



**GREEN
CLIMATE
FUND**

Meeting of the Board

26 – 29 October 2026

Songdo, Incheon, Republic of Korea

Provisional agenda item 10

GCF/B.46/07

5 October 2026

Status of approved funding proposals: Revisions of Programme Scope, Financial Terms and Instrument Reallocation in respect of FP177 (“Cooling Facility”)

Summary

This document presents a request for the revision of programme scope and logical framework, the revision of financial terms and conditions for Sri Lanka, and the reallocation between GCF grant and loan instruments for Sri Lanka, in respect of FP177 (Cooling Facility), originally approved at the thirtieth meeting of the Board, for the consideration of the Board.

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I. Introduction

1. FP177 “Cooling Facility” was approved by the Board at B.30 on 7 October 2021. The funded activity is implemented by the International Bank for Reconstruction and Development and International Development Association (“World Bank”, or “Accredited Entity, AE”) and was designed to provide low-carbon and sustainable cooling solutions in nine countries: Bangladesh, El Salvador, Kenya, Malawi, North Macedonia, Panama, Sao Tome and Principe, Somalia and Sri Lanka.
2. The Funded Activity Agreement was executed on 15 July 2022 and became effective on 29 July 2022. The total approved GCF financing was USD 157 million, comprising USD 32 million in non-reimbursable grants and USD 125 million in loans, with total co-financing of USD 722.84 million.
3. The AE, in consultation with the host countries, requested the following changes: (i) updates to the programme scope and logical framework, reflecting the withdrawal of North Macedonia, Panama and El Salvador from the list of host countries and the revision of the Sri Lanka project scope; (ii) changes to the financial terms and conditions for Sri Lanka; and (iii) reallocation between GCF grant and loan instruments for Sri Lanka. Following an assessment by the Secretariat, the requested extension of the Closing Date and Completion Date and the change in the government entities through which the Executing Entity acts in Sri Lanka were determined not to constitute ‘Major Changes’ and were approved by the Secretariat, subject to the Board approving the related Major Changes. The proposed updates to the programme scope and logical framework were determined to constitute a ‘Major Change’ pursuant to paragraph 16(b) of the Policy on Restructuring and Cancellation. The proposed changes to the financial terms and conditions for Sri Lanka and the reallocation between GCF grant and loan instruments were determined to constitute ‘Major Changes’ pursuant to paragraph 16(f) of the Policy. Accordingly, these Major Changes need to be presented to the Board for approval.

II. Proposed change

4. **(i) Updated programme scope and logical framework.** The Accredited Entity proposes to remove North Macedonia, Panama and El Salvador from the list of host countries and cancel the undisbursed GCF proceeds allocated to these countries. The withdrawal would reduce total GCF proceeds from USD 157 million to USD 133.5 million and would also cancel USD 147.4 million in co-financing allocated to those countries.
5. The Accredited Entity also proposes to revise the Sri Lanka project scope from commercial and industrial space cooling to climate-friendly refrigeration, cold chains and logistics in the agriculture sector. The revised Sri Lanka activities are expected to increase adaptation benefits in Sri Lanka while reducing mitigation impact, requiring corresponding revisions to the programme logical framework.
6. At the programme level, the combined effect of country withdrawals and the Sri Lanka scope change would reduce estimated mitigation impact from 16.2 million to 10.5 million tCO₂e and reduce estimated adaptation impact from 25.0 million to 24.7 million beneficiaries. Other changes to the logical framework are set out in the Annex IV.
7. **(ii) Updated financial terms and conditions for Sri Lanka.** The Accredited Entity also proposes to revise the GCF loan terms for Sri Lanka from a 20-year low-concessional loan to a 40-year high-concessional loan. The change is justified by Sri Lanka’s risk of debt distress, which was one of the original eligibility criteria for the use of a combination of highly concessional

loans and grants, as well as by its fragile macro-fiscal position, constrained borrowing capacity under the IMF programme, and alignment with the highly concessional IDA financing supporting the related project.

8. The proposed structure would reduce peak annual debt service for the GCF loan from approximately USD 2.8 million to USD 1.3 million and cap the final borrower rate at 6.5 per cent, compared with an estimated commercial lending benchmark of 17.6 per cent. The concessionality is intended to restore the financial viability of cold-chain investments while maintaining risk sharing through the Government of Sri Lanka's retained margin and a capped spread for participating financial institutions.

9. **(iii) Reallocation between GCF grant and loan instruments for Sri Lanka.** The Accredited Entity proposes to revise Sri Lanka's allocation from USD 1 million in grants and USD 35 million in loans to USD 5 million in grants and USD 31 million in high-concessional loans. The total GCF allocation for Sri Lanka would remain unchanged at USD 36 million.

10. The additional grant resources would finance activities that are not expected to generate sufficient revenue to service debt, including smallholder first-mile cooling solutions, public cooling facilities at fishery harbours, and institutional support and technical assistance.

III. Assessment of the change request

11. The Secretariat considers that the withdrawal of North Macedonia, Panama and El Salvador is reasonable, given that the countries have confirmed that they do not intend to proceed under the programme and that no GCF funds have been disbursed to those countries. The related cancellation of unused allocations is consistent with the relevant provisions of the Funded Activity Agreement.

12. The Secretariat also considers that the Sri Lanka scope change remains within the approved objective and target areas of the Cooling Facility. However, the proposed update to the logical framework is necessary as the combined effect of the country withdrawals and Sri Lanka scope change materially affects the expected programme-level climate outcomes, particularly the estimated mitigation impact.

13. At the Program level, the combined effect of the withdrawal of North Macedonia, Panama, and El Salvador and the Sri Lanka scope change decreases estimated mitigation impact from 16.2 million to 10.5 million t CO₂ eq, representing a 35% reduction from the original target, and decreases estimated adaptation impact from 25.0 million to 24.7 million beneficiaries, representing a 1% decrease.

14. The reduction in mitigation impact is driven by both the withdrawal of Panama, which had a strong mitigation focus, and the shift in Sri Lanka's project scope toward more adaptation-focused activities. The loss of adaptation benefits from withdrawn countries is more than offset by the revised Sri Lanka scope, resulting in a net increase in programme-level adaptation impact.

Table 1: Impact estimate changes after the withdrawal of three countries and program scope change in Sri Lanka

Program-level Impact	Mitigation (tCO ₂ eq)	Adaptation (# of Beneficiaries)
Original (9 countries)	16,240,201	24,977,256
After withdrawal	13,650,983	18,372,236

	-16%	-26%
After SL Scope Change (final)	10,524,005	24,708,438
	-35%	-1%
6 countries comparison	Mitigation (tCO ₂ eq)	Adaptation (# of Beneficiaries)
Original (6 countries)	13,650,983	18,372,236
After SL Scope Change	10,524,005	24,708,438
	-23%	34%

15. The request to revise Sri Lanka's financial terms will result in the modifications of pricing and concessionality of GCF proceeds compared with the Board-approved parameters. The Secretariat considers the request justified by Sri Lanka's debt sustainability constraints, the concessionality of the associated IDA financing package, and the need to maintain viable end-borrower terms for climate-friendly cold-chain investments.

16. The requested reallocation from loan to grant financing is justified, as the increased grant allocation is directed to public cooling infrastructure, smallholder first-mile access, and technical assistance activities that are not assessed to generate sufficient revenue to service debt, and therefore the debt would increase Sri Lanka's sovereign debt burden while it remains in a status of debt distress. It remains consistent with the principle of minimum necessary concessionality because loan financing is preserved for revenue-generating investments while grant financing is limited to non-revenue-generating and adaptation-focused activities.

