approval. Relative to a full funding proposal, this application process is streamlined, with abridged application templates, guidelines in multiple languages, review and technical feedback turnaround within six weeks. In addition, applicants may request technical assistance through the simplified approval process for the finalization of their proposals from GCF technical teams.

PROJECT IMPLEMENTATION

Following funding proposal approval by the Board, GCF works closely with the accredited entity to implement projects efficiently, in a timely manner and avoiding causing unforeseen harm. This begins by signing a funded activity agreement between GCF and the accredited entity that will be implementing the project, followed by disbursements towards the funding of project activities.

MONITORING AND EVALUATION

GCF monitors the implementation of each project by accredited entities with the aim of ensuring that each project is properly implemented and accomplishes its intended objectives.

This is achieved through ongoing reviews of reports prepared by accredited entities, such as financial, audit and evaluation reports, which are requirements under each project's funded activity agreement. These submissions include information on the performance of projects against GCF investment framework, the emergence of any local impacts, and updates on variations to the original project design.

Where the project implementers encounter unexpected developments, GCF works with the project partner to suggest corrective action and possible restructuring.

KNOWLEDGE MANAGEMENT

Expansion and replication of knowledge is crucial in realizing a paradigm shift towards low-carbon climate-resilient development pathways in developing countries, which is part of GCF mandate. As more projects and programmes in its portfolio commence implementation, GCF is establishing a knowledge management system to position itself as both a knowledge hub and a thought leader in climate finance. This also entails a collaborative culture and enabling environment for knowledge generation, sharing and capture to improve the efficiency, effectiveness and sustainability of GCF operations. Once fully operational, the system will coordinate the collection, management and sharing of lessons learned and best practices from project and programme design and implementation, both internally and from the Fund's network of 88 accredited entities and partners.

MAP OF FUNDED ACTIVITIES

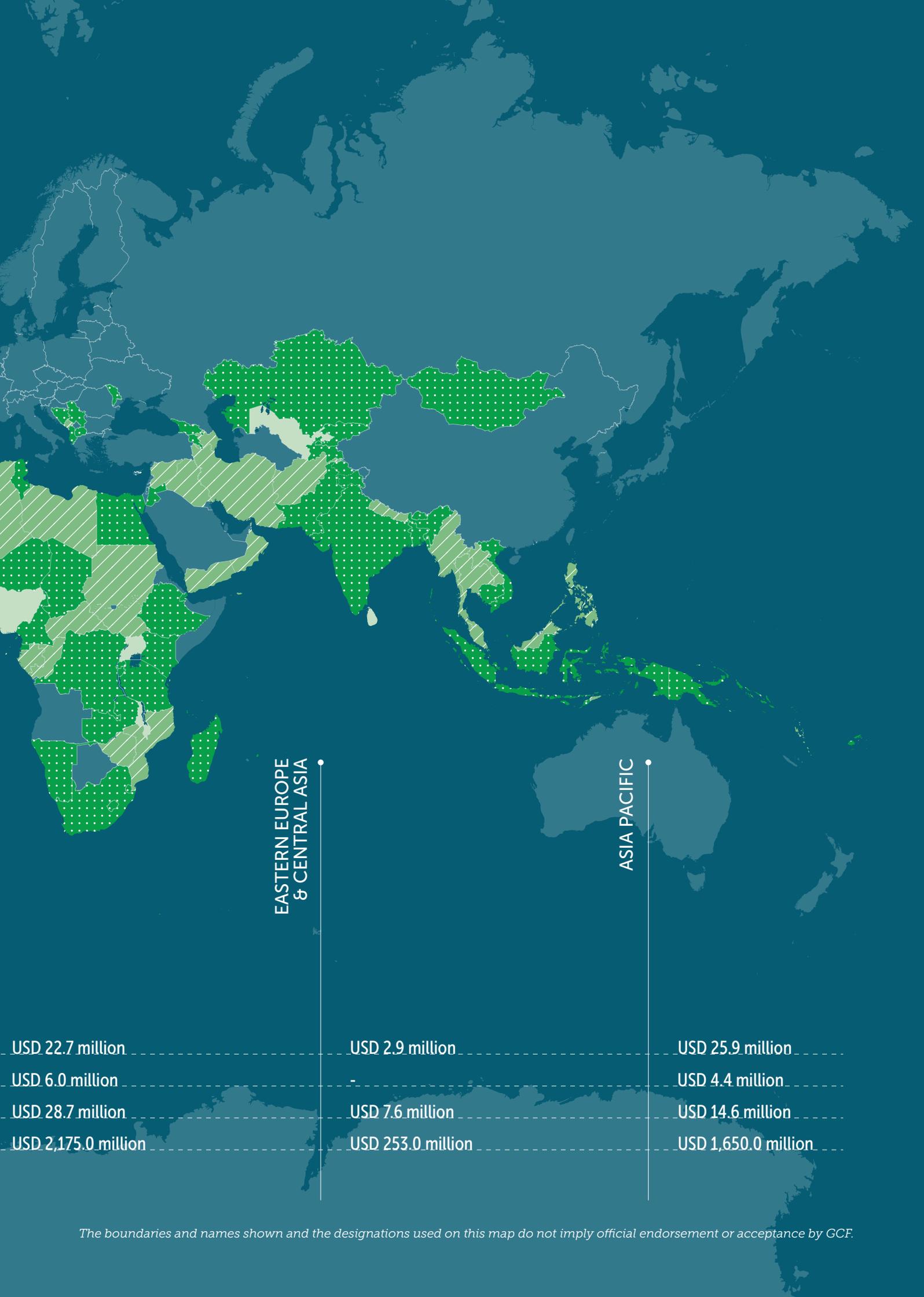
JANUARY 2015 TO JULY 2019: RESULTS AND REACH OF GCF OVER ITS INITIAL RESOURCE MOBILIZATION PERIOD

-  Project & Readiness
-  Readiness only
-  Project only

LATIN AMERICA
& THE CARIBBEAN

AFRICA

Readiness	USD 28.2 million
Project Preparation Facility	USD 4.6 million
National Adaptation Plans	USD 28.5 million
Approved Project Portfolio	USD 1,155.0 million



EASTERN EUROPE
& CENTRAL ASIA

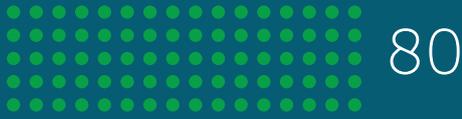
ASIA PACIFIC

The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by GCF.

AFRICA

Grants / projects

Readiness



Project Preparation Facility



National Adaptation Plans



Approved Project Portfolio



ASIA PACIFIC

Grants / projects

Readiness



Project Preparation Facility



National Adaptation Plans



Approved Project Portfolio



EASTERN EUROPE & CENTRAL ASIA

Grants / projects

Readiness



Project Preparation Facility



National Adaptation Plans



Approved Project Portfolio



LATIN AMERICA & THE CARIBBEAN

Grants / projects

Readiness



Project Preparation Facility



National Adaptation Plans



Approved Project Portfolio



Many of the approved projects and programmes in GCF's portfolio are multi-country, and some of those reach across multiple regions. This infographic outlines the number of approved projects in each geographic region and is not meant to suggest those projects are double counted in the the aggregate portfolio metrics.



An example of the type of work GCF is financing can be found in Mongolia. The country is committed to increasing the share of its total electricity supply from renewable sources to 30 per cent by 2030; however, investments into the sector are limited by barriers to finance including high interest rates and prohibitively short tenors. Together with a Mongolian bank, GCF has financed the scale-up of renewables deployment, including the country's second utility-scale solar power plant.



“

Whether financing energy efficiency in Mongolia, building the world's largest solar project in Egypt, supporting ecosystem conservation in Peru, or protecting Pacific islands from rising sea-levels, the fund is delivering.

H.E. Mr. António Guterres,
Secretary-General of
the United Nations

JANUARY 2015 TO JULY 2019 RESULTS

COUNTRY OWNERSHIP AND CAPACITY-BUILDING

Building country ownership and empowering countries

GCF recognizes the need to ensure that developing country partners exercise ownership of climate change funding and integrate it into their own national action plans. Developing countries appoint a national designated authority that acts as the interface between their government and GCF, and must approve all GCF project activities within the country. This country-driven approach ensures that GCF operates in harmony with NDCs.

Where accreditation is adding value

GCF mobilizes climate finance by working through a wide range of organizations. Organizations seen to have specialized capacities in driving climate action may apply to become GCF accredited entities. They can be private, public, non-governmental, subnational, national, regional or international bodies. They should have clear, detailed and actionable climate change projects or programmes to present to GCF. They should be capable of implementing paradigm-shifting climate change programmes and projects with GCF resources. They must also meet GCF standards on financial management, environmental and social safeguards, and gender, and have the capacity to hold their counterparties accountable to these standards for all GCF-funded activities.

This is achieved by placing conditions on entities when they are accredited, among other things. For example, to date 12 entities have improved their information disclosure and external communication practices, 6 have enhanced their anti-money laundering and countering the financing of terrorism and investigation functions, and 4 have built up procurement practices and internal audit functions.

Accredited entities develop funding proposals to be considered by GCF and oversee, supervise, manage and monitor their respective GCF-approved projects and programmes and executing entities over the full project and programme cycle.

There are two types of GCF accredited entities, based on access modalities: direct access entities and international access entities.

Direct access entities are subnational, national or regional organizations that need to be nominated by developing country national designated authorities or focal points.

Organizations nominated to become direct access entities may be eligible to receive GCF readiness support. This funding is designed to help organizations in developing countries to prepare to become accredited entities, as well as helping those that have already been accredited to strengthen their organizational capacities.

In its first four and a half years GCF has built a network of 88 accredited entities. Partners include multilateral and national banks, international financial institutions, development finance institutions, United Nations agencies, conservation organizations, equity funds, impact investment funds, government agencies, regional institutions and non-governmental organizations. This has put GCF in a unique position to serve as a bridge for developing countries in navigating a complex climate financing landscape.

Readiness Results

The Readiness Programme is a funding programme to enhance country ownership and access to GCF.

The Readiness Programme provides resources, in the form of grants or technical assistance, based on country demand for:

- Strengthening the institutional capacities of national designated authorities or focal points and direct access entities to efficiently engage with GCF;
- Establishing effective governance and coordination mechanisms at the national level to improve the efficiency and impact of climate finance deployment in recipient countries;
- Developing the necessary low-emission and climate-resilient development strategies to achieve NDCs; and
- Identifying and preparing a pipeline of projects for eventual submission to GCF, including by supporting the technical and financial structuring of concept notes.

All developing countries can access the Readiness Programme, and GCF aims for a floor of 50 per cent of the readiness support allocation to particularly vulnerable countries, including LDCs, SIDS and African States. To date, over 50 per cent of readiness resources have been committed to LDCs, SIDS and African States.

Up to USD 1 million per country per year may be provided under the Readiness Programme. Of this amount, national designated authorities or focal points may request up to USD 300,000 per year to help to establish or strengthen a national designated authority or focal point to deliver on GCF requirements.

The Board has also allocated up to USD 3 million per country for the formulation of national adaptation plans and/or other adaptation planning processes by national designated authorities or focal points to set national priorities for measures to address adaptation to climate change. Furthermore, GCF can provide capacity-building for subnational, national or regional organizations (direct access entities) that are nominated by their national designated authorities or focal points. Support can be provided to enhance the ability of an entity to seek accreditation with GCF by developing systems, policies and procedures to meet GCF standards for accreditation (pre-accreditation support).

Support can also be provided to build the capacities of direct access entities that are already GCF accredited (post-accreditation support).

In each case readiness funds will be allocated in coordination with, and with the approval of, the relevant national designated authorities/focal points.

AS OF JULY 31, 2019	READINESS GRANTS APPROVED	READINESS GRANTS APPLIED (PIPELINE)	TOTAL
AFRICA	86	53	139
ASIA PACIFIC	73	29	102
EASTERN EUROPE AND CENTRAL ASIA	17	13	30
LATIN AMERICA AND THE CARIBBEAN	87	20	107

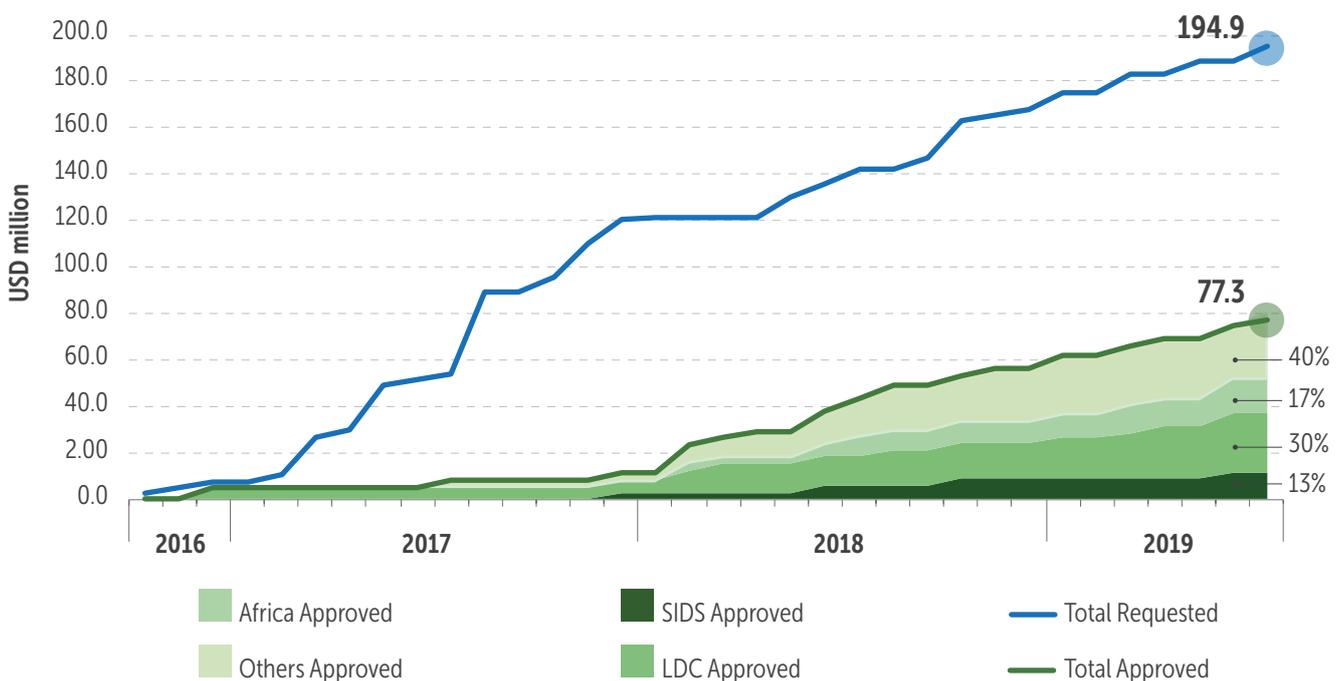
National Adaptation Plans Results

To help countries to access financial support for adaptation planning and implementation in accordance with the recommendation from the twenty-first session of the COP, the Readiness Programme provides developing countries with a one-time allocation of up to USD 3 million for the formulation of national adaptation plans and/or other adaptation planning processes. Requests can be submitted by a national designated authority/focal point following the readiness application process. This support strengthens national and local adaptation planning processes, which are the key building blocks of countries' ongoing efforts to bolster public and private decision-making based on the best available science and on meaningful stakeholder engagement. This is achieved through four outcome areas: 1) adaptation planning governance and institutional coordination strengthened; 2) evidence basis produced to design adaptation solutions for maximum impact; 3) private sector engagement in adaptation catalysed; and 4) adaptation finance increased. It also helps countries

to develop financing strategies and attract investment in adaptation from a diversity of sources, as well as measure its impact over time. Adaptation planning processes provide a crucial evidence base for the articulation of the climate rationale in the design of project proposals for GCF and other sources of climate finance. Adaptation planning should include a comprehensive financing strategy to implement priority actions which countries identify in their national adaptation plans. This financing strategy can include a prioritized pipeline of funding proposals, including but not exclusively for submission to GCF.