17. The implementation risk associated with the revised Sri Lanka scope is assessed as moderate to low. Finalizing implementation arrangements, completing fiduciary assessments for the entities that the Executing Entity will work through and feasibility study before securing World Bank's approval may take additional time, which could delay disbursement and reduce the time available for implementation. However, this risk is mitigated by the proposed one-year extension of the closing and completion dates. Since the extension is no-cost and is not expected to materially affect the Programme's intended outcomes, the change is assessed as non-major. Based on the ongoing studies and revised implementation schedule, the remaining implementation period is expected to be sufficient to complete the planned activities.

18. As part of its request, the Accredited Entity has prepared supporting documents, which have been shared with the Board in connection with this document on a limited distribution basis.

Table 2: Budget after reflecting all changes (blue cells)

Program-level Budget				
GCF	Original	After withdrawal	After SL loan concessionality change	After SL reallocation
Grant	32,000,000	29,500,000	29,500,000	33,500,000
High concessional loan	29,000,000	29,000,000	64,000,000	60,000,000
Low concessional loan	96,000,000	75,000,000	40,000,000	40,000,000
Total	157,000,000	133,500,000	133,500,000	133,500,000
		-15%		-18%

Co-financing	Original	After withdrawal	After SL loan concessionality change	After SL reallocation
Grant	109,440,000	109,440,000	109,440,000	109,440,000
Loans	563,400,000	466,000,000	486,000,000	486,000,000
Guarantee	50,000,000	-	-	-
Total	722,840,000	575,440,000	595,440,000	595,440,000
		-20%	3%	-21%

IV. Determination of the nature of the changes and classification as Major Changes

19. Following its assessment of the restructuring proposal and the justifications provided by the Accredited Entity, the Secretariat determines that the following constitute Major Changes under the Policy on Restructuring and Cancellation: (i) the update to the Programme logical framework arising from the withdrawal of North Macedonia, Panama and El Salvador and the change in scope of the Sri Lanka project, which materially affects the scale and composition of the Programme's expected climate outcomes and therefore falls within paragraph 16(b) of the Policy; (ii) the change in the financial terms and conditions for Sri Lanka from low-concessional to high-concessional loan terms; and (iii) the reallocation of Sri Lanka's GCF financing between grant and loan instruments, both of which deviate from the Board-approved parameters for the pricing and composition of GCF proceeds and therefore fall within paragraph 16(f) of the Policy. Accordingly, the Secretariat recommends that these Major Changes be submitted to the Board for its consideration and approval.

V. Recommendations

20. In the light of the above considerations, the Secretariat recommends that the Board approve the proposed three changes to FP177 "Cooling Facility", namely the revised programme scope and logical framework, the revised financial terms and conditions for Sri Lanka, and the reallocation between GCF grant and loan instruments for Sri Lanka.

21. Accordingly, it is recommended that the Board adopt the draft decision contained in annex I.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.46/07, titled “Status of approved funding proposals: Revisions of programme scope, financial terms and instrument reallocation, in respect of FP177 (Cooling Facility)”:

- (a) Approves the Major Changes with respect to funded activity FP177 titled “Cooling Facility”, as described in document GCF/B.46/07; and;
- (b) Authorizes the Secretariat to negotiate and execute the relevant amendments to the funded activity agreement for FP177 to reflect the changes hereby approved.



Annex II: No-objection letters from the national designated authority of El Salvador, Panama, North Macedonia, and Sri Lanka



MINISTERIO DE
MEDIO AMBIENTE
Y RECURSOS
NATURALES

MARN-UTD-024-2026

San Salvador, 14 de abril de 2026

ASUNTO: Respuesta a consulta sobre Proyecto Cooling Facility (GCF177) con Banco Mundial.

Señor
Juan Pablo Uribe
Director de País
División para Centroamérica y la República Dominicana
Región de Latinoamérica y el Caribe, Banco Mundial
Paitilla, Panamá

Estimado señor Uribe:

Con referencia a su nota remitida mediante correo electrónico de fecha 11 de marzo de 2026, relativa sobre consulta a la cancelación de fondos para El Salvador del Proyecto Cooling Facility (GCF177), financiado por el Fondo Verde para el Clima (FVC) e implementado por el Banco Mundial como entidad acreditada ante el FVC. Nos damos por enterados del estado actual de la reestructuración que el Banco ha iniciado para garantizar un uso eficiente de los recursos del FVC.

Al mismo tiempo le informo que, luego de las consultas realizadas a las instituciones relacionadas, se indica que el Proyecto se gestionó en el marco de la Emergencia Sanitaria por COVID-19; que a la fecha, el contexto y prioridades del sector han cambiado; que al no presentar alternativas para proyectos enmarcados en el Cooling Facility, el Banco realizará una reestructuración de los fondos asignados a El Salvador, quedando a disposición del FVC nuevamente para otros proyectos/países; que esto no genera ningún impacto negativo para futuras operaciones con el Banco Mundial y que no hubo flujo de efectivo (movimientos de recursos monetarios) para la Caja Fiscal o para el Ministerio de Salud.

En virtud de lo anterior, confirmo la No Objeción para que el Banco proceda a completar la presentación del paquete de reestructuración del Proyecto.

Con toda consideración.



Arq. Fernando Andrés López Larreynaga
Ministro



MINISTERIO DE
AMBIENTE

Panamá, 15 de abril de 2026
No. MIAMBIENTE-2026-009863

Ms.
Mafalda Duarte
Executive Director
Secretariat of the Green Climate Fund
E. S. D.

Subject: Confirmation of NDA Agreement on Partial Cancellation – FP177 Cooling Facility

Dear Ms. Duarte:

We refer to the communication regarding the FP177 Cooling Facility, and the proposed partial cancellation of funds allocated to Panama under this programme.

We would like to express our appreciation for the information shared and for the clarification provided on the rationale presented by the World Bank in the context of the ongoing restructuring process.

Following a careful review of the details, we hereby confirm the partial cancellation of the funds originally allocated to Panama under the FP177 Cooling Facility.

We understand that this decision will allow for the efficient reallocation of resources and support more country-driven programming, enabling the development of future initiatives that are better aligned with Panama's national priorities and evolving climate finance needs.

We also appreciate your continued support and your willingness to facilitate further discussions with this matter.

Sincerely,

JUAN CARLOS MONTERREY
Climate Change Director
Climate Change Office

JCN/JCM/aa

GOBIERNO NACIONAL
CON PASO FIRME
Ministerio de Ambiente
Dra. Mafalda Duarte
en Carica Monitoring



Documento oficial con Firma Electrónica Calificada del Ministerio de Ambiente de la República de Panamá, de acuerdo con la Ley 83 del 09/11/2012 y el Decreto Ejecutivo No. 275 del 11/05/2018. Para verificar la autenticidad del presente documento, utilice el Código QR o acceda al siguiente enlace:
<https://sigob.miamambiente.gob.pa/consulta/default.aspx?id=12mORCBIKs%2BY0tHzMWxH2LjyL6wF0OVtZ4vzvEQBU%3D>



Government of the Republic of North Macedonia
- OFFICE OF THE PRESIDENT OF THE GOVERNMENT -

Archive number: 08-735/3

08-04-2026

To: Ms Carole Megevand
Country Manager
World Bank Office in North Macedonia
Europe and Central Asia Region

World Bank Office
Leninova 34
1000 Skopje
Republic of North Macedonia

Subject: World Bank - GCF cooling Facility (GCF FP177), Cancellation of funds for North Macedonia

Dear Ms. Carole Megevand,

In my capacity as Focal point to the Green Climate Fund and NDA to GCF, I'm writing in response to your letter regarding the GCF Cooling Facility (FP 177) financed by the Green Climate Fund.

In order to properly inform you of the ongoing activities, I would like to reiterate the process of issuing the No objection letter in 2020.

In 2020 the NDA gave No objection letter to the World bank - Colling facility as the proposal was to get 10 million USD grant by the Simplified approval procedure by the Green Climate fund (stated in the letter form the World bank).

Following the No objection procedure, the NDA prepared information for the Government, explaining the financial structure and the structure of the project, where all relevant institutions gave opinion to it. Upon the receiving positive opinions for the conditions of the financial structure, the Government authorized the NDA/ FP to sign the No objection letter.



Government of the Republic of North Macedonia
- OFFICE OF THE PRESIDENT OF THE GOVERNMENT -

Once the project was approved, we received a letter from the World Bank that the project was approved, but with 10 million concessional loans and 0.5 million grant, which is very different than the original proposal, yet the NDA never received explanation why the financial construction was changed from the original.

In 2023, the NDA prepared Information to the Government with the new proposal instead of 10 million grants, to receive 10 million USD concessional loan and 0.5 million grant with the Cooling facility, GCF (FP177).

The Ministry of Finance at that Information gave Negative opinion, due to the change of the original conditions, of receiving 10 million USD in grant, vs 10 million USD in concessional loan and 0.5 million grant.

After we received your letter dated 2026, we have had meeting with the Chairman of the Development bank, the Director of the Energy efficiency fund and the Ministry of finance regarding the current proposal and the Cancelation of the funds for the Cooling Facility for North Macedonia.

The Government of Republic of North Macedonia at its session held on 07 April 2026 concluded that North Macedonia will withdraw from the Cooling Facility (GCF FP 177), therefore we regret to inform you that due to new macroeconomic conditions, at the moment we will withdraw from the Cooling Facility (GCF FP 177).

However, we look forward to future possible cooperation in other possibilities.

Respectfully,

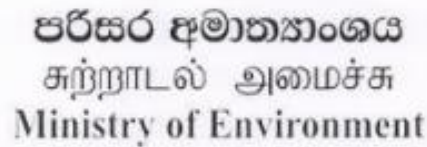
Dame Dimitroyski, PhD

Advisor to the President of the
Government of Republic of North Macedonia



Vladimir Neloski

Chief of Staff
Office of the President of the
Government of the Republic of North Macedonia



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வெளிநாட்டு வளங்கள் இணைக்களம்
Department of External Resources

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தே. நி.ப.உ.ம. மற்றும் பொருளாதார அபிவிருத்தி அமைச்சு
கேள்விகள் (3 ஆம் மாறு), த. நி.ப. இல 277, கொழும்பு 00100, இலங்கை

Ministry of Finance, Planning and Economic Development
The Secretariat (3rd Floor), P.O. Box 277, Colombo 00100, Sri Lanka

Website: www.erdl.gov.lk

e-mail: info@erdl.gov.lk

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Your No

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Date

October 30, 2025

Mr. Henry Gonzalez
Chief Investment Officer
Green Climate Fund

Dear Mr. Gonzalez,

Green Climate Fund (GCF) Cooling Facility for Sri Lanka
- Request for Change of Financing Terms of GCF Resources for the Project

I take this opportunity to convey my sincere gratitude to the Green Climate Fund for the continuous support extended towards enhancing climate resilience in Sri Lanka as a whole.

I am pleased to inform you that the Ministry of Finance of Sri Lanka is in the process of discussing with the World Bank Group regarding the utilization of the USD 36 million allocated to Sri Lanka under the GCF Cooling Facility (FP177). I would like to confirm Sri Lanka's strong interest in utilizing these resources to strengthen the country's economic resilience and support its transition to a low-carbon development pathway, in full alignment with our National Climate Change Policy.

We would like to suggest to deploy these GCF resources towards Agricultural Value Chain Development through ongoing intervention in the Agriculture and Port and Logistic sector where cooling and cold storage investments are crucial. This approach is fully aligned with both the objectives of the GCF Cooling Facility and Sri Lanka's national priorities.

Nevertheless, as you may already be aware, due to Sri Lanka's recent macroeconomic challenges and its reclassification from IBRD to IDA status, the government's capacity to borrowing is significantly constrained. Therefore, we would like to respectfully request an amendment to the terms and conditions of the GCF financial resources allocated to Sri Lanka under the Cooling Facility. Specifically, we seek to apply the principles outlined in Schedule 10, line (viii) [A or B] of the GCF funded Activity Agreement between Green Climate Fund and IBRD and IDA dated July 15, 2022, which allow for the adjustment of financing conditions in response to country circumstances.

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Director General

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I would be much grateful if the GCF proceeds for Sri Lanka could be provided on higher concessional terms, consistent with IDA eligibility—namely, a 40-year tenor, 10-year grace period, and 0% interest rate (to be edited), with minimal fees. This adjustment will enable Sri Lanka to maximize the impact of these resources for climate resilience and adaptation, while ensuring fiscal sustainability.

Further, it is understood that the concessional lending facility is associated with a grant facility amounting to USD 1 million. In the given external debt status of the country, we would be much grateful if you could increase the grant facility up to USD 5 million out of total available funding envelope.

Further, I would like to kindly inform that the formal no-objection endorsement from the National Designated Authority (NDA) of GCF will follow.

I trust that the GCF will consider this request favorably, enabling Sri Lanka to utilize the allocated resources for the intended purpose and deliver greater resilience and adaptation capacity for our people.

Your kind consideration in this regard will be greatly appreciated.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Samantha Bandaru'.

Samantha Bandaru
Director General



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சுற்றுடல் அமைச்சு
Ministry of Environment

"සොබාදාම ප්‍රාසාද", ලංකා 416/ජී/1, රොබට් ගුණරත්න මාවත, බත්තරමුල්ල, ශ්‍රී ලංකාව.
"Sobadama Prasad", No. 416/J/1, Robert Gunawardana Mawatha, Battaramulla, Sri Lanka.
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04/04/10350 - GCF VII

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உமது இல
Your No

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திகதி
Date

09.04.2026

Executive Director
Green Climate Fund
Songdo-dong, Incheon,
South Korea.

No Objection to the restructuring of the GCF Cooling Facility Programme, which includes a partial cancellation of the Facility funds for El Salvador, North Macedonia, and Panama

The Ministry of Environment, Sri Lanka as the National Designated Authority (NDA) to the Green Climate Fund (GCF) had communicated its No Objection in November 6, 2025 for the following amendments to the GCF Cooling Facility (FP177):

- I. Shifting from space cooling to agriculture sector and replacing the Ministry of Energy with Ministry of Agriculture, Livestock, Land, and Irrigation and deploy these resources as additional financing to the World Bank-financed Integrated Rural Development and Climate Resilience Project (IRDCRP, P505241)
- II. Proposing that the GCF proceeds for Sri Lanka be provided on higher concessional terms, consistent with IDA eligibility.

Furthermore, this is to inform you that the Ministry of Environment has No Objection to the restructuring of the GCF Cooling Facility, which includes a partial cancellation of the Facility funds for El Salvador, North Macedonia, and Panama.

Your cooperation in this regard is highly appreciated.