Countries have the option of accessing the USD 3 million cap through one proposal with one delivery partner or through a set of multiple sequential proposals. A "phased" approach to accessing the resources can enable countries to "learn by doing" and thereby benefit from the iterative nature of adaptation. National designated authorities also have the flexibility to involve multiple delivery partners in different proposals and to thereby access the most relevant expertise for the formulation of adaptation planning activities.

NATIONAL ADAPTATION PLANNING SUPPORT - AMOUNT REQUESTED AND APPROVED AS OF JULY 2019



Project Preparation Facility Results

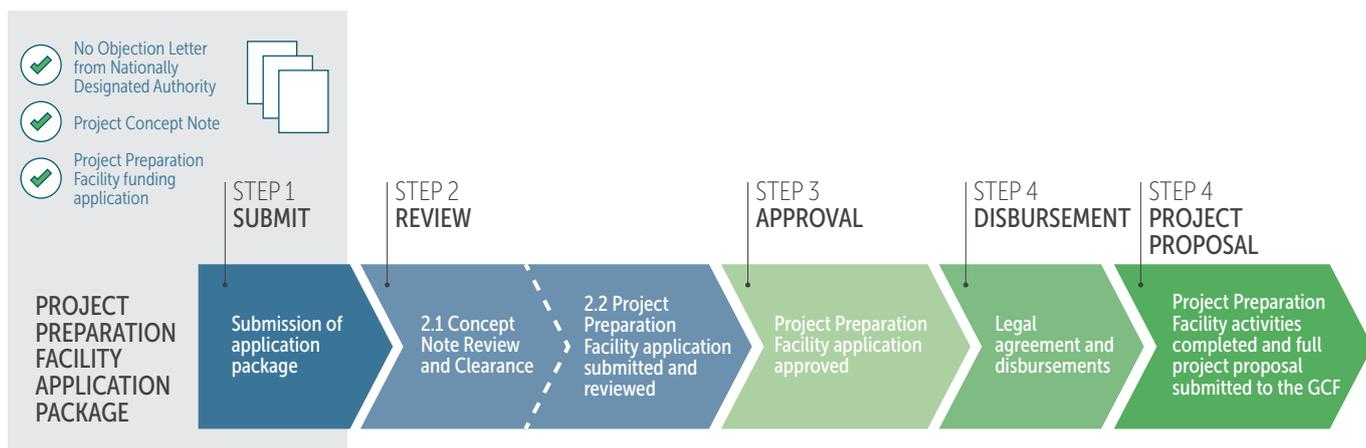
The Project Preparation Facility supports accredited entities in developing project and programme concepts into full GCF funding proposals. It is especially targeted to support direct access entities, and micro to small projects. A total of USD 40 million has been made available for the initial phase of the Project Preparation Facility, with each request subject to a cap of USD 1.5 million. By investing financial and technical support in the preparation of high-impact potential funding proposals, the Project Preparation Facility serves as a valuable lever to strengthen the catalytic nature of GCF.

Project preparation finance is provided only to project concepts that are deemed as having adequate potential to become successful funding proposals, based on GCF investment criteria. At the request of the accredited entities and with a no-objection letter from the national designated authority/authorities of the project country or countries, Project Preparation Facility resources are provided in the form of grants and repayable grants, while equity may be considered for private sector projects. The most commonly requested Project Preparation Facility activities are feasibility studies, environmental and social safeguard studies, and stakeholder consultations. Funding proposals developed with Project Preparation Facility financial support must be submitted to the Board within two years of the approval of a request.

To help to address the challenge of designing project concepts of interest to the GCF, an additional form

of project preparation support available to national designated authorities and direct access entities is the provision of technical assistance to help them to strengthen the design of their project concepts prior to requesting Project Preparation Facility resources. National designated authorities and direct access entities can also access the Readiness Programme for further upstream capacity development support and to identify, prioritize and develop project ideas into concept notes. As at 31 December 2018, the Secretariat was investing in or processing a pipeline of 35 project concept notes with active Project Preparation Facility applications, of which 26 (74 per cent) were from direct access entities. Of these 35 concept notes and associated applications:

- A total of 23 Project Preparation Facility applications had been approved or endorsed (16 approved and 7 endorsed), totalling USD 15.0 million (USD 10.8 million approved, USD 4.5 million endorsed);
- Of the approved 16 proposals, 7 had been disbursed, totalling USD 4.8 million;
- Of the 23 approved and endorsed PPF applications, 15 (65 per cent) were from direct access entities; and
- The first approved Project Preparation Facility application was successfully completed and provided the basis for a funding proposal submitted by the Ministry of National Resources of Rwanda, which was approved at the nineteenth meeting of the Board (26 February to 1 March 2018).





GCF invests in building long-term capacity and readiness in developing countries to drive transformational programming. It targets key areas of alignment between their needs and impact potential. In line with GCF country-driven approach, it has convened dozens of structured dialogues to provide stakeholders with an opportunity to increase their understanding of the Fund and to further develop country and entity programmes. One of the main objectives of the dialogues is to determine which priorities identified in a country's nationally determined contributions are the best match for GCF support.

August 2018, in Pohnpei, Federated States of Micronesia.

IMPACT AREAS

GCF seeks to have an impact within the eight mitigation and adaptation results areas identified by the Board.

In its investments and financing, GCF considers both mitigation and adaptation as critical parts of the response to climate change, with all eight results areas holding important potential, and strives to achieve a balance in its portfolio. It takes account of national priorities and cost considerations with a view to delivering concrete climate benefits and co-benefits. GCF differentiates itself from other climate finance channels by catalysing greater investment in adaptation, particularly from the private sector.

As at 31 August 2019, the Fund's portfolio consisted of 111 projects and programmes. The total approval of GCF

funding stood at USD 5.2 billion, with USD 13.6 billion of co-financing mobilized. In total, the approved projects, including co-financing, amounted to USD 18.8 billion. The portfolio is expected to avoid a total of 1.5 GtCO₂eq of greenhouse gases (GHGs) and reach 311 million (direct and indirect) beneficiaries during the lifetime of the funded activities.

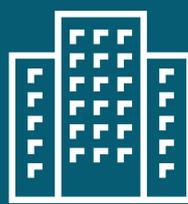
Over the 2020–2023 programming period (GCF-1), GCF will build on its existing portfolio to deepen its support to key transformative initiatives identified by countries in each of its eight results areas to achieve the Paris Agreement goals.



ENERGY GENERATION
AND ACCESS



TRANSPORT



BUILDINGS,
CITIES, INDUSTRIES
AND APPLIANCES



FORESTS AND LAND USE



HEALTH, FOOD
AND WATER SECURITY



LIVELIHOODS OF PEOPLE
AND COMMUNITIES



ECOSYSTEMS AND
ECOSYSTEM SERVICES



INFRASTRUCTURE AND
THE BUILT ENVIRONMENT



ENERGY GENERATION AND ACCESS

38

PROJECTS

with energy generation and
access funded components

USD 2.09b

of GCF project financing allocated
to Energy generation and access



IMPACT POTENTIAL

The energy sector is the largest contributor to global GHG emissions, with energy production and use accounting for around two thirds of global emissions. For the increase in average global temperatures to remain well below 2°C above pre-industrial levels, renewable sources must supply 70–85 per cent of electricity by 2050, up from 18 per cent today. While private sector driven global investment in clean power generation has increased significantly, aggregate energy demand has grown faster than renewable energy supply and coal retains the largest share of global power generation, with 37 per cent compared with 7 per cent for wind and solar. Furthermore, LDCs have seen only 0.1 per cent of total clean energy investment from 2009 to 2018.

Large-scale deployment of low-emission electricity can reduce fossil fuel reliance and mitigate climate change. Immediate gains are possible by shifting investment towards low-emission energy, including the scaling up of wind, solar photovoltaic and mini-hydro power. In LDCs, there are potential savings of 1 GtCO₂eq per year to be gained by replacing conventional biomass cooking methods with cookstoves alone. Small-scale electricity generation technologies for lighting and cooling can also be cost-competitive against fossil fuel expenditure.

Increased access to low-emission energy may be especially relevant in LDCs where an estimated 2.6 billion people are still using biomass for cooking and more than 840 million still lack access to electricity. Co-benefits, however, are substantial and often contribute to resilience via energy security and improving the affordability of electricity, particularly in LDCs.

Distribution is key to advancing access to energy for consumers; but poorer consumers may have difficulty

accessing financing for such services, and the scaling up of schemes to promote such access is urgently needed, not least for the co-benefit potential for health benefits and enhanced quality of life.

More than 150 countries have identified energy as a priority sector in their NDCs. The demand from countries expressed through the country programmes or briefs submitted to the GCF remains the same as those from the GCF initial resource mobilization period at 13 per cent of the total number of projects. In line with priorities identified in NDCs, GCF will support on-grid and off-grid renewable energy transmission/distribution and storage as well as clean cooking.

WHAT HAVE WE ACHIEVED?

GCF has invested approximately USD 2.09 billion in 36 projects in the results area of energy generation and access. The majority of projects were targeting energy access and on/off-grid renewable energy generation and storage. Those are spread over more than 50 countries, with over 33 million beneficiaries and approximately 1.3 billion lifetime CO₂eq saved.

The focus of GCF has been to link projects to initiatives that strengthen underlying policy, regulatory or enabling environments; to support the crowding in of private investment in renewables in developing countries; and to promote innovative business models that bring energy access to communities where grid extension is expensive.

Some of the project examples include scaling up renewable energy generation by removing the financial, technological, regulatory and market-deficiency barriers that discourage use of renewable energy.



Indonesia Geothermal Resource Risk Mitigation Project

GCF supported mitigating the early stage exploration risk by Indonesian geothermal developers, in collaboration with the World Bank, through an innovative financing mechanism that consists of convertible bonds and concessional loans. This project aims to help the Government of Indonesia to scale up geothermal energy development by introducing a well-designed upstream risk mitigation mechanism and by promoting a conducive regulatory environment. Under this project, both public and private sector geothermal developers have access to funds to help to mitigate early stage development risks. The geothermal resource risk mitigation facility will provide contingent financing and soft loans for resource confirmation drilling.



Mali solar rural electrification project

GCF is supporting increased access to energy for rural communities through the financing of isolated mini-grid systems and creating markets for the private sector in the energy sector of Mali. This project will increase the rural population's access to electricity in 50 communities by displacing energy supply from diesel generators, kerosene lamps, paraffin candles and other emitting sources and by installing 4.83 megawatts of isolated solar photovoltaic mini-grid systems.



Climate Investor One

The Climate Investor One programme provides financing to develop renewable energy projects in regions with power deficits to reduce energy costs and CO₂ emissions. The programme is a blended finance facility comprising a development fund, which provides loans in the early stage of a project life cycle, and a construction equity fund, which is financing construction costs in tandem with the project sponsor. Compared with conventional project financing, Climate Investor One removes the need for complex multi-party financing structures, with the potential to reduce the time and cost associated with delivering renewable energy projects.



Tonga Renewable Energy Project under the Pacific Islands Renewable Energy Investment

GCF supports greater energy access in SIDS through financing the development of mini-grids in conjunction with battery storage systems. A project in Tonga will deliver utility-scale storage systems to provide base load response and grid stability, paving the way for more renewable energy integration in the main island, while green mini-grids will be installed in the outer islands. While stabilizing the grid, this project will particularly address the intermittency of variable renewable energy sources, thus laying the foundation for private sector investments in renewable energy in Tonga.



Egypt

PROJECT - FOCUS

PROJECT FOCUS

LOCATION & PEOPLE

Region	Country	Anticipated tonnes of CO ₂ equivalent avoided
Africa	Egypt	18,900,000

INVESTMENT DATA

Financing:	PUBLIC	PUBLIC / PRIVATE	PRIVATE	
Project size:	MICRO	SMALL	MEDIUM	LARGE
E&S Risk category:	CATEGORY A	CATEGORY B	CATEGORY C	

Total project investment

USD 1.0b

GCF Financing

Instrument	Loan	USD 150.0m	●
Instrument	Grant	USD 4.7m	●

Co-Financing

EBRD	Loan	USD 350.0m	●
Other lenders	Loan	USD 250.0m	●
Sponsors	Equity	USD 250.0m	●
EBRD	Grant	USD 2.3m	●



PROJECT PARTNERS

Accredited entity

European Bank for Reconstruction and Development (EBRD)



Executing entity

European Bank for Reconstruction and Development (EBRD)

Access Modality

INTERNATIONAL



EGYPT RENEWABLE ENERGY FINANCING FRAMEWORK

Egypt had the world's fourteenth highest GHG emissions growth rate in the 1990–2012 period and faces significant challenges in diversifying its electricity sources away from its more than 90 per cent reliance on hydrocarbons (gas and oil). Scaling up renewable energy will help Egypt to meet its climate change mitigation commitments as well as reducing the country's fuel import bill and thus saving foreign exchange reserves.

The renewable energy financing framework is supporting Egypt in meeting its target of 20 per cent renewable energy generation by 2022, through two complementary components. The first is a comprehensive technical assistance programme to enhance renewable energy integration, policies and planning. The second component is scaling up investments to support the development and construction of renewable energy projects totalling USD 1 billion. This is being done by blending financing from GCF and the European Bank for Reconstruction and Development to unlock debt financing from international and development financial institutions, commercial banks and private sector investors.

Once all of the solar projects being co-financed from the framework are operational, they are expected to

generate 1,400 GWh of electricity and result in 800,000 tCO₂eq GHG emissions avoided annually.

The framework has launched the first wave of private renewable energy projects in Egypt, overcoming financial barriers caused by uncertainty and high transaction costs, as well as the macroeconomic situation, which has resulted in increased cost of capital and limited availability of debt. In the longer term, the framework will catalyse the development of a competitive, efficient renewable energy market in Egypt that will allow the country to achieve its renewable energy targets, while increasing the share of privately owned generation capacity.

Following approval by the Board in April 2017 the renewable energy financing framework project has achieved significant progress. All of the underlying solar projects in the framework are under construction and expected to be complete by the end of 2019. The projects are contributing to the development of local know-how for the development of renewable energy, employing around 2,750 workers. Similarly, a large portion of the technical assistance programme, advising the Egyptian Electricity Transmission Company on best practices for administering tenders, is under way.





TRANSPORT

5

PROJECTS

with low emission transport
funded components

USD 0.12b

in GCF project financing allocated
to low emission transport



IMPACT POTENTIAL

The transport sector is responsible for 7.7 GtCO₂eq emissions/year, accounting for 23 per cent of total emissions from the burning of fossil fuels and 14 per cent of total anthropogenic emissions. Under current trends this might rise to 25 per cent by 2030. Mitigation potential exists from the adoption of new transport technologies, including alternative fuels, increased engine efficiency and electric and hybrid technologies. More sustainable approaches to urban transport and infrastructure planning can have a huge impact on future emission trajectories while carefully taking into account unavoidable emission impacts on human well-being and economic sustainability. Clean transportation has seen robust growth in response to financial incentives, declining battery costs and policy mandates. Sales of electric vehicles reached almost 2 million in 2018 but remained a small share of the 87 million new vehicles sold globally.

The sustainable transportation paradigm requires large-scale implementation of the so-called “Avoid (reduce the need for motorized transport) – Shift (shift to environmentally friendly modes) – Improve (improving vehicle fuel efficiency and optimization of infrastructure)” measures. This, combined with holistic, integrated mobility planning, brings new shared mobility solutions to the sector, coupled with an investment plan and regulatory support, and accounts for full cost of operation (this includes avoidance of air pollution, concession cost, etc.).

Globally, the challenge is daunting: catering to fast-growing demand for mobility and transport while slashing GHG emissions, increasing climate resilience and promoting social and economic development. An ambitious but achievable goal to decarbonize this sector could reduce emissions from 7.7 Gt emissions/year down to 3 Gt by 2050. Investments in more sustainable approaches to meeting transport needs can reduce net spending on transport infrastructure and have the potential to dramatically reduce necessary

investment in roads, particularly in cities in developing countries. It is predicted that there will be a doubling of transportation activity by 2050, which will require infrastructure investments of USD 3 trillion per year just for land-based transport.

Ocean-based transport, including freight and passenger shipping, represents around 3 per cent of global anthropogenic emissions and, if current trends continue, could also double by 2050. The energy intensity and GHG emissions of ocean-based transport can be significantly reduced through transitioning ocean shipping to more efficient and lower or zero-carbon fuels. It will require identifying and addressing market and non-market barriers that constrain the uptake of more energy-efficient technologies and management practices.

Transport is one of the top sectors identified in developing countries’ technology needs assessments. More sustainable approaches to urban transport and infrastructure planning can have a huge impact on future emission trajectories as well as on human well-being and economic sustainability. More than 110 countries have included transport as part of their NDCs, but represent only 4 per cent of the total number of projects listed in country programmes and briefs submitted to the GCF.

WHAT HAVE WE ACHIEVED?

GCF has invested a total of USD 118 million in 5 projects in 17 countries, with results areas in transport producing the results presented below in mitigation and adaptation, reaching a total of approximately 7 million beneficiaries, and reducing emissions equal to 9.7 MtCO₂eq.

The focus of the present portfolio of projects incorporates transport as part of the larger cities financing facilities, which includes resilient infrastructure and transport system upgrades. The pipeline of transport-related project proposals is steadily growing with projects having been approved by the Project Preparation Facility.



Ulaanbaatar Green Affordable Housing and Resilient Urban Renewal Project (AHURP)

Climate change in Mongolia periodically leads to sizable losses of livestock due to prolonged and increasingly cold winter seasons. This results in rural-urban migration to areas around Ulaanbaatar predominated by gers, or traditional Mongolian dwellings. These unplanned areas are hotspots of GHG emissions and air pollution, mainly due to the widespread use of coal for heating and cooking.

The creation of eco-districts in these highly climate-vulnerable and polluting ger areas will form zones which are low carbon, climate resilient and affordable. This will be done through low-cost urban infrastructure, including secondary and tertiary roads, pedestrian and cycling pathways, public facilities and social housing units.



Sustainable and Climate Resilient Connectivity for Nauru

As a result of its isolated position in the Pacific, Nauru depends significantly on its port for supplies of food, energy and most other essentials. However, the port is expected to become inoperable for longer periods every year due to the impact of sea level rise and increased intensity of climate-related disasters such as strong storms and cyclones.

This project is constructing a climate-resilient port that can operate year-round and will provide the basis for regional and international maritime transport. The rehabilitation and climate-proofing of the existing infrastructure will be combined with supporting reforms of the Nauru Port Authority to assure long-term viability of the investment. The upgraded port infrastructure will feature a channel for oceangoing ships, a wharf with a turning berth, a breakwater to shelter the wharf and berth from waves, and other facilities.



Pakistan

PROJECT - FOCUS

PROJECT FOCUS

LOCATION & PEOPLE

Region	Country	Passengers annually (approx.)
Asia-Pacific	Pakistan	146,000,000

INVESTMENT DATA

Financing:	PUBLIC	PUBLIC / PRIVATE	PRIVATE	
Project size:	MICRO	SMALL	MEDIUM	LARGE
E&S Risk category:	CATEGORY A	CATEGORY B	CATEGORY C	

Total project investment

USD 583.5m

GCF Financing

Instrument	Loan	USD 37.2m	●
Instrument	Grant	USD 11.8m	●

Co-Financing

Asian Development Bank	Loan	USD 442.0m	●
Province of Sindh	Grant	USD 92.5m	●



PROJECT PARTNERS

Accredited entity

Asian Development Bank (ADB)



Executing entity

Province of Sindh
Islamic Republic of Pakistan (IRP)

Access Modality

INTERNATIONAL



GREEN BUS RAPID TRANSIT, KARACHI, PAKISTAN

The aim of this project is to build a zero-emissions bus rapid transit system that is safe and accessible to all.

Karachi is one of the most densely populated cities in the world, with a population of 14.9 million, leading to high levels of traffic congestion which leads to increases in air and noise pollution.

Its current public transportation system fails to provide mobility for all and is characterized by long commuter trip times and a rise in private vehicle ownership and paratransit modes, which has led to the decline in the use of public transport. Public transport services are currently provided only by informal paratransit vehicles. Vehicles in this informal network tend to be old and poorly maintained, leading to high fuel consumption, increased emissions and higher operating costs. The vehicles are loaded beyond capacity to maximize passenger count, which leads to very cramped conditions and serious safety issues to passengers as well as the general public.

The project will design, construct and operate a 26-km bus rapid transit corridor that will directly benefit the 10 per cent of Karachi's population who live within 1 km of the lines.

The incremental cost of transitioning from a fleet of diesel-fuelled buses to a biomethane-fuelled hybrid fleet will be financed, along with bioswale drains, emissions monitoring equipment and a fleet of feeder electric vehicles.

The project will also finance the development of an anaerobic digester plant that will extract biomethane from cattle waste. The resultant biomethane will in turn be used to fuel the new fleet of buses that will service the rapid transit corridor. Once this is launched, Karachi will operate the world's first biomethane-fuelled bus rapid transit system.

The project will bolster the capacity of Karachi's relevant transport authorities through their involvement in the design of the project's subsidy-free business model and through the implementation of the bus industry transition programme.





BUILDINGS, CITIES, INDUSTRIES AND APPLIANCES

19

PROJECTS

with buildings, cities, industries and
appliances funded components

USD 0.75b

in GCF project financing allocated
to low emission transport



IMPACT POTENTIAL

With more than two thirds of the global population expected to reside in cities by 2050, urbanization offers both opportunities and risks in addressing climate change. While urban areas contribute close to 80 per cent of global gross domestic product, they also account for over 70 per cent of GHG emissions. Moreover, human settlements are vulnerable to the increasing impacts of climate change such as extreme temperatures and sea level rise. One estimate suggests that compact, connected and coordinated cities can strengthen resilience to physical climate risks, avoid up to 3.7 GtCO₂eq/year over the next 15 years and reduce infrastructure capital requirements by over USD 3 trillion.

Climate-compatible cities may deliver impacts related to emission reductions from transport and waste, as well as buildings, urban systems, industries and appliances. They will also support adaptation by helping to strengthen the resilience of the livelihoods of urban communities and will increase the resilience of urban infrastructure while reducing associated emissions. The urban transformation towards sustainability and resilience requires changes in land use, waste management, energy and transport systems, industry and management of materials and material flows, urban settlement policies and the resilient structural-spatial design of cities.

More compact, integrated and coordinated cities can strengthen resilience to physical climate risks, deliver up to 3.7 GtCO₂eq/year of savings over the next 15 years and reduce infrastructure capital requirements by over USD 3 trillion.

Over 110 countries have identified waste and 45 countries have identified buildings as a priority sector in their NDCs, while 77 countries have included industries. In these same areas, the number of projects identified in country programmes and briefs submitted to the GCF is 2 to 4 per cent greater than those approved or in the pipeline, showing an increasing demand.

WHAT HAVE WE ACHIEVED?

GCF has invested USD 751 million in 19 projects in 38 countries towards the results area of building cities, industries and appliances. These projects are expected to benefit 27 million people and also reduce GHG emissions by 222 MtCO₂eq.

These investments cover a range of urban-related priorities, including energy efficiency, low-carbon urban development and efficient transit systems. As a catalytic funding mechanism, GCF also works with partners to leverage additional financing and use all financial instruments such as hybrid financing and guarantee facilities to de-risk investments in the urban sector.



Espejo de Tarapacá

GCF is demonstrating how its financing can play a catalytic role in crowding in private investment with the Espejo de Tarapacá project in the north of Chile. The project comprises a commercially integrated 300 MW pumped storage hydroelectric plant using the Pacific Ocean as its lower reservoir combined with a 561 MW photovoltaic solar plant. Once complete, the project will set a precedent by providing an around the clock renewable baseload solution at a competitive price. It will also contribute to climate change adaptation by providing a stable water supply from its own desalination plant to vulnerable local communities. GCF USD 60 million anchor equity investment will help to attract additional private sector debt and equity investors, which will fund the remaining investment of USD 1.1 billion.



Green Cities Facility

GCF has invested in large-scale urban projects such as the Green Cities Facility in collaboration with the European Bank for Reconstruction and Development to help to address participating cities' climate change challenges while building the market case for private sector investments in low-carbon energy-efficient and climate-resilient infrastructure projects. The GCF invested USD 99 million in the facility, which aims to catalyse climate change investments in 10 cities in 9 countries. It will provide concessional financial instruments that will allow ambitious investments in climate-resilient urban infrastructure such as district heating and cooling, urban transport, low-carbon buildings and solid waste management.



Scaling-up Investment in Low-Carbon Public Buildings

GCF also supports the retrofitting of existing buildings with energy efficient technologies, in countries like Armenia and Bosnia and Herzegovina. This project will impact 7–8 per cent of stock and some 360 public buildings, and provide technical assistance to address non-financial barriers and create supportive policies, regulations and capacities to support the transformations and encourage replication.



Scaling Up Energy Efficiency for Industrial Enterprises in Vietnam

GCF has been working with project partners like the World Bank to invest into low-emission and climate-resilient municipal infrastructure, enabling access to finance for energy efficiency, and green financing facilities. In Viet Nam GCF supported a credit guarantee facility aimed to reduce the initial high perceived risk barrier for participating financial institutions to be able to create new product lines of energy efficiency, lending to industrial enterprises and energy service companies.



Energy Efficient Consumption Loan Programme

The Energy Efficient Consumption Loan Programme implemented in Ulaanbaatar, Mongolia, provides loans to energy efficiency heating appliances and housing products, with heating appliances certified to achieve at least a 20 per cent reduction in energy usage. The financing for this programme is provided in equal parts between GCF and the project partner XacBank. In addition, the use of USD 1 million of GCF grant funding will finance the disposal of old heating appliances and contribute to a shift in consumer behaviour.



Mongolia

PROJECT - FOCUS

PROJECT FOCUS

LOCATION & PEOPLE

Region	Country	Anticipated tonnes of CO ₂ equivalent avoided
Asia-Pacific	Mongolia	1,200,000

INVESTMENT DATA

Financing:	PUBLIC	PUBLIC / PRIVATE	PRIVATE	
Project size:	MICRO	SMALL	MEDIUM	LARGE
E&S Risk category:	CATEGORY I1	CATEGORY I2	CATEGORY I3	

Total project investment

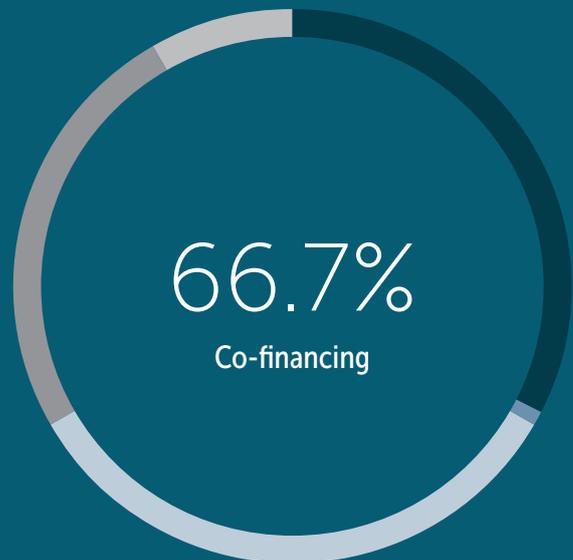
USD 60.0m

GCF Financing

Instrument	Loan	USD 19.5m	●
Instrument	Grant	USD 500.0k	●

Co-Financing

Global Climate Partnership Fund	Loan	USD 20.0m	●
EBRD	Loan	USD 15.0m	●
DWM Securitizations	Loan	USD 5.0m	●



PROJECT PARTNERS

Accredited entity

XacBank LLC (XacBank)



Executing entity

XacBank LLC (XacBank)

Access Modality

DIRECT (NATIONAL)



BUSINESS LOAN PROGRAM FOR GREENHOUSE GAS EMISSION REDUCTION

Ninety per cent of Mongolian businesses are run by micro, small and medium-sized enterprises (MSMEs). The majority of these enterprises use outdated and inefficient equipment, processes and buildings, resulting in relatively large GHG emissions. One of the main barriers to low-carbon innovation is financial. The lack of accessible commercial finance by local banks impedes the ability of Mongolian enterprises to invest in energy efficiency and renewable energy.

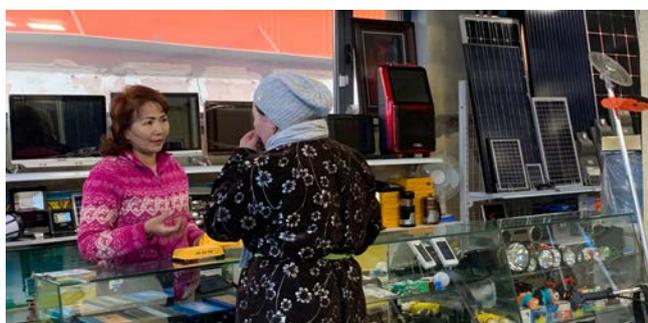
The Business Loan Program for Greenhouse Gas Emission Reduction provides one of Mongolia's leading banks with an enhanced ability to support loans to Mongolian enterprises investing in energy efficiency and renewable energy projects. The USD 20 million contribution of GCF is being blended with other financial sources to fund low-carbon projects.