Yours sincerely,

K.R. Uduwawala
Secretary

CC: Mr. Gevorg Sargsyan, Country Manager,
World Bank Group

For your information and
necessary actions

Annex III: Evidence of consultation with national designated authorities

Email consultations with the national designated authorities (NDAs) of the existing host countries have been summarized in the following tracking table:

Country	Date of a letter informing NDAs	Deadline for raising objections	Status
Somalia	April 15, 2026	May 15, 2026	No objection (absence of response from NDA)
Sao Tome and Principe	April 2, 2026	May 2, 2026	No objection (absence of response from NDA)
Kenya	April 28, 2026	May 28, 2026	No objection (absence of response from NDA)
Malawi	March 18, 2026	April 17, 2026	No objection (absence of response from NDA)
Bangladesh	April 13, 2026	May 13, 2026	No objection (absence of response from NDA)
Sri Lanka	March 12, 2026	April 11, 2026	No objection (NOL from NDA dated on April 9 206)

The evidence of consultations was shared with the Board as annexes on a limited distribution basis.

Annex IV: Logical Framework Updates

Core Indicator targets	UPDATED GLOBAL			
	Original indicators	Updated indicators	Original Assumptions	Updated assumptions
E.2.1. Expected tonnes of carbon dioxide equivalent (t CO ₂ eq) to be reduced or avoided (mitigation and cross-cutting only)	Annual: 9,126,580 t CO ₂ eq Project duration: 9,126,580 t CO ₂ eq Lifetime 16,240,201 t CO ₂ eq	Annual: 635,412 t CO ₂ eq Project duration: 5,181,778 t CO ₂ eq Lifespan of the cooling facility: 10,524,005 t CO ₂ eq	9 countries, with allocation of projects per sector as described in Table 2 of the approved Funding Proposal: "Indicative implementing model by country".	6 countries (excluding El Salvador, Panama and North Macedonia), with Sri Lanka Project focus on agriculture and Food rather than on space cooling.
E.2.2. Estimated cost per t CO ₂ eq, defined as total investment cost / expected lifetime emission reductions (mitigation and cross-cutting only)	(a) Total project financing 879,840,000 USD (b) Requested GCF amount 157,000,000 USD (c) Expected lifetime emission reductions 16,240,201 t CO ₂ eq (d) Estimated cost per t CO ₂ eq (d = a / c) 54.18 USD (e) Estimated GCF cost per t CO ₂ eq removed (e = b / c)	(a) Total project financing 728,940,000 USD (b) Requested GCF amount 133,500,000 USD (c) Expected lifetime emission reductions 10,524,005 t CO ₂ eq (d) Estimated cost per t CO ₂ eq (d = a / c) 69.26 USD (e) Estimated GCF cost per t CO ₂ eq removed (e = b / c)	9 countries, with allocation of projects per sector as described in Table 2 of the approved Funding Proposal: "Indicative implementing model by country".	6 countries (excluding El Salvador, Panama and North Macedonia), with Sri Lanka Project focus on agriculture and Food rather than on space cooling.
E.2.3. Expected volume of finance to be leveraged by the proposed project/programme as a result of the Fund's financing, disaggregated by public and private sources (mitigation and cross-cutting only)	(f) Total finance leveraged (g) Public source co-financed (h) Private source finance leveraged (i) Total Leverage ratio (i = f / b) (j) Public source co-financing ratio (j = g / b) (k) Private source leverage ratio (k = h / b)	Same		
E.2.4. Expected total number of direct and indirect beneficiaries, (disaggregated by sex)	Direct 4.22 million (of which 2.15 million are female) ² Indirect 16.85 million (of which 8.51 million are female) ³ For a multi-country proposal, indicate the aggregate amount here and provide the data per country in annex 17.	Direct 6.24 million (of which 3.150 million are female) ² Indirect 18.46 million (of which 9.31 million are female) ³ For a multi-country proposal, indicate the aggregate amount here and provide the data per country in annex 17.	9 countries, with allocation of projects per sector as described in Table 2 of the approved Funding Proposal: "Indicative implementing model by country".	6 countries (excluding El Salvador, Panama and North Macedonia), with Sri Lanka Project focus on agriculture and Food rather than on space cooling.
E.2.5. Number of beneficiaries relative to total population (disaggregated by sex)	Direct Indirect	Same	9 countries, with allocation of projects per sector as described in Table 2 of the approved Funding Proposal: "Indicative implementing model by country".	6 countries (excluding El Salvador, Panama and North Macedonia), with Sri Lanka Project focus on agriculture and Food rather than on space cooling.



E.4 Fund-level outcomes					
Fund level impacts	Indicator	Original mid term target	Assumptions Final	Updated Mid term target	Updated Assumptions final
M3.0 Reduced emissions from buildings, cities, industries and appliances A3.0 Increased resilience of infrastructure and the built environment to climate change	M3.1 Tonnes of carbon dioxide equivalent (t CO ₂ eq) reduced or avoided - buildings, cities, industries, and appliances	3.65 Mt CO ₂ e (assuming 40% of final target to be achieved at mid-term)		2,072 Mt CO ₂ e (assuming 40% of final target (5.18 Mt CO ₂ e) to be achieved at mid-term)	6 countries (excluding El Salvador, Panama and North Macedonia), with Sri Lanka Project focus on agriculture and Food rather than on space cooling.
	A3.1 Number and value of physical assets made more resilient to climate variability and change considering human benefits	7,223 physical assets (USD 121.7 million) of which: 681 are resilient buildings (USD98 million), 5,669 are agriculture cold chains (USD19.1 million), and 872 are health cold chains (USD4.8 million)		18,354 physical assets (USD561 million) of which: 2,216 are resilient buildings (USD435 million), 15,023 are agriculture cold chains (USD119 million), and 1,115 are health cold chains (USD7 million)	6 countries (excluding El Salvador, Panama and North Macedonia), with Sri Lanka Project focus on agriculture and Food rather than on space cooling.

Expected Outcomes		Expected outcomes			
Expected Outcomes	Indicator	Target final	Updated Target final	Notes and calculations	
M7.0 Lower energy intensity of buildings, cities, industries and appliances M5.0 Strengthened institutional and regulatory systems A7.0 Strengthened adaptive capacity and reduced exposure to climate risks	M7.1 Energy intensity/improved efficiency of buildings, cities, industries and appliances as a result of Fund support	14,841 GWh energy saved Share of energy savings from space cooling =13,122 GWh Share from cold chains = 1,718 GWh. Share from cold chains = 1,718 GWh.	6,586,174 MWh energy saved Share of energy savings from space cooling =4,8 GWh Share from cold chains = 1,7 GWh.		
	M5.1 Institutional and regulatory systems that improve incentives for low-emission planning and development and their effective implementation	6 policies or incentive mechanisms to incentivize sustainable cooling are operationalized11 [target to be reassessed at the Interim Evaluation stage]	4 policies or incentive mechanisms to incentivize sustainable cooling are operationalized11 [target to be reassessed at the Interim Evaluation stage]	We maintained the same proportion of policies with respect to the number of countries, which now has been reduced from 9 to 6. (2/3)	
	Number of technologies and innovative solutions transferred or licensed to support lowemission development as a result of GCF	1 (out of the 3 types outlined in the assumption column)	same		
	A7.1 Use by vulnerable households business and public sector services of GCFsupported tool, instruments, strategies and activities to respond to climate change and variability.	20,050 entities: 15,000 farmers, 5,000 households and business in the buildings sector, and 50 hospitals and clinics have received information through the GCF tool, have implemented at least 1 sustainable cooling measure (installation of EEff equipment and/or practice) and have reported benefits (e.g., enhanced comfort, reduced operational costs, reduced wastage of vaccines/ medicine or food, and/or increased income)	500,071 entities		