The loans and training offered through the programme is supporting Mongolian enterprises in adopting enduring, low-emission business models and helping to alleviate the prevalence of high financing costs and relatively short-tenure loans. In accordance with GCF gender focus, at least half of the financial support is being deployed to women-led MSMEs.

The programme is raising awareness through the support of national investment forums and the training of credit officers within the accredited entity to identify eligible loans to finance energy efficiency or renewable energy investments by MSME clients.

Since commencing its activities in May 2017, the project has achieved great progress, significantly surpassing its loan targets, distributing 63 loans with a total value of over USD 12 million. At the same time 77 per cent of GCF-funded loans have been distributed to women-led enterprises.

The programme has also presented details of the loan offerings for three consecutive years at the annual National Renewable Energy Forum, which convenes over 500 participants per year. In addition, over 220 credit officers and 220 MSME clients have received training on energy efficiency and renewable energy financing and business practices to date.





FORESTS AND LAND USE

18

PROJECTS

with forests and land use
funded components

USD 0.34b

of GCF project financing
allocated to forests and land use

IMPACT POTENTIAL

Forest conservation, management and restoration of degraded ecosystems are a large part of the solution to climate change. Forests play an important role in adaptation and mitigation by providing important forestry ecosystem services relevant for adaptation, as well as carbon sequestration relevant for mitigation. From 2001 to 2017, there was a global tree cover loss of 337 million hectares, which is the equivalent of an 8.4 per cent decrease in tree cover globally. Moreover, it has been estimated that agriculture, forestry and other land use is responsible for close to a quarter of global GHG emissions: 10–12 GtCO₂eq/year. The causes of deforestation and forest degradation are varied and context specific; however, the conversion of forests for agricultural activities accounts for a significant share of tropical deforestation.

Forest conservation and restoration are a large part of the solution to climate change and the Paris Agreement explicitly recognizes the role of forests in the mitigation of climate change.

Reducing deforestation and forest degradation (REDD+) has the potential to deliver emission reductions of over 10 GtCO₂eq/year at a relatively low cost. Agroforestry can support retaining forest cover, as well as partial reforestation of deforested areas, while supporting the livelihoods of the people settled in the deforested areas.

A 50 per cent reduction in deforestation by 2030 will require USD 75–300 billion in investment. There is a clear need to drive private sector activity towards reducing emissions from deforestation and forest degradation,

given that many of the drivers of deforestation are linked to private activity related to agriculture and timber. To date, however, there has been limited success in raising significant private finance for forest and land use related activities.

Forest and land use appear in more than 105 NDCs and are identified as a priority in over 40 per cent of country programmes or briefs submitted to the GCF.

GCF is uniquely placed to realize the potential of the Warsaw Framework for REDD+ through its support for results-based payments within the context of the GCF pilot programme on REDD results-based payments, while developing prototype private sector investments and supporting the evolution of markets for REDD. GCF can also incentivize securing high carbon content in indigenous territories, developing the enabling environment for transformation through partnerships in policy formulation, sector planning and value creation, and incentivizing regional interventions to achieve impact.

WHAT HAVE WE ACHIEVED?

While a high priority for forest countries, particularly in Latin America, Africa and South-East Asia, forestry sector investments remain underrepresented in the GCF current portfolio. To date the Fund has approved 18 projects across 34 countries with activities in the forest and land use results area representing over USD 330 million in GCF resources. Once fully implemented, the current portfolio of projects and programmes will benefit 17 million people and avoid emissions of over 78 MtCO₂eq.



REDD+ results-based payments for results achieved by Brazil in the Amazon biome in 2014 and 2015

In partnership with the United Nations Development Programme (UNDP), GCF has approved two REDD results-based payment projects, including a USD 96.5 million project in Brazil. The projects have provided payments for past results in reducing emissions from deforestation, allowing countries to reinvest the proceeds into innovative initiatives that will enhance sustainable management of natural resources.

Country readiness

As at July 2019, GCF had approved eight readiness projects which include REDD+ activities. Over USD 4.5 million in grants is being used to build capacity, accelerate REDD implementation and pilot innovative interventions in the forest and land use sector in countries.



Ecuador

PROJECT - FOCUS

PROJECT FOCUS

LOCATION & PEOPLE

Region	Country	Beneficiaries (approx.)
Latin America and the Caribbean	Ecuador	450,000

INVESTMENT DATA

Financing:	PUBLIC	PUBLIC / PRIVATE	PRIVATE	
Project size:	MICRO	SMALL	MEDIUM	LARGE
E&S Risk category:	CATEGORY A	CATEGORY B	CATEGORY C	

Total project investment

USD 84.0m

GCF Financing

Instrument	Grant	USD 41.2m	●
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Co-Financing

Ministry of Environment of Ecuador	Grant	USD 31.8m	●
Ministry of Agriculture of Ecuador	Grant	USD 8.5m	●
UNDP and UNEP	Grant	USD 680.0k	●
FAO	Grant	USD 820.0k	●
UNDP	Grant	USD 1.1m	●



PROJECT PARTNERS

Accredited entity

United Nations
Development Programme
(UNDP)



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Executing entity

Ministry of Environment
of Ecuador

Access Modality

INTERNATIONAL



PRIMING FINANCIAL AND LAND-USE PLANNING INSTRUMENTS TO REDUCE EMISSIONS FROM DEFORESTATION

Deforestation levels in Ecuador amounted to 109,000 hectares per year between 2000 and 2009, with over 99 per cent of deforested land being transformed into agricultural areas. Ecuador launched a REDD-plus action plan in 2016 which aims to address the drivers of this deforestation, and aims to achieve net zero deforestation in the country by 2020.

Through the priming financial and land-use planning Instruments to reduce emissions from deforestation programme, GCF investment is co-financing the implementation of Ecuador's REDD-plus action plan with targeted investment to control agricultural expansion into forest areas and adopting agricultural and livestock production practices that reduce deforestation. Land-use zoning plans are being aligned with national climate change related targets, as well as measures to support restoration, conservation and sustainable production in vulnerable watersheds. The project is also aligning financial instruments with the objectives of Ecuador's REDD-plus action plan, by orienting public credit lines towards sustainable agricultural production practices, promoting tax incentives for REDD-plus supportive activities, and strengthening purchasing policies for deforestation-free commodities, their certification and traceability.

All of the programme activities target risk and information barriers via public framework expenditures,

including capacity-building to overcome public and private actors' knowledge barriers, as well as developing, implementing and monitoring climate policies to remove technical, legal and administrative barriers to investment.

To date, over 159,000 hectares of forests have been conserved, 285,000 hectares of land have been protected, 136,000 hectares have been declared municipal protected areas and 2,300 hectares of forest are under regeneration through the support of the programme. In addition, over 5,000 small agricultural producers have received support to transition to more sustainable agriculture practices and stop expanding their production into forested areas, representing an additional 5,000 hectares of land benefiting from the programme. In addition, the programme supported the establishment of a National Council for Sustainable Palm Oil, a gender and inter-cultural strategy has been finalized, and tools to strengthen the application of safeguards in project actions under the national process for addressing and respecting safeguards in the context of REDD-plus have been implemented. Together with the project partner, the Government of Ecuador has shared experiences and transferred knowledge relating to the programme through several South-South exchanges.





ENHANCED LIVELIHOODS OF VULNERABLE PEOPLE AND COMMUNITIES

70

PROJECTS

with enhanced livelihoods
of vulnerable people and
communities funded components

USD 0.54b

of GCF project financing allocated to
enhanced livelihoods of vulnerable
people and communities



IMPACT POTENTIAL

Livelihoods are sustainable when they can cope with and recover from stresses and shocks, and maintain or enhance capabilities and assets, while preserving the natural resource base. Climate change threatens efforts to secure sustainable livelihoods for vulnerable people and communities, through climate-related hazards such as reduced crop yields, food insecurity and higher food prices. People's vulnerability to natural hazards and their capacity to cope, manage and respond to disasters is dependent upon different social, economic, cultural and political processes. There is strong evidence that gender inequality is exacerbated as a result of weather events and climate-related disasters. There is also a need to support the just transition of countries towards low-emission and climate-resilient development, through a range of social interventions needed to secure workers' rights and livelihoods when economies are shifting to sustainable production, particularly in the area of renewable energy.

Over three quarters of all NDCs highlight the need for enhancing climate information and early warning systems. In addition, over 40 per cent of GCF country programmes or briefs identify disaster risk reduction and early warning systems as a priority.

WHAT HAVE WE ACHIEVED?

The GCF has invested over USD 540 million for a total USD 1.57 billion investment related to climate information and early warning systems. One quarter of these investments focus on modernizing hydromet services with the balance addressing applications in other priority sectors. The current portfolio of livelihoods funded projects will benefit 126 million and reduce GHG emissions by 24 MtCO₂eq once fully implemented.

The current portfolio of projects financed by GCF are building resilience and supporting vulnerable communities in adapting to the impacts of climate change through integrated approaches that are often multisectoral. The types of projects being funded in this results area include flood risk management, strengthening of data collection for early warning systems, ecosystems community-based adaptation and weather index insurance.



Integrated climate risk management for food security and livelihoods in Zimbabwe focusing on Masvingo and Rushinga Districts

GCF is supporting a project in Zimbabwe that utilizes better farming practices as well as weather index insurance as a means of protecting livelihoods dependent on agriculture in drought prone regions. This project aims to strengthen national and community adaptation based on climate forecasts and information and will increase the adaptive capacity of food-insecure households through community-based asset creation and risk transfer through weather index insurance. This will lead to an enhanced investment capacity of smallholder farmers to sustain climate-resilient development.



Programme for Integrated Development and Adaptation to Climate Change in the Niger Basin (PIDACC/NB)

The programme for integrated development and adaptation to climate change in the Niger Basin, co-financed by the African Development Bank, seeks to strengthen resilience, livelihoods, ecosystems and natural resources in a region vulnerable to extreme drought and famine in nine African countries. This programme is addressing climate change drivers by implementing a series of integrated and comprehensive actions that reduce the silting of the Niger River, improving natural resources management and enhancing the population's ability to adapt to climate change. It also includes some mitigation activities, including through forestry and land use. The results of this project will demonstrate the social, economic and environmental benefits that climate investment can bring to stakeholders across the Sahel region.



Transforming Financial Systems for Climate

Across 17 African, Latin American and Caribbean countries, the Transforming Financial Systems for Climate programme is aiming to scale up climate finance, redirect financial flows and reinforce the capacity of local partners in climate-related sectors. By providing technical support and delivering loans through local partner financial institutions to borrowers for a variety of targeted areas, the programme aims to create self-sustaining markets in energy efficiency, renewable energy and climate resilience.

ENHANCED LIVELIHOODS OF VULNERABLE PEOPLE AND COMMUNITIES



Pakistan

PROJECT - FOCUS

PROJECT FOCUS

LOCATION & PEOPLE

Region	Country	Beneficiaries (approx.)
Asia-Pacific	Pakistan	29,233,000

INVESTMENT DATA

Financing:	PUBLIC	PUBLIC / PRIVATE	PRIVATE
Project size:	MICRO	SMALL	MEDIUM LARGE
E&S Risk category:	CATEGORY A	CATEGORY B	CATEGORY C

Total project investment

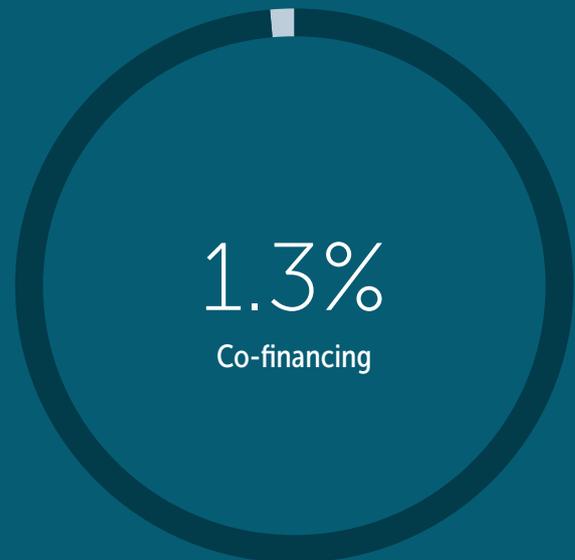
USD 37.5m

GCF Financing

Instrument Grant USD 37.0m ●

Co-Financing

Government of Gilgit - Baltistan Grant USD 500.0k ●



PROJECT PARTNERS

Accredited entity

United Nations
Development Programme
(UNDP)



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Resilient nations.*

Executing entity

Ministry of Climate Change

Access Modality

INTERNATIONAL



SCALING-UP OF GLACIAL LAKE OUTBURST FLOOD RISK REDUCTION IN NORTHERN PAKISTAN

Rising temperatures have melted glaciers, creating glacial lakes in Northern Pakistan. These carry the risk of outburst flooding events. Early warning systems, engineering structures and disaster management policies will reduce risk, protecting local communities and providing early warning of devastating flood events.

The melting of the Hindu Kush, Karakoram and Himalayan glaciers in Northern Pakistan due to rising temperatures have created over 3,000 glacial lakes in the federally administered territory of Gilgit-Baltistan and the province of Khyber Pakhtunkhwa. It is estimated that 33 of these glacial lakes are hazardous and likely to result in glacial lake outburst floods threatening over 7 million people. Such flooding releases millions of cubic metres of water and debris in just a few hours, resulting in the loss of lives, destruction of property and infrastructure, and severe damage to livelihoods in some of the most remote areas of Pakistan.

Over recent years, a number of investments in the area have demonstrated risk management approaches to the issue of glacial lake outburst floods, including a four-year UNDP/Adaptation Fund project which successfully piloted infrastructure enhancement such as gabion walls, diversion walls, bridges, assembly points and safe evacuation routes in two districts.

A five-year Kreditanstalt für Wiederaufbau Development Bank project supported the development of facilities to enhance access to potable water and sanitation in order to reduce waterborne diseases in the region.

In addition, a UNDP/ Global Environment Facility Mountain and Markets project helped to foster the production of biodiversity goods and services through community ecosystem-based enterprises, including the launch of a voluntary certification of non-timber forest products to promote biodiversity conservation and strengthen existing conservation efforts with innovative market-based mechanisms.

The scaling up of glacial lake outburst flood risk reduction in Northern Pakistan project is building on the lessons learned from these recent interventions and is directly scaling up the UNDP/Adaptation Fund pilot programme from the initial 2 districts to 12 districts. This project is financing the construction of 250 engineering structures including dams, ponds, spill ways, tree plantation and drainage to reduce risk. At the same time, the development of disaster management policies and the introduction of weather monitoring stations, flood gauges, hydrological modelling and early warning systems are increasing the ability of residents to respond rapidly to flood scenarios.