Expected results	Indicators	Final target	Updated final target		
Result 1: Strengthened capacity of state and non-state actors (for example, banks, energy service companies, off-grid distributors) to assess and deploy climatefriendly cooling solutions	1.1 Number health, financial and energy institutions integrating climate-friendly cooling solutions in procurement/lending/bidding documents	9 institutions/agencies integrate provisions for reliable and climate friendly cooling in procurement/bidding/ending documents. At least four also develop provisions/guidelines for O&M of cooling equipment.	6 institutions/agencies integrate provisions for reliable and climate friendly cooling in procurement/bidding/ending documents. At least four also develop provisions/guidelines for O&M of cooling equipment.	We maintained the same proportion of the expected result with respect to the number of countries, which now has been reduced from 9 to 6.	
	1.2 Number of legal/regulatory/policy instruments drafted/amended ¹²	3	2	We maintained the same proportion of the expected result with respect to the number of countries, which now has been reduced from 9 to 6.	
Result 2: Increased public awareness of the benefits of climatefriendly cooling	2.1 Number of people adopting/switching to climate friendly cooling facilities compared to baseline at home or at the workplace.	3.15 million, of which: 1.74 million are people living in improved homes, and 1.75 million are people working in improved workspaces	1.698million, of which: 0.71 million are people living in improved homes, and 0.98 million are people working in improved workspaces	Target based on estimated (i) people living/working in green/retrofitted buildings in space cooling projects, (ii) farmers and households purchasing climate friendly cooling equipment/appliances	
Result 3: New or rehabilitated climatefriendly cooling infrastructure and equipment	3.1 Number of health facilities (clinics, hospitals) with improved cooling and refrigeration operating as a result of the project.	172	802		
	3.2 MW of solar power installed through the solarization of cooling as a result of Cooling Facility support	126 MW	151		
	3.3 Number of energy efficient buildings financed through the Cooling Facility	2,354	1,787	Target based on number of energy efficient buildings in 4 countries targeting space	
	3.4 Number of energy efficient space cooling appliances deployed	0.53 million appliances	850		
	3.5 Energy expenditure savings by users (\$)	\$1,781 million	\$961.1 million		
	3.6 Percentage of priority population vaccinated	[50% - to be confirmed during project preparation and refined at Interim Evaluation stage]	Same	This indicator is relevant for Sao Tome and Principe, and Somalia. Priority population will be determined according to each country's national plans during	
	3.7. Improved thermal comfort	Majority of building occupants (disaggregated by gender) expressing improvement in thermal comfort; [YY]% of renovated buildings with improved indoor air temperature and indoor humidity measurement	Same		For countries at high risk of extreme heat hazard, the baseline will be determined with country statistics and surveys during project preparation and targets will be defined during project preparation and updated in annual performance reports and finalized at midterm (Interim evaluation stage)
	3.8 Proportion of agriculture production stored in cold chain equipment/facilities	[x]% of agriculture production stored in cold chain equipment/facilities	Same		For countries at high risk of extreme heat hazard, the baseline will be determined with country statistics and surveys during project preparation and targets will be defined during project preparation and updated in annual performance reports and finalized at midterm (Interim evaluation stage)

Result 4: Financing mobilized for cooling investment	4.1 Additional public and private capital for climate-friendly cooling investments mobilized by the GCF through programmatic Cooling Facility	\$0.95 billion (24% private sector)	\$0.85 billion (24% private sector)		The updated target uses the same approach of increase in the public and private capital proportional to total financing of the project, and with this approach it adjusts the target to reflect the new total financing after partial cancellation. Original target of \$0.95b represented a 65% increase above the base line of \$0.38b for the original total financing. The updated target of \$0.85b uses the same percentage of the updated
Activities	Description	Sub-activities	Original Deliverables ⁽¹⁾	Updated deliverables ⁽¹⁾⁽²⁾	
Component 1: Policy, regulatory and enabling environment support					
Activity 1: Capacity building of key stakeholders (for example, on technologies, business models, cooling project appraisal, implementation and evaluation)	Activities that help strengthen the capacity of state and nonstate actors (such as commercial banks, energy service companies and off-grid distributors)	Technical and economic assessments - Review of procurement documents and technical specifications - Survey development and administration - Development of training materials	At least 15 training events/workshops - Training material linked to assessment, financing, procurement, design and/or operation and maintenance of sustainable cooling solutions developed/used in at least 8 countries	#NAME?	
Activity 2: Technical assistance for enabling plans strategies, policies, regulations, and standards	Activities that support the preparation of relevant plans, strategies, policy and regulatory instruments and that promote gender equality in cooling-related sectors	Advisory services - Market assessments - Policy analyses - Regulatory review - Measures to address sustainable cooling included in NDCs and other national policy documents - Assessment of options to advance gender equality (data, policy reform, finance and skills development/employment)	Regulatory/legal/institutional assessments (including, e.g., labeling and certification of energy efficient buildings/equipment) and recommendations for development and/or implementation of sustainable cooling in at least 4 countries - Recommendation and input towards development of National or local climate/adaptation/cooling plans and/or strategies in at least 4 countries - Gender assessments in 9 countries. - Guidelines for procurement and/or design/implementation of programs for sustainable cooling in at least 3 countries - Monitoring and evaluation mechanisms developed in at least 4 countries.	Regulatory/legal/institutional assessments (including, e.g., labeling and certification of energy efficient buildings/equipment) and recommendations for development and/or implementation of sustainable cooling in at least 3 countries - Recommendation and input towards development of National or local climate/adaptation/cooling plans and/or strategies in at least 3 countries - Gender assessments in 6 countries. - Guidelines for procurement and/or design/implementation of programs for sustainable cooling in at least 1 countries - Monitoring and evaluation mechanisms developed in at least 3 countries	
Activity 3: Designing sustainable market mechanisms and business models	Activities that support the planning and development of context-specific business models and financing/implementation mechanisms climate-friendly cooling deployment	Advisory services (for example, for auction design, to establish dedicated financing windows, or to design sustainable financing schemes) Technical, legal, financial due diligence for cooling investments - Consultations with stakeholders - Cooperation with other global initiatives, financiers, think tanks, universities, etc.	Assessments and designs of cooling-related financing/implementation mechanisms/business models in at least 4 countries Market assessments (which may include baseline context and willingness to pay) in at least 2 countries.	Assessments and designs of cooling-related financing/implementation mechanisms/business models in at least 3 countries Market assessments (which may include baseline context and willingness to pay) in at least 1 countries.	
Activity 4: Communication and awareness campaigns	Activities that increase public awareness and promote behavior change	Survey development and administration - Opinion research - Public consultations - Focus group discussion - Message design and testing - Market assessments - Gender gap analyses	At least 5 countries will develop and implement at least 1 communications/awareness campaigns	At least 4 countries will develop and implement at least 1 communications/awareness campaigns	

Component 2: Financing for cooling investments				
Activity 5: Financing of climate-friendly cooling investment	Financing of public and private stakeholders of investment cooling infrastructure equipment	Engineering, procurement and construction of cooling infrastructure - Procurement, installation and maintenance of cooling equipment including operations and maintenance arrangements - Provision of loans and grants to public and private stakeholders for cooling investment - Coordination with other public and private financiers, technical partners and investors	Financing mechanisms that engage private sector designed in at least 6 countries. - Public procurement documents of cold chains integrate climate-friendly features in 3 countries.	Financing mechanisms that engage private sector designed in at least 4 countries. - Public procurement documents of cold chains integrate climate-friendly features in 2 countries.
Activity 6: Credit lines to financial intermediaries	Design and implementation of credit lines for cooling investments and equipment	Advisory services - Analytical support - Provision of credit lines - Coordination with other public and private financiers, technical partners and investors	Credit lines designed in at least 3 countries.	Credit lines designed in at least 2 countries.