FOOD, WATER SECURITY AND HEALTH



51

PROJECTS

with food, water security and
health funded components

USD 0.60b

of GCF project financing allocated
to food, water security and health

IMPACT POTENTIAL

Besides the increase in extreme weather events, the greatest impacts from a 1.5 °C warmer world will be felt on nutrition, health and water security. Rain-fed agriculture provides the main source of livelihoods, food and income for three quarters of the world's poor people living in rural areas. Today food insecurity and malnutrition are on the rise with 820 million people undernourished and 2 billion food-insecure. An estimated 10–20 per cent more people will be hungry as a result of climate change by 2050, with sub-Saharan Africa likely to be most affected.

Most developing countries already face water-related challenges due to sea level rise, the melting of glaciers and permafrost, changing rainfall patterns and extreme precipitation events, floods, droughts and desertification. As these challenges worsen, they will affect agriculture in many regions, as well as industry and domestic use. It is estimated there will be a 40 per cent gap between water demand and availability by 2030, exacerbated by climate change. As the water sector is a major energy user, and conversely the energy sector has important water needs, there are transformative investments to be unlocked in renewable energy (e.g. pumped storage schemes for energy storage) and energy efficiency, as well as industrial cooling.

Socially disadvantaged people, children, the elderly, the chronically ill and people with disabilities are particularly vulnerable to the health impacts of climate change, especially in regions with weak health protection systems and little adaptive capacity. Climate hazards that have an impact on human health are already frequent and often deadly in developing countries. If such climate trends continue it is predicted that there will be an additional 3 billion annual exposure events that will affect elderly people through heatwaves, 1.4 billion additional annual person drought exposure events by the end of the century, and 2 billion additional annual extreme rainfall exposure events.

New approaches to addressing health and climate change are needed that consider the consequences of actions in their entirety, taking a longer-term and equity perspective. Some of the threats to human health and well-being can be addressed with nature-based, often low-cost approaches, with numerous common benefits. For this reason, projects of health determining sectors

in particular will strengthen the link to the health and well-being co-benefits, thus increasing the sustainability, impact, efficiency and effectiveness of GCF finance. For projects to be recognized as benefiting health and well-being as an objective, they must include finance of resilient and green health systems. Integrated health information systems with both climate early warning systems and air quality monitoring will empower the health system to predict, prepare and reduce negative climate-related health outcomes.

The critical importance of agriculture and food security is demonstrated through country NDCs, where 93 per cent of developing countries include adaptation actions in agriculture, 71 per cent for mitigation and 61 per cent for both adaptation and mitigation. In addition, nearly 60 per cent of all GCF country programmes or briefs identify agriculture as a priority area. For health, it is included by 73 countries in their NDCs but appeared in just over 10 per cent of GCF country programmes/briefs. In addition, nearly 100 countries identified water as a priority in their NDCs, while this is featured in nearly 40 per cent of country programmes or briefs submitted to the GCF.

WHAT HAVE WE ACHIEVED?

To date GCF has approved 53 projects with investments of over USD 600 million in the food, water and health security results area in more than 60 countries. As many of these projects are cross-cutting, they also achieve benefits in other results areas across both mitigation and adaptation. The financing for this results area alone will benefit 72 million people and reduce GHG emissions by 22 MtCO₂eq.

GCF projects on agriculture support innovative solutions which increase the resilience of the most vulnerable communities and food security, integrate climate risk management, diversify livelihoods and enhance climate information and water management. Once fully implemented, these investments will accelerate rural transformation in developing countries where the agriculture sector is a predominant source of livelihoods, and will result in social, economic and financial opportunities for smallholders, enabling them to adapt and build their resilience.

From the Fund's current approved portfolio in agriculture, rural livelihoods and food security, projects cover a variety of subsectors, including introducing



climate resilient crops, livestock, aquaculture and fisheries, and types, ranging from community-based risk reduction to resilient and low emissions value chains. Many projects are integrated at landscape scale, combining resilient agriculture practices with land and water management, irrigation, capacity-building, climate information, insurance, livelihoods diversification and market access.



Acumen Resilient Agriculture Fund

Women comprise over 50 per cent of the agricultural workforce in Africa and play an integral role in pursuing pathways out of poverty. The Acumen Resilient Agriculture Fund invests in companies that empower smallholder-farming households to improve their productivity, livelihoods and climate resilience. Women will be empowered through women-focused financial inclusion services and the training of women extension agents. This project is the first GCF private sector project in the agriculture sector and aims to reach 10 million smallholder beneficiaries across Ghana, Nigeria and Uganda.



South Tarawa water supply project

The South Tarawa water supply project developed by the Asian Development Bank is using renewable energy to power water desalination facilities for South Tarawa in Kiribati, a highly vulnerable SIDS. By providing the entire island with a reliable, safe and climate-resilient water supply, the project is increasing water security and reducing the climate vulnerability of the entire population. Construction of a 4,000 m³ desalination plant and a photovoltaic system will provide low-emission power for the plant and the water supply network. Once complete, the residents of South Tarawa will no longer need to boil drinking water, further reducing emissions from burning fuel and firewood.

RAISING AMBITION. EMPOWERING ACTION.

GCF interventions in the water sector to date promote integrated water resource management, ensuring a synergistic approach to tackling the water-energy-food security nexus, and a bridge between integrated adaptation and transformative resilience.



Global Clean Cooking Programme

Health co-benefits can be seen in the Global Clean Cooking Programme in Bangladesh, which provides technical assistance to support partner organizations and local entrepreneurs to both conduct further research and development on, and produce, improved cook stoves. The project is supporting the mainstreaming of health and well-being considerations across climate-related interventions, as well as policies, legislation and regulatory frameworks, with a focus on equity and inclusiveness.



Ensuring climate resilient water supplies in the Comoros Islands

Comoros' water resilience project safeguards water supplies during cyclones and droughts in an African LDC and SIDS. This project will strengthen the national governance of water by integrating climate change into the country's new water code. This includes integrating climate information into revised water legislation reforms, and upgrading tariff reforms to include the additional costs of reducing climate risks. Enhanced climate-resilient water infrastructure will now incorporate expanded water storage tanks to store more water through longer dry periods.



Sri Lanka

PROJECT - FOCUS

PROJECT FOCUS

LOCATION & PEOPLE

Region

Asia-Pacific

Country

Sri Lanka

Beneficiaries (approx.)

1,950,374

INVESTMENT DATA

Financing:	PUBLIC	PUBLIC / PRIVATE	PRIVATE	
Project size:	MICRO	SMALL	MEDIUM	LARGE
E&S Risk category:	CATEGORY A	CATEGORY B	CATEGORY C	

Total project investment

USD 52.1m

GCF Financing

Instrument Grant USD 38.1m ●

Co-Financing

Government of Sri Lanka Grant USD 14.0m ●



PROJECT PARTNERS

Accredited entity

United Nations
Development Programme
(UNDP)



Empowered lives.
Resilient nations.

Executing entity

Ministry of Mahaweli
Development and
Environment (MMDE) of Sri
Lanka

Access Modality

INTERNATIONAL



STRENGTHENING THE RESILIENCE OF SMALLHOLDER FARMERS IN THE DRY ZONE TO CLIMATE VARIABILITY AND EXTREME EVENTS THROUGH AN INTEGRATED APPROACH TO WATER MANAGEMENT

Persistent rural poverty afflicts Sri Lanka, with smallholder farmers who cultivate within village irrigation schemes being poorer and more vulnerable to impacts of climate change than those who have access to major irrigation. Unseasonal rain and low water availability are driving down agricultural production, increasing food deficit and indebtedness, and contaminating surface water. Many village irrigation schemes have been damaged by flooding, siltation and the impact of extreme weather events which lead to threatened access to safe drinking water.

This programme is improving irrigation in the northern and eastern provinces through investments

into community irrigation infrastructure, scaling up decentralized drinking water systems, strengthening early weather warnings, flood response and water management. The project is rehabilitating village irrigation systems across the northern and eastern provinces of Sri Lanka. Once complete the project will provide year-round drinking water, introduce climate smart agricultural practices, and provide flood drought early warning and weather advisories for agriculture and water management planning, benefiting 77,500 people in smallholder households directly and over 1,000,000 indirectly.





INFRASTRUCTURE



31

PROJECTS
with infrastructure
funded components

USD 0.57b

of GCF project financing
allocated to infrastructure

IMPACT POTENTIAL

Climate change poses a significant challenge to infrastructure, especially when it fails to account for climate risks and hazards. Countries will be investing trillions of dollars a year repairing, replacing and building infrastructure. Yet most current investments fail to take the impacts of climate change into account. In 2017 alone, natural catastrophe-related economic losses were around USD 330 billion, caused mostly by hurricanes, severe storms, wildfires, floods and other weather events, of which only 50 per cent were insured. Improving the resilience of infrastructure systems through repairs and new construction creates safer communities and stronger economies in a warming world. The increase in upfront costs (from 3 per cent to 30 per cent) can pay for itself many times over the project lifetime. Incorporating climate resilience into infrastructure increases upfront capital investment by around 20–30 per cent. However, total life cycle costs can result in net savings relative to a business as usual scenario. Savings are realized by avoided losses, socioeconomic gains of community resilience and business continuity over the project lifetime. It is

estimated that the net benefit of investing in more resilient infrastructure in low- and middle-income countries would be USD 4.2 trillion, with USD 4 in benefit for each USD 1 invested.

Over 50 per cent of NDCs embed infrastructure resilience into disaster risk reduction, coastal zones, roads and urban issues, while it is highlighted in 14 per cent of country programmes or briefs submitted to the GCF.

WHAT HAVE WE ACHIEVED?

With 37 projects totalling USD 565 million of approved funding, supporting more than 45 countries and over 63 million beneficiaries, infrastructure is already an important investment area for GCF. This proportion is set to increase substantially as more capital is made available for resilience projects, and as climate risks grow, losses from catastrophes are projected to double every 10 years. Most of these projects are cross-cutting as they provide infrastructure solutions to the resilience of various sectors, including agriculture, cities and water.



Saïss Water Conservation Project

This project will switch the Saïss Plain from the use of highly unsustainable groundwater to sustainable surface water. A bulk water transfer scheme from the M'Dez dam to the Saïss Plain is being constructed along with the preparation of a Public-Private Partnership (PPP) to implement new irrigation networks. This critical infrastructure will facilitate the transfer of water from a river basin with a surplus of water to the Sebou-Saïss basin with a shortfall of water resources.

Community involvement in water governance will be promoted, together with improved awareness of climate resilience issues among end users of water services, and the promotion of best-practices, efficient irrigation techniques with a significant demonstration impact across sector and region.

The result will be increased efficiency of water use and services, promoting drip irrigation and modern water demand management methods, thus strengthening capacity for adaptation to climate change in the Sebou-Saïss basin.



Climate-Resilient Infrastructure Mainstreaming in Bangladesh

GCF is directly supporting the development of policies, regulations and standards for resilient infrastructure at the national level. The mainstreaming of resilient infrastructure in the Bangladesh project includes the establishment of a national centre of excellence to gather, develop and share climate resilience infrastructure knowledge to inform policies and investments in rural infrastructure.



Barbados

PROJECT - FOCUS

PROJECT FOCUS

LOCATION & PEOPLE

Region	Country	Beneficiaries (approx.)
Latin America and the Caribbean	Barbados	473,998

INVESTMENT DATA

Financing:	PUBLIC	PUBLIC / PRIVATE	PRIVATE
Project size:	MICRO	SMALL	MEDIUM LARGE
E&S Risk category:	CATEGORY A	CATEGORY B	CATEGORY C

Total project investment

USD 45.2m

GCF Financing

Instrument Grant USD 27.6m ●

Co-Financing

Barbados Water Authority Grant USD 17.6m ●



PROJECT PARTNERS

Accredited entity

Caribbean Community
Climate Change Centre
(CCCCC)



Executing entity

Caribbean Community
Climate Change Centre
(CCCCC)

Barbados Water Authority
(BWA)

Access Modality

DIRECT (REGIONAL)



WATER SECTOR RESILIENCE NEXUS FOR SUSTAINABILITY IN BARBADOS (WSRN S-BARBADOS)

The wild weather which smashed into the Caribbean during September 2017 showed that SIDS in this region face a whole new sense of urgency in dealing with a warmer world. Hurricanes Irma and Maria caused deaths, crippled economies and brought home the immediacy of the need to strengthen Caribbean SIDS' preparation for climate change. GCF is working closely with its partners in the Caribbean to help them to prepare both for the destructive effects of extreme weather events and the slower onset of climate effects.

A GCF project under implementation in Barbados through the Caribbean Community Climate Change Centre, a GCF direct access accredited entity, aims to strengthen the resilience of SIDS' water resources.

While Barbados is surrounded by sea and only 23 km wide, the onset of climate change means water scarcity has become an increasingly daunting problem. The expected increase in tropical storms and hurricanes, along

with sea level rise, represent an increasing risk to the country's groundwater resources.

GCF is providing USD 27.6 million in grant funding for this project, which will mobilize an additional USD 17.6 million in co-financing. This includes installing solar-powered pumping stations that will both improve resilience to storms and reduce the carbon footprint of the Barbados Water Authority – the country's largest energy client.

The project will also reduce water losses and reduce disruptions to the national water supply.

The Barbados project is expected to act as a model for other countries in the region facing similar water scarcity challenges. GCF currently has seven projects in the Caribbean that are strengthening climate resilience and the transition to low-emission development, with a total GCF investment of USD 456.7 million.





ECOSYSTEMS AND ECOSYSTEM SERVICES



29

PROJECTS

with ecosystems and ecosystem
services funded components

USD 0.23b

of GCF project financing allocated to
ecosystems and ecosystem services

IMPACT POTENTIAL

Ecosystems degradation is both a cause and a consequence of climate change, and ecosystems conservation and restoration are a highly cost-effective solution to climate change. Ecosystem services are the benefits to humans that arise from the interactions between components of an ecosystem. Ecosystem-based climate adaptation and mitigation solutions offer flexible and cost-effective options to address climate risks and can also deliver substantial co-benefits in terms of livelihood protection and poverty alleviation. Coral reefs and coastal ecosystems, for example, protect communities from storms and erosion, reduce damage costs and potentially save lives. Similarly, sustainable land restoration could absorb over 25 per cent of the annual GHG emissions mitigation required by 2030 to limit global warming to under 1.5 °C. Or again, wetlands soak up potentially deadly floods and ensure supplies of life-giving water to farmers and cities in time of drought.

Nature's services will become even more valuable as global temperatures increase. However, ecosystems and ecosystem services may be lost beyond a global average temperature increase of 1.5 °C or 2 °C, making it impossible to adapt effectively in many parts of the world. For example, coral reefs are projected to decline by up to 90 per cent at 2 °C of warming. Climate change is everywhere accelerating the loss of natural assets, affecting ecosystem service flows and driving ecosystem degradation.

The thematic area of ecosystems and ecosystem services encompasses natural environments and their productive uses. This can range from environments

not directly impacted by anthropogenic activities, such as remote rainforests, alpine regions or coral reefs, to environments that are more intensively managed, such as agricultural areas or managed forests for timber production. As there are thematic areas within the GCF results management framework specifically addressing agriculture and food security, forest and land use, and water, the emphasis in this thematic area is on natural or less intensively managed environments.