Notes:

(1) Deliverables are indicative.

(2) Number of deliverables, whenever relevant, have been adjusted to account for the decrease in the number of countries in the Facility from 9 to 6.

Annex V: Restructuring Proposal submitted by the accredited entity

The Restructuring Proposal submitted by the accredited entity is contained below.



General Information - v4 2026-08-28 12:43 +09:00

Change Request -General Information

Welcome to the change Request module. This is an on-demand module. You can submit as many requests as the project needs at any point of the implementation time.

[Policy on restructuring and cancellation \(https://www.greenclimate.fund/document/policy-restructuring-and-cancellation\)](https://www.greenclimate.fund/document/policy-restructuring-and-cancellation)

This form should be completed by Accredited Entities in the preparation of a restructuring proposal to a Funded Activity under implementation. For guidance on restructuring, please refer to the Policy on Restructuring and cancellation.

Please fill out the mandatory fields in this form. Note that this form, the General Information form, and the Closing form are required for every request. Please select the (+ Choose Forms) button to access the different optional forms, which contain the types of changes. Please select as many type of changes as you need.

Section I. Funded Activity information

Funding proposal reference number	FP177		
Funded Activity Name	Cooling Facility		
AE Name	WorldBank		
Currency	usd		
Total GCF funding	157,000,000	Total Co-Financing	722,840,000
Total Disbursed amount (USD)	5,250,000 USD	Total Disbursed amount (EUR)	0 EUR
% total GCF funding disbursed			
Date of Effectiveness	2022-07-29	Closing Date	2032-01-29
		Funded Activity Completion date	2032-07-29

Section II. Overall summary of the Change Request

Please ensure that this request pertains only to amendments and restructuring. All waiver and extension requests for reports, such as APRs, Inception Reports, and Baseline Reports, should be submitted exclusively through the Waiver/Extension for Report Submission module under the Report tab.

Use the (+Choose forms) option above to select the types of changes to include

Title of Change Request *

Cooling Facility Change Request

Summary of proposed changes to the Funded Activity *

Cooling Facility Change Request including: (i) partial cancellations of GCF Proceeds; (ii) extension of Closing Date and Completion Date by one year; and (iii) changes related to the Sri Lanka project, including changes to: (a) the terms and conditions of the GCF Loan and an increase in the amount of the GCF Grant, (b) the logical framework; (c) the project scope; and, (d) Executing Entity.



The GCF-financed Cooling Facility is an innovative, multi-sector, multi-country and multi-regional program that aims to co-finance, together with IDA and IBRD investment projects that will expand access to efficient and climate friendly cooling needed to increase the resilience of the population against Climate Change and extreme weather events while minimizing Green House Emissions (GHG), and improving the living conditions and economic opportunities of these populations in nine countries across Africa, Asia, Eastern Europe and Latin America. The Facility was approved by GCF on October 7, 2021 and became effective on July 29, 2022. It is financed by US\$157 million of GCF grants and concessional loans for investment in cooling equipment and services together with US\$722.84 million in World Bank co-financing (IBRD/IDA/WB-managed TF) for a total cost of US\$879.84 million. Each of the nine country projects to be financed by the Facility includes activities under three components: 1. Policy, regulatory and enabling environment support; 2. Financing for cooling investments; and 3. Project management.[1]

The momentum of implementation is increasing for most of the nine host countries (for details, see Annex 1: Status of GCF Cooling Facility). Two countries have cooling projects under implementation, accounting for a total of US\$5.25 million in GCF funds and a total cost of US\$114.65 million: (i) a project in the health sector nearing completion in Sao Tome and Principe; and, (ii) another health sector project in Somalia has completed procurement of solar direct drive refrigerators and installation. Four countries have cooling projects in different stages of preparation for WB approval by FY27, accounting for a total of US\$128.25 million in GCF funds and a total cost of US\$594.25 million. These include projects in: (i) Bangladesh on efficient space cooling in buildings and appliances for low-income housing and for the garment industry; (ii) Sri Lanka on agricultural cold chains to help strengthen the adaptation capacity of the population and support a low-carbon development path; (iii) Kenya targeting agricultural cold chains and space cooling/refrigeration for residential and business applications; and, (iv) Malawi where ESMAP has approved a grant to support the WB team in close coordination with the Malawi authorities to complete the necessary preparatory studies for their Cooling Project to inform its design. On the other hand, the Governments of three countries, North Macedonia, Panama and El Salvador, have informed the Bank teams that they will not proceed with the initially planned cooling projects due to changing national priorities or macroeconomic constraints, accounting for US\$23.5 million in GCF funds (15% of total Facility) and total costs of US\$170.9 million (19% of the total Facility).

To enable the most efficient and effective use of the GCF financing allocated to the Cooling Facility and having consulted with the NDAs of the participating countries (See Annex 2), this Change Request seeks the following changes in the Program: (i) partial cancellations of GCF Proceeds; (ii) extension of Closing Date and Completion Date by one year; and (iii) changes related to the Sri Lanka project, including changes to: (a) the terms and conditions of the GCF Loan and an increase in the amount of the GCF Grant, (b) the logical framework; (c) the project scope; and, (d) Executing Entity.

More specifically, this Change Request seeks GCF approval for changes to the FAA related to:

- (i) the partial cancellation of funds allocated in the FAA for North Macedonia, Panama and El Salvador, which have confirmed that they do not intend to proceed with the preparation of cooling projects as originally envisaged, to enable effective and efficient use of the funds by returning them to the GCF since they will not be utilized under the Cooling Facility;
- (ii) a one year extension of the Completion Date and the Closing Date in the Funded Activity Agreement (FAA) for the Cooling Facility to provide additional time for the extensive stakeholder consultations required to maintain local ownership and active involvement of different national stakeholders, which is key to implement successfully new boundary crossing cooling activities, as well as to address risks related to supply growing supply chain uncertainties.
- (iii) changes to the project in Sri Lanka, including terms and conditions of the GCF Loan and an increase in the amount of the GCF Grant, logical result framework, scope, and executing entity, needed to enable the Government to carry out an urgently needed project in the agricultural and food sector that will contribute to increased climate resilience and enable low carbon development, after the country's economy was hit by several extreme weather events and faced a drastic deterioration of its macro-economic situation since the signature of the FAA in 2022.

Partial cancellation of US\$23.5M of funds allocated for North Macedonia (US\$5M Grant and US\$10M Loan, totaling US\$10.5M), Panama (US\$1M Grant and 6M Loan, totaling US\$7M) and El Salvador (US\$1M Grant and US\$5M Loan, totaling US\$6M) As explained in Change Request 9, the Governments of North Macedonia, Panama and El Salvador have informed the Bank teams that they will not proceed with the preparation of investment projects for cooling due to changing national priorities or macroeconomic constraints. After confirming the situation with the Governments and consulting the respective NDAs on this decision, the AE proposes a partial cancellation of the funds for the three countries. The corresponding GCF funds of US\$23.5 million allocated to these countries (US\$2.5 million in grants and US\$21 million in loans) would be returned to the GCF as part of an adaptive management to maximize the efficient use of these resources.