Ecosystems appear in more than 105 NDCs and have been identified as a priority in over 40 per cent of country programmes and briefs submitted to the GCF.

WHAT HAVE WE ACHIEVED?

To date, over USD 233 million has been allocated to 33 projects supporting over 45 countries in this results area (about 4 per cent of total GCF resources allocated to projects). A total of 18 million people will directly benefit and 26 MtCO₂eq over the investment lifetime is expected to be avoided.

The GCF portfolio demonstrates the wide range of topics that fall under ecosystems and ecosystem services, often in combination with other results areas such as vulnerable communities, water management, agriculture and food security, and forestry and land use. Common elements in funding proposals for ecosystems and ecosystem services include activities aimed at the quantification, valuation and attribution of ecosystem services and national capital accounting, all of which contribute significantly to the exit strategy of the project and the sustainability of the investment over the long term.



Building resilience of communities living in landscapes threatened under climate change through an ecosystems-based adaptation approach

Over 70 per cent of Namibia's population are dependent upon natural resources for their livelihoods. This project is using ecosystem-based adaptation as a cost-effective and low-risk approach to build climate resilience across eight targeted landscape areas. Through a small grant finance mechanism the Environmental Investment Fund of Namibia is addressing the financial, capacity and adaptation needs of communities. A minimum of 30 small grants will be made for a total of USD 9 million to implement "soft engineering" ecosystem restoration actions implemented in critical ecosystems, to reduce the vulnerability of ecosystem services.



Scaling Up Climate Resilient Water Management Practices for Vulnerable Communities in La Mojana

GCF is also supporting ecosystems through sustainable resource management practices and direct support for ecosystems restoration. Through the creation of a systemized knowledge management plan this project is scaling up the integration of water resource management practices in Colombia. Water resource infrastructure and ecosystem restoration will be also supported, and early warning systems for climate resilience will be improved. Finally, rural livelihoods will be enhanced through investment into climate-resilient agroecosystems.

A world map in a light blue color, overlaid on a darker blue background with a tree silhouette. A white circular callout is positioned over the country of Bhutan in South Asia. A thick black L-shaped line extends from the bottom of the circle, framing the text below.

Bhutan

PROJECT - FOCUS

PROJECT FOCUS

LOCATION & PEOPLE

Region	Country	Beneficiaries (approx.)
Asia-Pacific	Bhutan	145,000

INVESTMENT DATA

Financing:	PUBLIC	PUBLIC / PRIVATE	PRIVATE	
Project size:	MICRO	SMALL	MEDIUM	LARGE
E&S Risk category:	CATEGORY A	CATEGORY B	CATEGORY C	

Total project investment

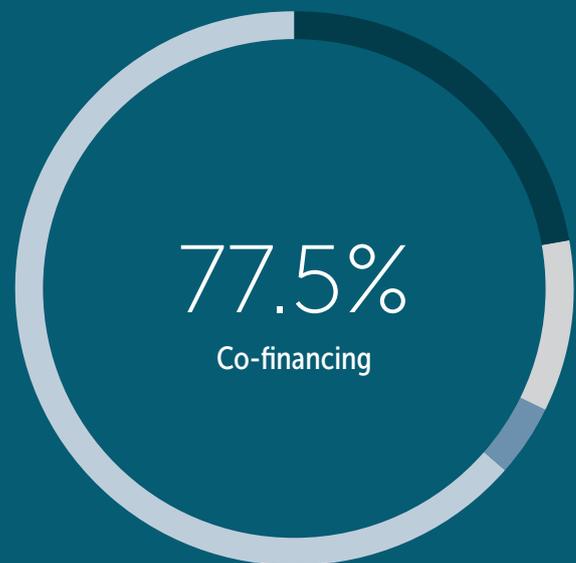
USD 118.3m

GCF Financing

Instrument	Grant	USD 26.6m	●
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Co-Financing

World Wildlife Fund, Inc.	Grant	USD 11.6m	●
DT Families Foundation	Grant	USD 5.0m	●
Royal Government of Bhutan	Grant	USD 75.1m	●



PROJECT PARTNERS

Accredited entity

World Wildlife Fund, Inc.
(WWF)



Executing entity

Ministry of Agriculture
and Forests

Access Modality

INTERNATIONAL



BHUTAN FOR LIFE

Bhutan is committed to the bold goal of remaining carbon neutral, as re-stated in its NDC under the Paris Agreement. Much of Bhutan is managed under a network of protected areas which are central to ensuring that at least 60 per cent of the country remains under forest cover.

Despite the network of protected areas being relatively intact, many of them are under increasing pressure from economic development in surrounding areas, illegal extraction of resources and natural disasters. These threats are exacerbated by the adverse impacts of climate change, including an increased incidence of extreme and variable weather, and accelerated melting of glaciers. These impacts will also lead to a longer dry season, increasing the risk of landslides, floods and forest fires.

The primary constraints faced by the Government in addressing these threats are capacity and funding and the Bhutan for Life project directly responds to these constraints.

The Bhutan for Life project is supporting the improved management of the country's protected areas, providing time and resources for the Government to secure long-term revenues to maintain the improvements.

Activities under the programme are increasing climate change mitigation in forestry and land use, and supporting ecosystem-based adaptation to improve natural resource management and livelihoods and enhance biodiversity.

The project employs an innovative financial model built around the creation of a sinking fund to support improved management of the country's protected areas while providing the time and resources to allow the Government to identify and secure long-term revenues sufficient to maintain these management improvements.

While transformational for Bhutan, the project also will generate valuable experience to help to achieve sustainable protected areas financing in other countries.

Mitigation and adaptation benefits will be generated in a cost-effective manner, with GCF resources leveraging both public and private financing.

There are strong social and economic development and biodiversity conservation co-benefits in the project. Carbon sequestration in forests is anticipated to increase by 35.1 MtCO₂eq over the project's life, and 145,000 mostly vulnerable rural inhabitants will directly benefit from the improved resiliency of their communities and livelihoods.



BUILDING THE GCF INSTITUTIONAL CAPABILITIES

RISK MANAGEMENT FRAMEWORK

The Office of Risk Management and Compliance, under the guidance of the Risk Management Committee, has created and currently manages a comprehensive risk management framework. The overall framework defines the boundaries of risk that are acceptable to GCF and specifies the controls, monitoring and reporting that GCF has in place to manage and mitigate risks, supporting GCF in fulfilling its unique role. The risk appetite statement explicitly specifies the high tolerance of GCF for project-related risks, and allows GCF to undertake such risks that other institutions or funds are not willing or able to take.

COMPLIANCE AND PROHIBITED PRACTICES

GCF has also expressed zero tolerance for breaches related to compliance risk and prohibited practices through its risk appetite statement. To assure stakeholders that compliance risk is properly managed, the Office of Risk Management and Compliance is developing a compliance framework, under the guidance of the Risk Management Committee and Ethics and Audit Committee, and has contributed to various institutional governance matters, including, but not limited to, a conflict of interest framework, a financial disclosure programme for Board-appointed officials, data privacy and data retention. Furthermore, compliance requirements are incorporated in all operational processes and legal agreements of GCF. The Office also implements integrity policies approved by the Board and provides advice and training to Secretariat divisions on compliance-related matters, promoting the culture of compliance within the organization.

GOVERNANCE & DUE DILIGENCE

Risk management

- Ensure adherence to risk appetite statement and Committee of Sponsoring Organizations of the Treadway Commission framework
- Publish the risk dashboard quarterly and produce internal risk reports to support informed decision-making
- Review and update the risk register and the risk data management to follow best practices
- Review funding and readiness proposals to provide expert advice and solutions and help to achieve the mission of the GCF
- Provide inputs to accreditation review templates/ risk guidelines for funding proposal revision and updates to ensure alignment with the risk management framework
- Participate in the second-level due diligence process improvement to increase the Secretariat's effectiveness and efficiency

Compliance

- Perform compliance risk assessment to ensure adherence to fiduciary standards and prevent money laundering, terrorist financing and prohibited practices
- Ensure implementation of integrity policies together with the Anti-Money Laundering and Countering the Financing of Terrorism Policy tracking tool and compliance register
- Conduct GCF-wide training programmes on compliance and the Anti-Money Laundering and Countering the Financing of Terrorism Policy
- Develop priority policies and guidance and standard operating procedures to facilitate their implementation

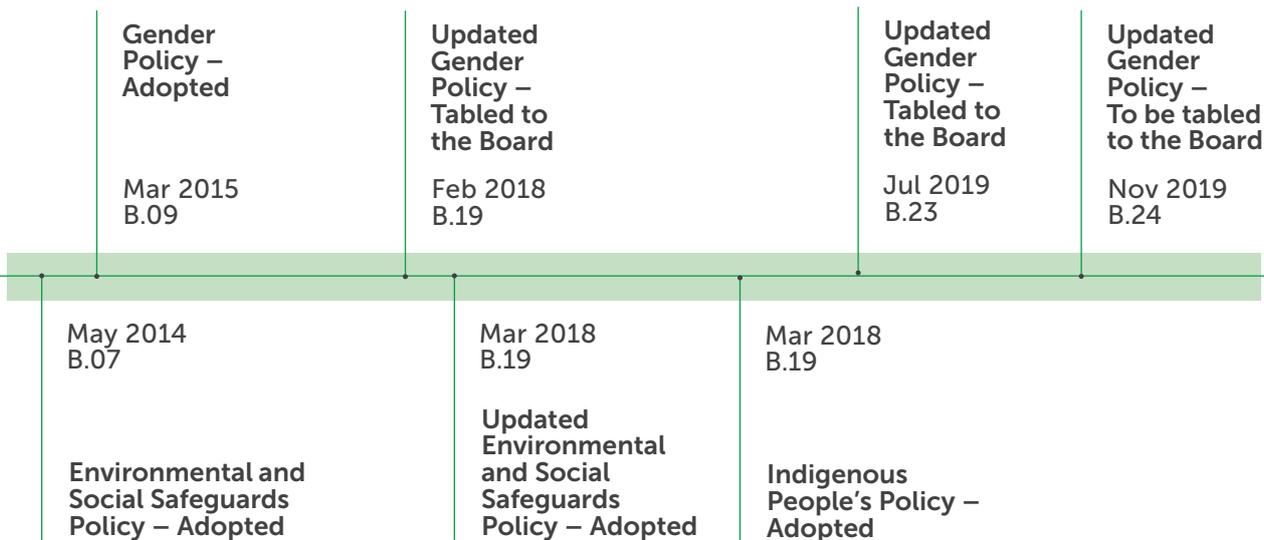
RAISING STANDARDS

Much of the Secretariat’s effort in the early years of 2015 and 2016 was focused on developing class-leading policies and standards for GCF processes, including gender, indigenous peoples and environmental and social safeguards policies. The substance and rigour of many of these policies are considerable enhancements relative to those of other climate finance mechanisms and development finance institutions.

The application of these policies and standards beyond the GCF internal processes and practices has contributed substantially to the promotion of paradigm shift in developing countries. One element of the GCF entity accreditation process requires partners to have their own rigorous environmental, social safeguards and gender policies. It has been through the pursuit of GCF accreditation that many regional and national direct

access entities developed or substantially enhanced their internal environmental, social safeguards and gender policies for the first time. The impact of these organizations adopting and implementing more rigorous standards and policies across all of their work has enhanced their reputation and increased their eligibility to access additional sources of climate finance.

Going forward, all GCF-funded projects are encouraged to undergo a gender assessment and submit a gender action plan as part of their funding proposal, ensuring that gender considerations are further mainstreamed into project design and implementation. To achieve paradigm shift, it is critical for GCF to continue to play a leadership role in the development, adoption and mainstreaming of safeguards standards in the climate finance space.



INDIGENOUS PEOPLES POLICY

Indigenous peoples are a unique and distinct stakeholder of GCF. The rights of indigenous peoples are affirmed by international human rights instruments, including binding treaties and the United Nations Declaration on the Rights of Indigenous Peoples. Indigenous peoples have invaluable and critical contributions to make to climate change mitigation and adaptation. Yet they are also facing serious threats to the realization of their rights from climate change actions.

The importance of engaging with indigenous peoples in climate change policies and actions has been recognized by the COP, including in the Cancun Agreements. The preamble of the Paris Agreement also acknowledges that Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on, inter alia, the rights of indigenous peoples. UNFCCC decision 1/CP.21 adopting the Paris Agreement recognized the need to strengthen practices and efforts of local communities and indigenous peoples related to addressing and responding to climate change and established a local communities and indigenous peoples platform to help do this. The COP has requested that GCF consider a recommendation "to enhance [its] consideration of local, indigenous and traditional knowledge and practices and their integration into adaptation planning and practices, as well as procedures for monitoring, evaluation and reporting."

about the design or implementation of activities that would profoundly affect their lives or communities.

The Governing Instrument for GCF, as well as other policies, reflect the importance of fully and effectively engaging with indigenous peoples in the design, development and implementation of the strategies and activities to be financed by GCF, while respecting their rights.

The Indigenous Peoples Policy supports GCF by incorporating considerations related to indigenous peoples into its decision-making while working towards the goals of climate change mitigation and adaptation. The policy allows GCF to anticipate and avoid any adverse impacts that its activities may have on indigenous peoples' rights, interests and well-being, and when avoidance is not possible, to minimize, mitigate and/or compensate appropriately and equitably for such impacts in a consistent way and to improve outcomes over time. These elements of the policy are being integrated with other business processes and governance frameworks of GCF and will be utilized across the organization. The policy is expected to evolve and continue to mature as GCF operations develop.

THE GCF INDIGENOUS PEOPLES POLICY

The GCF Indigenous Peoples Policy recognizes that indigenous peoples often have identities and aspirations that are distinct from mainstream groups in national societies and are disadvantaged by traditional models of mitigation, adaptation and development. In many instances, they are among the most economically marginalized and vulnerable segments of the population. The economic, social and legal status of indigenous peoples frequently limits their capacity to defend their rights to, and interests in, land, territories and natural and cultural resources, and may restrict their ability to participate in and benefit from development initiatives and climate change actions. In many cases, they do not receive equitable access to project benefits, or benefits are not devised or delivered in a form that is culturally appropriate, and they are not always adequately consulted

 www.greencclimate.fund/safeguards/indigenous-peoples



GCF Indigenous Peoples Policy assists GCF in incorporating considerations related to indigenous peoples into its decision-making while working towards the goals of climate change mitigation and adaptation.

GENDER POLICY

The Governing Instrument gives GCF the mandate to enhance a gender-sensitive approach in its processes and operations. The GCF Gender Policy was adopted in 2015, with a second draft tabled in February 2018 that will be considered by the Board later in 2019.

GCF is driving the mainstreaming of gender policies through accreditation; accredited entities are required to develop their own gender policies that are aligned with GCF policies. In addition, accredited entities will have to have the competencies and capacities in place to further the commitment of GCF to gender equality. GCF, through its Readiness Programme, provides opportunities for accredited entities to develop their capacities to meet the requirements of the Gender Policy with regard to equality, if they have capacity gaps. In this regard, so far four countries have used the readiness funds to develop their gender policies while accredited entities are utilizing

readiness funding to mainstream gender within the work of their organizations.

At a funding proposal level, GCF requires each project to undertake a gender assessment with a corresponding action plan. Currently 94 per cent of the projects have undertaken gender assessment, and based on the assessment out of the approved projects 86 per cent have approved gender action plans.

Together with the United Nations Entity for Gender Equality and the Empowerment of Women, GCF developed the publication *Mainstreaming Gender in Green Climate Fund Projects* to guide the project partners of GCF on how to include women, girls, men and boys from socially excluded and vulnerable communities in all aspects of climate finance. The guide is helping to ensure that gender consideration lies at the heart of all GCF-supported initiatives.

 www.greencclimate.fund/how-we-work/mainstreaming-gender



The Mainstreaming Gender in Green Climate Fund Projects publication is a practical manual to support the integration of gender equality in climate change interventions and climate finance

ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM

GCF recognizes that while climate finance is designed to achieve positive low-emission and climate-resilient goals, financial investments in some cases can lead to negative impacts. For instance, if not planned carefully, new forests planted to act as emission sinks could potentially alter natural habitats and displace local communities. Moreover, new influxes of finance could actually create or exacerbate existing social inequalities, if already marginalized people are not meaningfully consulted in a timely manner.

That is why GCF has developed “guardrails” to guide sustainable practice to ensure that its financial support in developing countries causes no harm.

GCF has developed a series of processes and procedures which help to identify and avoid potential adverse environmental and social impacts of its climate finance activities through its environmental and social management system.

It is designed not only to avoid harm, but also to improve the environmental and social performance of GCF and the activities it finances consistently over time.

Under its Environmental and Social Policy, GCF requires that all GCF-supported activities are committed to:

- Avoiding, and where avoidance is impossible, mitigating adverse impacts on people and the environment;
- Enhancing equitable access to development benefits; and
- Giving due consideration to vulnerable populations, groups, individuals, local communities, indigenous peoples and other marginalized groups of people and individuals that are affected or potentially affected by these activities.

Other elements of the policy include ensuring that climate investments do not cause negative impacts that spread to neighbouring communities or countries. Also, investments need to support gender equality and stakeholder engagement, and establish grievance redress mechanisms in ways that align with national laws and other relevant legal requirements.

 www.greencclimate.fund/safeguards/environment-social



This policy articulates how GCF integrates environmental and social considerations into its decision making and operations to effectively manage environmental and social risks and impacts and improve outcomes.

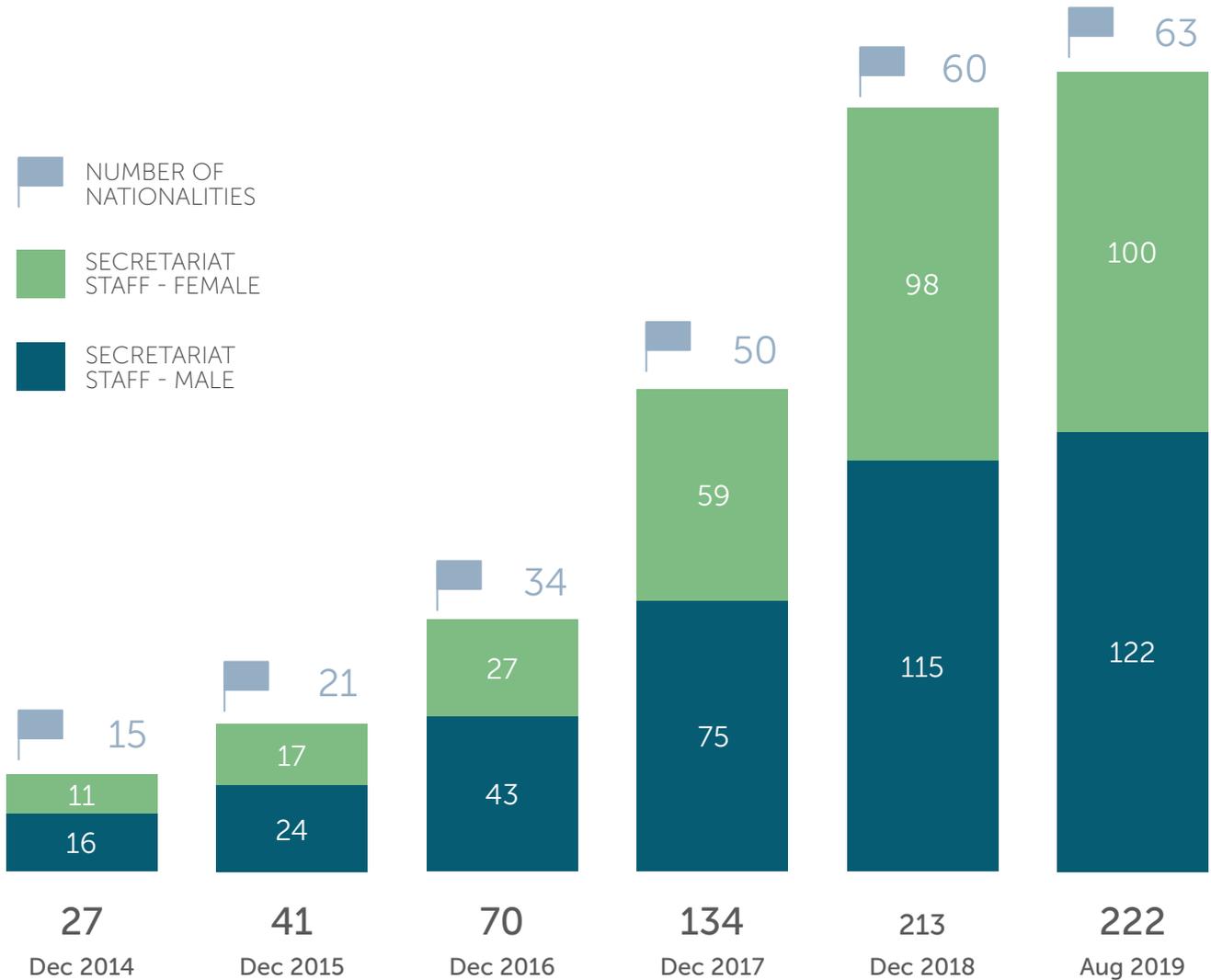
EVOLUTION OF THE SECRETARIAT

Over the initial resource mobilization period, the Secretariat evolved from primarily highly experienced consultants into a fully staffed learning organization. In 2016 the Secretariat launched a recruitment effort to build a full-time workforce, which included an international recruitment campaign as well as converting a number of individual consultancies into full-time staff positions.

During the first years of the permanent Secretariat, recruitment focused on delivering the operational capacity requirements of GCF growing activities. Many highly experienced staff were recruited and brought their skills and experience with them to deliver on the priorities of

the annual work programmes. However, as GCF scaled up its funded activities, its recruitment strategy evolved towards building an organization that offers continuous learning of its staff and prioritized talent development.

The structure of the Secretariat also evolved over the initial resource mobilization period, adding new offices to support the burgeoning implementation of GCF activities, adding an Office of Portfolio Management in 2017, a Division of External Affairs and a knowledge management function in 2018. GCF also appointed an Ombudsperson in 2017 and a Senior Ethics Advisor in 2019.







Together with the United Nations Development Programme, GCF is financing the rehabilitation of water reservoirs and rainwater harvesting tanks in the north-east dry zone region of Sri Lanka. Work is already under way on over 80 sites, desilting existing village irrigation systems to increase smallholder farmers' resilience to drought.
Photo credit: UNDP Sri Lanka

LOOKING FORWARD: GCF 2019 AND BEYOND

Following a very rapid operationalization, GCF has established itself as a key finance mechanism supporting developing countries' climate ambitions. In just four and a half years, it has reached over 127 countries with readiness support and project funding, working at national, regional and international scale through a network of 88 entities across the public and private sectors.

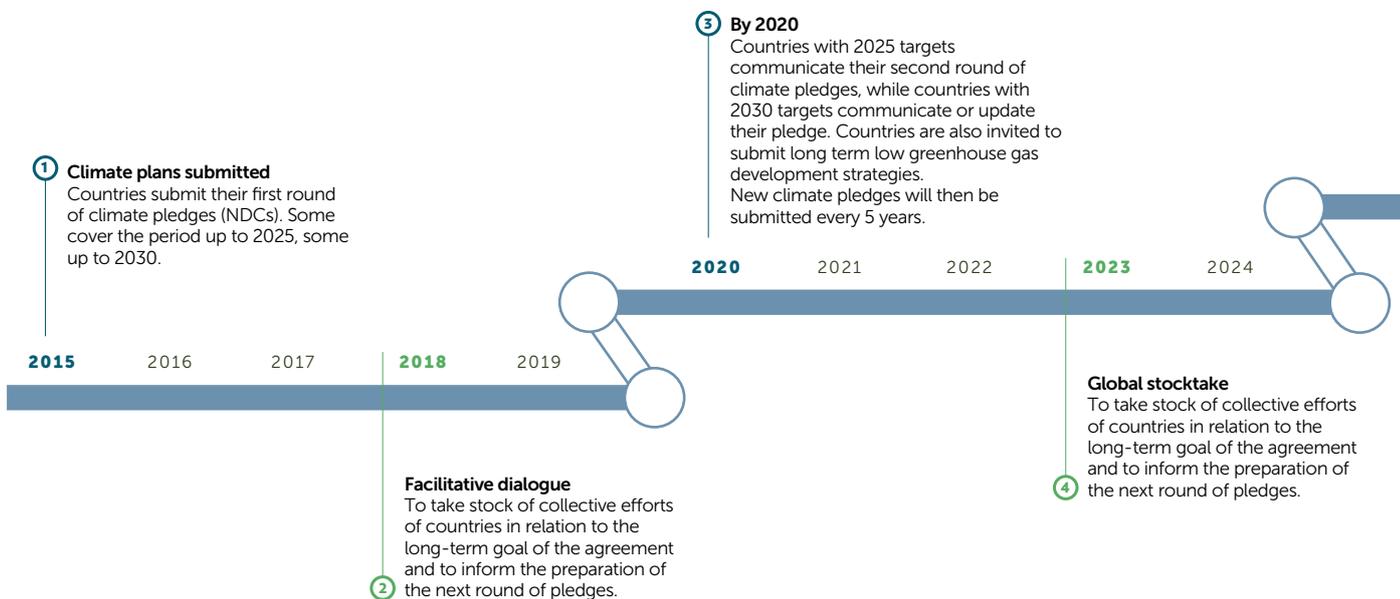
We know that 2020 is an important year in taking stock of progress towards meeting the objectives of the Paris Agreement and raising ambition. The latest climate science has also reiterated that transformational climate action that radically reduces CO₂ emissions and catalyses

financing for adaptation is needed urgently within the next 10–15 years to meet the goals of the Paris Agreement.

GCF plays a key role in supporting developing countries in raising their ambition in the form of NDCs.

Building on a solid institutional capacity and a wealth of knowledge and experience gathered, GCF is determined to channel its support towards:

1. Driving transformational national planning and programming processes in alignment with countries' NDCs by putting climate information at the core of decision-making;



Source: Adapted from Carbon Brief, *Timeline: the Paris agreement's 'ratchet mechanism'*, available at: <https://www.carbonbrief.org/timeline-the-paris-agreements-ratchet-mechanism>

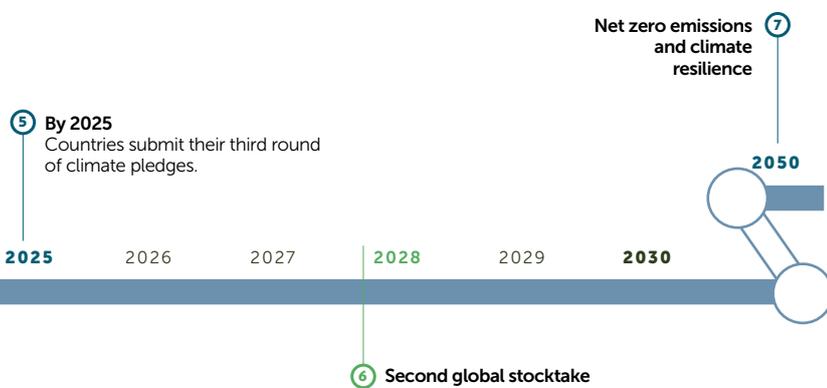
2. Catalysing climate innovation by financing projects which demonstrate new technologies, business practices and instruments;
3. Mobilizing financing at scale for climate action by using its unique risk appetite and financial instruments to shift finance flows in line with low-emission climate-resilient development pathways; and
4. Improving global knowledge of transformational climate action.

We are thrilled that the global community has recognized that a successful and ambitious GCF replenishment in 2019 offers a unique chance to reinforce global support for securing a safe and shared future. We look forward to the next stage and to continuing to work with our network of partners towards a low-emission climate-resilient world.

“

We believe [GCF] has a decisive role in the implementation of the Paris Agreement and Agenda 2030. The Fund became operational in record time and has made great progress over the past couple of years.

Ms. Isabella Lövin,
Minister for Environment and Climate, and Deputy Prime Minister, Sweden





The Saïss Water Conservation Project in Morocco is transitioning the Saïss Plain from the use of highly unsustainable groundwater to sustainable surface water. A bulk water transfer scheme from the M'Dez dam to the Saïss Plain is being constructed, along with the preparation of a Public-Private Partnership to implement new irrigation networks. This project is increasing the resilience of the plain which is threatened by declining and unpredictable rainfall due to climate change.



ANNEX I: INDEPENDENT EVALUATION UNIT

ANNUAL REPORTS

The Independent Evaluation Unit (IEU) was established by the Board as an independent unit to provide objective assessments of the results of GCF, including its funded activities, its effectiveness and its efficiency. The IEU has a mandate for both discharging an accountability function and supporting a learning function. These are central to the GCF being a learning organization as laid out in its Governing Instrument. The IEU fulfils this mandate through evaluations, advisory and capacity support, engagement and building partnerships, and promoting state of the art learning, research and communication. It undertakes independent evaluations at different levels to inform the GCF strategic results areas and ensure its accountability. The IEU ensures that high-quality evidence and recommendations from independent evaluations are synthesized and incorporated into the functioning and processes of the GCF. It also advises the Board and its stakeholders of lessons learned from evaluations and high-quality evaluative research and evidence and provides guidance and capacity support to implementing entities of the GCF and their evaluation offices. Moreover, the IEU engages with independent evaluation offices of accredited entities and other GCF stakeholders.

 <https://ieu.greencclimate.fund/>



2017 Annual Report



2018 Annual Report

ANNEX II: INDEPENDENT INTEGRITY UNIT

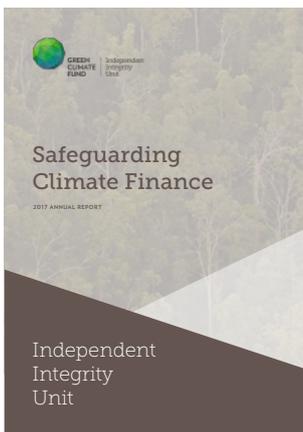
ANNUAL REPORTS

As a key function of the GCF accountability mechanism and a body independent from the Secretariat, the Independent Integrity Unit ensures that all staff, implementing entities and intermediaries relating to GCF adhere to the highest standards of integrity to safeguard lawful utilization of GCF resources.