A one-year extension of the Closing Date (from 2032-01-29 to 2033-01-29) and Completion Date (from 2032-07-29 to 2033-07-29) in the FAA for the Cooling Facility. As explained in Change Request 3, the additional time is requested for extensive consultations required with diverse project stakeholders to ensure effective implementation of cooling activities that cross sectoral boundaries as well as to address growing risks related to supply chain uncertainties in project procurement of goods and services related to the increasingly uncertain global economic environment.



Changes to Sri Lanka cooling project financing terms, scope, executing entity. The Government urgently requested changes to be able to utilize the cooling facility funds to address high priority economic development and climate adaptation/mitigation needs in its debt constrained environment (see letters from GoSL in Annex 3). These changes are driven by the deterioration in the country's macro-economy since 2022 due to: (i) the balance of payments crisis and sovereign default in 2022 that created an economic crisis and doubled poverty by 2023, resulting in Government macro-fiscal structural reforms under a 4-year, US\$3 billion IMF Extended Fund Facility (EFF) approved in March 2023; and (ii) the effects of a cyclone in late 2025 that affected millions and resulted in IMF approval of additional emergency support. As explained in Change Requests 4, 5 and 6 below, the Government requests changes to:

(a) *GCF Loan financing terms.* With a high risk of debt distress, Sri Lanka now meets a condition for FAA Schedule 10 Option B: Combination of high concessional loans and grants rather than the former Option C: Low concessional loan. The Government therefore requests an increase in the GCF grant to US\$5M from US\$1M and a decrease in the loan to US\$31M from US\$35M with a change in the loan terms to high concessionality loan rather than low concessionality loan as defined in Schedule 8. World Bank financing would be provided on concessional IDA rather than IBRD terms. As well as helping to meet the fiscal limitations imposed under debt distress, the amount of the grant requested is also determined by the financing needs of three priority activities that would not be viable without this financing as described in Change Request 4 below.

(b) *Project Scope.* As a result of the macro-economic crisis and increase in poverty, especially in rural areas, and the importance of the agricultural sector and food supply to the entire economy, a shift is requested in target areas and sectors, from space cooling and cool green solutions for energy efficiency in buildings (see Annex 22 of the FP) to refrigeration, cold chains and logistics in agriculture. The Public Expenditure Investment Program (PIP) 2026-2030 emphasizes six critical areas including agriculture (https://npd.treasury.gov.lk/files/PIP%202026-2030%20final_new.pdf, p.5), where the PIP's medium term targets include reducing post-harvest losses of fruits and vegetables from 30% to 20% by 2030 (p.33) and fisheries sector losses from 37% to 27% by 2030 (p.36). The proposed cooling project supports these goals.

(c) *Executing entities.* As a result of the change in scope, the Democratic Socialist Republic of Sri Lanka, represented by its Ministry of Finance, would act through its Ministry of Agriculture, Livestock, Land and Irrigation for Components 1, 2(i) and 2(iii), and through the Department of Finance Development (DFD) within the Ministry of Finance for Component 2 (ii), rather than acting through its Ministry of Power.

The combined effects on the total budget of the Cooling Facility of the change in financing terms and funding composition for the Sri Lanka project and the cancellations of funds for three of the nine countries is presented in Annex 4 of this change request, and a snap shot of the before and after IDA and GCF budget amounts and composition is summarized in Annex 5.

While these changes will reduce the amount of GCF financing for the Cooling Facility by US\$23.5 million or about 15% of the original GCF amount and the total financing (GCF and WB co-financing) by US\$150.9 million or about 17% of the original total financing, and they will change some results indicators as a result of the cancellation of the projects in three countries and the changes in the target areas and sector of the Sri Lanka project, the expected achievements of the Facility remain considerable. The changes will not affect the theory of change (TOC) or the structure of the logical framework. The Facility will support activities in 6 countries including 2 in Asia and 4 in Africa and includes projects in both target areas of space cooling and refrigeration/cold chains for agriculture and health. The share of mitigation/adaption in investment financing will be revised for GCF from 77%/23% to 61%/39%, for co-financing from 60.5%/39.5% to 54%/46%, and for total financing from 63.5%/36.5% to 55.6%/44.4%. Lifetime carbon emissions reductions will be reduced by 35.2% from 16.24Mt to 10.5MtCO₂e, a change that almost double the change in financing and is mainly due to lost emissions reductions from the cancellation of the Panama project (2.0 Mt) and the restructuring of the Sri Lanka Project (3.1Mt). The total number of direct and indirect beneficiaries decreases by only 1.1% because while cancellations decrease beneficiaries by 6.6 mm people, the Sri Lanka restructuring increases beneficiaries by 6.3mm. The number of direct beneficiaries in all countries decreases by 23.11% (mainly due to the cancellation of El Salvador with 1.32M beneficiaries) and the number of indirect beneficiaries increases by 9.6% (because the loss of 3.97M beneficiaries in El Salvador is offset by an additional 5.58M of beneficiaries from the revised Sri Lanka project), with proportionate changes for female beneficiaries.(1). Annex 1A explains in greater detail the impact of the reduction of the Facility budget and changes in the Sri Lanka Project on the mitigation and adaptation results. The EIRR changes from 16.75% to 18.5%.

(1) E.2 core indicator for direct beneficiaries in the original funding proposal (FP) conservatively included only those in 4 countries at high risk of extreme heat.

Please provide a brief description of the proposed changes to the Funded Activity, please make sure to mention the rationale and justification for the restructuring changes including the objectives and primary measurable benefits. The detailed description can be elaborated in each relevant section.

Section III. NDA consultation

Please provide evidence of consultation with the NDA.

Evidence of consultation with the NDA



Annex 1 Status of GCF Cooling Facility-Rev.pdf (/GCF/programme_form/download_attachment/4783/52740/project_report?attachment_attr=field_FhDyIxiui:LfpYU48R)
ANNEX1~2.PDF (/GCF/programme_form/download_attachment/4783/52740/project_report?attachment_attr=field_FhDyIxiui:7CxrZMQc)
Annex 2 Letters from AE to Host Country NDAs.pdf (/GCF/programme_form/download_attachment/4783/52740/project_report?attachment_attr=field_FhDyIxiui:hWkTQcZg)
Annex 2A Partial Cancellation NOL.pdf (/GCF/programme_form/download_attachment/4783/52740/project_report?attachment_attr=field_FhDyIxiui:TuOTRD1r)
Annex 3 Letters from the Government of Sri Lanka (1).pdf (/GCF/programme_form/download_attachment/4783/52740/project_report?attachment_attr=field_FhDyIxiui:R2g76vOQ)

Before proceeding with this Change Request, the World Bank teams consulted with the NDAs in all nine participating countries regarding the overall changes proposed as part of the restructuring of the Facility (see AE's letters to the NDAs of host countries attached in Annex 2). World Bank teams in each of the directly affected countries, Sri Lanka, North Macedonia, Panama and El Salvador also consulted with the relevant government authorities and the Bank consulted the NDAs on the changes. In Sri Lanka, the Bank team worked with the Ministry of Finance and the Ministries of Power and Agriculture, Livestock, Land and Irrigation as well as the Ministry of the Environment (NDA) to confirm the government's proposed change in target areas and sectors from space cooling and cool/green surfaces for energy efficiency in buildings to refrigeration, cold chains and logistics in the agriculture sector is engaged in the preparation of a World Bank agricultural project to support the cooling activity (see letters from GoSL attached in Annex 3). In North Macedonia, Panama and El Salvador, the Bank teams consulted with the relevant national authorities and confirmed that there were no plans to move forward with the projects included in the FP/FAA and that no alternative projects were planned.