The Independent Integrity Unit takes preventive measures to prevent and deter occurrences of fraud, corruption and prohibited practices in GCF-funded activities by establishing integrity policies, proactively assessing and mitigating integrity risks and recommending improvements to existing GCF procedures.

As an initial point of contact, the Independent Integrity Unit investigates allegations of wrongdoing, including prohibited practices, in line with best international practices and promotes awareness of GCF integrity standards.

 <https://iiu.greencimate.fund/>



2017 Annual Report



2018 Annual Report

ANNEX III: INDEPENDENT REDRESS MECHANISM UNIT

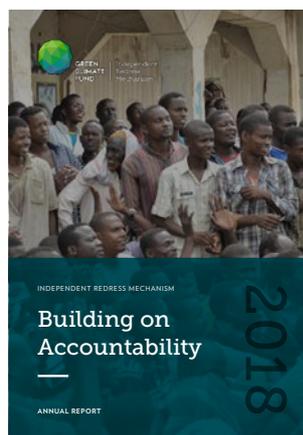
ANNUAL REPORTS

The Independent Redress Mechanism is the independent accountability mechanism of GCF. Its mission is to address complaints from project affected people and requests from developing countries for reconsideration of funding denied by the Board, in a way that is fair, effective and transparent, and enhances the performance of GCF climate finance and the overall mission of GCF to address climate change globally. Through its functions, the Independent Redress Mechanism serves as a mechanism that enables GCF to be accountable to its own policies and procedures. Its mission is articulated in the Governing Instrument as well as the Independent Redress Mechanism's terms of reference and procedures and guidelines (adopted by the Board in September 2017 and February 2019, respectively). In delivering its mandate, the Independent Redress Mechanism is guided by principles of fairness, equity, independence, transparency, effectiveness, expedition and justice. It is independent of the Secretariat and reports to the Board on all substantive matters.

 <https://irm.greencimate.fund>

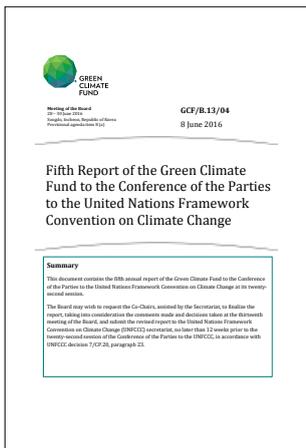


2017 Annual Report



2018 Annual Report

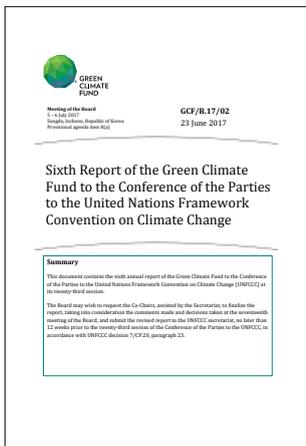
ANNEX IV: REPORTS OF THE GCF TO THE CONFERENCE OF THE PARTIES TO THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE



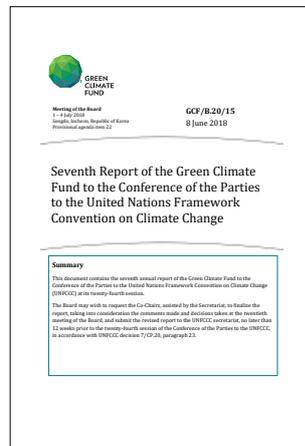
2015



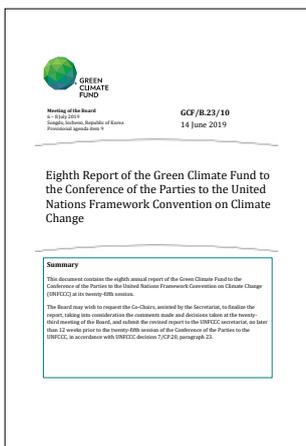
2016



2017



2018



2019

ANNEX V: FORWARD-LOOKING PERFORMANCE REVIEW OF THE GREEN CLIMATE FUND

At its twenty-first meeting, the Board requested the Independent Evaluation Unit (IEU) to undertake the performance review of the GCF. It requested that the forward-looking performance review (FPR) be undertaken while considering the current stage of the operations of GCF and with a view to the GCF being a learning institution. The FPR was published by the IEU on 30 June 2019.

The FPR assessed:

- The progress made by the GCF so far in delivering its mandate set by the Governing Instrument, and the achievements of the GCF initial Strategic Plan;
- The appropriateness of GCF business model;
- The extent to which it has responded to the needs of developing countries and the level of country ownership; and
- Its contribution to a paradigm shift towards low-emission, high-resilience development pathways.

RECOMMENDATIONS

The review makes four critical recommendations on what the GCF can do to ensure that it is faster, better and smarter in meeting its objectives.

First, the GCF should strengthen its implementation and business processes (at headquarters and in-country) that are likely to better address differentiated developing country needs and capacities, with a focus on increasing the use of direct access entities. The focus of these changes should be to increase the speed, predictability and transparency of processes.

Second, the GCF should institute a new strategic plan that positions it as a thought leader and policy influencer and establishes its reputation and niche in innovation and making an impact on country needs.

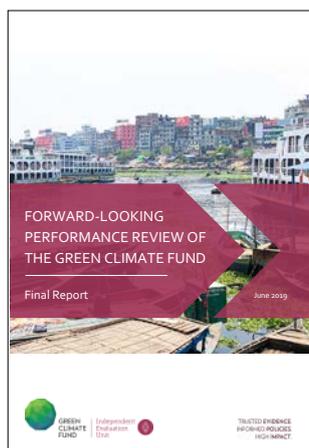
Third, the GCF should re-emphasize its support to adaptation investments while recognizing the role of new actors in mitigation. Additionally, developing countries would be well served if the GCF strengthened the role and participation of the private sector, and encouraged innovative solutions to climate-related problems.

Lastly, the IEU recommends a greater delegation of authority that emphasizes responsibility, agency and speed in delivering country climate needs.

Going forward, these recommendations should be used to make the GCF more transparent, innovative, predictable, speedy and impactful.

To learn more and read the full Report visit:

ieu.greenclimate.fund/evaluations/fpr



1. *GCF/B.21/27: "Performance review of the Green Climate Fund" and recalling paragraphs 59 to 62 of the Governing Instrument for the GCF*
2. *Decision B.21/17*

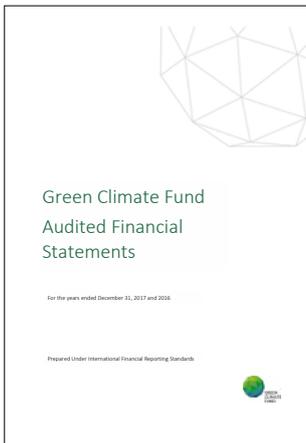
ANNEX VI: GCF SECRETARIAT FINANCIAL STATEMENTS



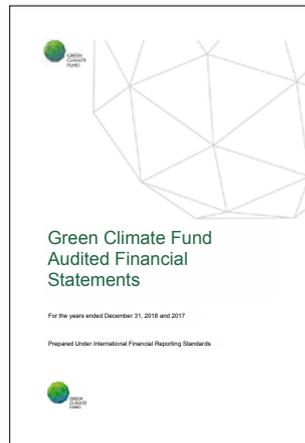
2015 - GCF report on audits of financial statements for the year ended 31 December 2015



2016 - GCF report on audits of financial statements for the years ended 31 December 2016 and 2015



2017 - GCF audited financial statements for the years ended 31 December 2017 and 2016



2018 - GCF audited financial statements for the years ended 31 December 2018 and 2017

ANNEX VII: NON-EXHAUSTIVE LIST OF POLICIES AND GUIDELINES



2019 - GCF Handbook
Decisions, policies and
frameworks as agreed by the
Board of the Green Climate Fund
from B.01 to B.23, Sept 2019

1. OBJECTIVES AND GUIDING PRINCIPLES			
	1	Guidelines for enhanced country ownership and country drivenness	B.17/21, para. (a), Annex XX
	2	Gender policy for the Green Climate Fund	B.09/11, para. (a), Annex XIII
	3	Initial strategic plan for the GCF	B.12/20, Para. (a), Annex I
2. GOVERNANCE AND INSTITUTIONAL ARRANGEMENTS			
A. RELATIONSHIP WITH THE CONFERENCE OF PARTIES			
Arrangements with the COP	4	Arrangements between the Conference of Parties to the United Nations Convention on Climate Change and the Green Climate Fund	B.05.16, para. (a), Annex XXI
B. LEGAL STATUS OF THE FUND			
Privileges and Immunities	5	Draft provisions for privileges and immunities	B.10/12, para. (a), Annex XXV
C. RULES OF PROCEDURE			
Advisers	6	Guidelines on the participation and conduct of Advisers in Board meetings	B.04/11, Annex I
Observers	7	Guidelines relating to the Observer participation, accreditation of Observer organizations and participation of active Observers	B.01-13/01, Annex XII
Policies on conflicts of interest	8	Policy on Ethics and Conflict of Interest for the Board of the Green Climate Fund	B.09/03, Annex I
	9	Policy on Ethics and Conflict of Interest for External Members of Green Climate Fund Panels and Groups	B.10/13, para. (a), Annex XXVI
	10	Policy on Ethics and Conflict of Interest for Board-appointed officials	B.13/27, para. (a), Annex V
D. SECRETARIAT			
	11	Administrative policies of the Fund	B.06/03, para. (a), Annex I
	12	Administrative guidelines on human resources	B.08/17, Para. (a) (Limited Distribution)
	13	Administrative guidelines on the internal control framework and internal audit standards	B.BM-2015/06, Annexes I and II
	14	Corporate procurement guidelines on the use of consultants	B.08/21, Para. (a) Annex XXVIII and XXIX
	15	Corporate procurement guidelines for goods and services	B.08/21, Para. (a) Annex XXIX
	16	Policy on Ethics and Conflict of Interest for the Executive Director of the Green Climate Fund Secretariat	B.10/13, para. (c), Annex XXVII
3. FINANCIAL INPUTS			
	17	Policies for contribution to the Green Climate Fund for the Initial Resource Mobilization	B.08/13, para. (a), Annexes XIX, XX and XXI
4. OPERATIONAL MODALITIES			
A. COMPLEMENTARITY AND COHERENCE			
	18	Operational framework for complementarity and coherence	B.17/04, para. (a) Annex II
B. ACCESS MODALITIES AND ACCREDITATION			
	19	Initial guiding framework for the Fund's accreditation process	B.07/02, Annex I
	20	Guidelines for the operationalization of the fit-for-purpose accreditation approach	B.08/02, Para. (c), Annex I
	21	Policy on fees for accreditation of the Fund	B.08/02, Para. (a), Annex VI
	22	Template Accreditation Master Agreement	B.12/31, para. (b), Annex XXVI
	23	Additional Policy Guidance for the purpose of Accreditation Master Agreements	B.12/31, para. (e), Annex XXVII
	24	Legal and formal arrangements with accredited entities	B.09/08, Annex XI
	25	Policy on fees	B.19/09 para. (a), Annex VIII
	26	General principles and indicative list of eligible costs covered under GCF fees and project management costs	B.19/09 para. (b), Annex IX

C. ALLOCATION			
Initial parameters and guidelines for the allocation of resources	27	Initial Investment Framework	B.07/06, para. (a), Annex XIV
	28	Initial Investment framework: activity-specific sub-criteria and indicative assessment factors	B.09/05, Annex III
	29	Investment criteria indicators	B.22/15, para. (a), Annex VII
D. PROGRAMMING AND APPROVAL PROCESS			
Project and programme approval process	30	Updated project and programme cycle	B.17/09, para. (n), Annex IV
	31	Initial no-objection procedure	B.08/10, para. (b), Annex XII
	32	Simplified approval process pilot scheme	B.18/06, para. (a), Annex X
	33	Policy on Restructuring and Cancellation	B.22/14, para. (a), Annex VI
Country programmes	34	Initial general guidelines for country programmes	B.08/11, para. (i) (ii), Annex XVII
5. FINANCIAL INSTRUMENTS			
Financial Instruments	35	Guiding principles and factors determining terms of financial instruments	B.05/07, para. (a) Annex III
	36	Financial terms and conditions of grants and concessional loans	B.09/04, Annex II
Financial risk management framework	37	Initial financial risk management framework	B.07/05, Annex XI and XIII
Risk Management Framework	38	Revised risk register (Component I)	B.17/11, para. (a)(i), Annex V
	39	Risk appetite statement (Component II)	B.17/11, para. (a)(ii), Annex VI
	40	Risk dashboard (Component III)	B.19/04, para. (b), Annex VII
	41	Risk guidelines for funding proposals (Component IV)	B.17/11, para. (a)(iv), Annex VIII
	42	Investment Risk Policy (Component V)	B.19/04, para. (a)(i)
	43	Non-financial Risk Policy (Component VI)	B.19/04, para. (a)(ii)
	44	Funding Risk Policy (Component VII)	B.19/04, para. (a)(iii)
6. MONITORING			
Results Management Framework	45	Initial result areas of the Fund	B.05/03, para. (e) Annex I
	46	Performance indicators of the initial result areas of the Fund	B.05/03, para. (f) Annex II
	47	Mitigation and adaptation performance measurement frameworks	B.08/07, para. (a), Annex VIII
	48	Initial logic model for REDD+ results based payments	B.08/08, para. (a), Annex X
	49	Initial performance measurement framework for REDD+ results based payments	B.08/08, para. (a), Annex XI
Monitoring and Accountability Framework for Accredited Entities	50	Monitoring and accountability framework for accredited entities	B.11/10, para. (a), Annex II
7. FIDUCIARY STANDARDS			
Fiduciary standards	51	Initial fiduciary principles and standards	B.07/02, Annex II
	52	Anti-Money Laundering and Countering the Financing of Terrorism Policy	B.18/10, para. (a), Annex XIV
	53	Policy on Prohibited Practices	B.12/31, para. (a), Annex XIV
Prohibited practices	54	Policy on the Protection of Whistleblowers and Witnesses	B.BM-2018/21, para (a), Annex
	55	Interim Policy on the Protection from Sexual Exploitation, Sexual Abuse, and Sexual Harassment	B.22/18, para. (a), Annex XIII
8. ENVIRONMENTAL AND SOCIAL SAFEGUARDS			
	56	Environmental and Social Policy	B.19/10, para. (b), Annex X
	57	Interim environmental and social safeguards of the Fund [Performance standards of the International Finance Corporation]	B.07/02, Annex III
	58	Indigenous Peoples Policy	B.19/11, Annex XI
9. ACCOUNTABILITY MECHANISMS			
	59	Information Disclosure Policy of the Green Climate Fund	B.12/35, para. (a), Annex XXIX
	60	Procedures and Guidelines of the Independent Redress Mechanism	B.22/22, para. (a), Annex XII to document GCF/B.22/11

NOTES