If you wish to continue without attaching evidence of consultation, please justify why evidence of consultation with the NDA is not available/required. Please note that NDA consultation is mandatory for requests that fall under the scope of paragraphs 11, 13, 23, 28 or 30 of the Policy on Restructuring and Cancellation and for the addition of countries to programmes. Please contact your GCF focal point if you require more guidance.



Extension of Funded Activity completion and closing date - v4 2026-08-28 12:43 +09:00

Change Request - 3. Extension of Funded Activity completion and closing date

Accredited Entities will use this form to request extension of Funded Activity's completion and/or closing dates.

I. Change request

Extension Closing/Completion Date *

Extension closing date, Extension completion date

Request for change of Funded Activity closing date

Requested change

Requesting a one-year (12 month) extension of the GCF Closing Date (from January 29, 2032, to January 29, 2033) and the GCF Completion Date (from July 29, 2032, to July 29, 2033)

Initial Information

Initial Closing Date

2032-01-29

Requested Changes

Requested Closing Date *

2033-01-29

References to FP /Conditions/FAA

Clause 1.05 (c) of the Funded Activity Agreement for FP 177. Closing Date in 9 years and 6 months after the Effective Date.
Clause 2.06 (a) and (b) of the Funded Activity Agreement for FP177. Sets out procedures for extension of Closing Date.

Request for change of Funded Activity completion date

Requested change

Extension of Completion Date by 1 year (12 months) from July 29, 2032, to July 29, 2033.

Initial Information

Initial Completion Date

2032-07-29

Requested Changes

Requested Completion Date *

2033-07-29

References to FP /Conditions/FAA

Clause 1.05 (g) of the FAA for FP 177. Completion Date is no later than 6 months after Closing Date, except as may be extended in accordance with Clause 2.06.
Clause 2.06 (a) and (b) of the FAA for FP177. Sets out procedures for extension of Completion Date.

II. Justification and assessment of impact on the implementation of the funded activity

Please provide a justification for the change request. This can include evidence supporting the reasons for the request (including justification for the requested length of extension), assessment of changes in circumstances, market conditions, underlying rationale for the Funded Activity, and associated benefits and risks to the implementation of the funded activity. In case of a request for extension of Closing or Completion Date that has lapsed, please elaborate on the relevant background or context. Please also clarify whether the extension is being requested due to an on-going delay in the completion of the Funded Activity or its major components, and whether such a delay materially and adversely affects the achievement of the intended outcomes.



The one-year extension of the FP177-Cooling Facility Closing and Completion Dates is justified by the experience in preparing and implementing the cooling projects in Sao Tome and Principe and Somalia and by the dialogue with the governments in the other seven countries, which showed the need for extensive consultations –both during preparation and implementation of the projects– among stakeholders that are not accustomed to implementing cooling activities that cut across sector and agency boundaries, but are rather focussed on their respective sector specializations (energy, health, agriculture, etc.). These consultations are required to build understanding of and support for the projects' activities and to help overcome barriers that emerge from the cross-cutting nature of these new activities that do not have ready-made constituencies. Additionally, experience has shown that the goods and services needed for the cooling projects, which relate to both cooling equipment and solar PV installations to sustainably power cooling equipment, are in high demand and subject to supply chain disruptions that result from today's uncertain economic and international trade environment. Both of these factors can delay projects' effectiveness, implementation and sustainable achievements. These experiences have been reflected in the updated disbursement schedule (see Annex 4 with revised FP Annex 4 on Budget) which shows that the remaining four projects are expected to be approved by June 2027 (recognizing the delays that have already taken place and ensuring that consultations required take place all throughout), and that disbursement will start within 6 months of signing, by January 2028. Reflecting both the need to have a conservative plan for procurement and delivery of equipment and a continuous process of consultation among stakeholders during implementation, the plan expects activities to be completed five years after the first disbursement (except for Sri Lanka as where the project is expected to be completed in 3 years as explained in Change Request 5 below), which brings us to December 2032. Hence, the request proposes a one year extension of the closing date from January 2032 to January 2033, and for the completion date from July 2032 to July 2033. The requested one-year extensions of closing and completions date would thus significantly improve the chance of successful completion of project activities by enabling more extensive stakeholder consultation and mitigating procurement risks related to increased supply chain uncertainties that include manufacturing, commercial and shipping delays.

III. Impact on Funded Activity management cost

Please estimate the increase in Funded Activity management cost (if any) during the extended implementation period and explain how it would be financed. If no extra costs are required, please explain how the available Funded Activity management budget is going to be spread across the extended time and be sustainable to guarantee key management and technical positions continuing implementing the Funded Activity. Please ensure consistency with the attached budget.

There is no increase in the Funded Activity management cost during the extended implementation period of one year as indicated under the General Information Section in the requested extension of the Facility's Closing and Completion Dates without additional cost. In the original FAA "Schedule 2. Budget and Disbursement Plan" there is sufficient budget allocated and now available for Facility management to cover the required cost for the additional year considering the budget utilized so far and the remaining budget which is not yet disbursed from the Accredited Entity, the World Bank, to the Executing Entities represented by the Ministries of Finance (MoF) acting through the responsible line ministries. The project teams are continuing to prepare projects under the Facility based on the approved Annual Work Plan and Budget and related working documents, consistent with the revised and attached budget-FAA Schedule 2, and the World Bank has provided preparation support through Trust funded (ESMAP and other TF) grants to inform the design of the projects and actively engage all relevant national stakeholders.

IV. Other information relevant to the assessment of the request

Please provide any additional information relevant to the assessment of the change request, which may include any consequential change in the FAA arising due to extension of Closing or Completion Date (e.g, extension of loan tenor along with the extension of Completion Date, extension to the FAA Tenor, or extension/adjustment of certain covenants or reporting requirements linked to Closing or Completion Date).

The extension of the Closing Date and Completion Date will trigger some updates to the FAA and arrangements including prolonging the Accredited Entity's right to receive disbursements for the GCF Funded Activity up to the newly revised Closing Date and revising the budget and disbursement plan. All these revisions will be incorporated into the amendment to the FAA.

V. Attachments

If the requested extension would not result in change in the original budget and disbursement plan (including any change in Funded Activity management costs), and/or implementation plan set out in the Schedules to the FAA, then please elaborate on your assessment in the Section III above, in which case (subject to GCF's confirmation), submission of the relevant attachments may not be required.

Revised "Budget and Disbursement Plan"

[Annex 4- A4_CoolingFacility_Budget-plan_Restructuring-Rev.xlsx \(/GCF/programme_form/download_attachment/4788/52740/project_report?attachment_attr=clonezx1Sd5Gn_field_Sw8zADPf:uJmzX0Co\)](#)

Revised "Budget and Disbursement Plan" (Schedule 2 to the FAA) in comparison to the original plan (possibly with track changes)



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Revised "Implementation Plan"

[Annex 5-Changes to the EE and Revised GCF Budget Summary-Rev.pdf \(/GCF/programme_form/download_attachment/4788/52740/project_report?attachment_attr=cloneDKRE3le_field_KsDoRr67:iTnZ7oR8\)](#)

[Annex 5A- Indicative Timeline Plan at Country Level.xlsx \(/GCF/programme_form/download_attachment/4788/52740/project_report?attachment_attr=cloneDKRE3le_field_KsDoRr67:iM8xHNE2\)](#)

Revised "Implementation Plan" (Schedule 5 to the FAA, possibly with track changes)

Any other documentation

[Q&A Matrix- Version 2 sent on 20260812 -with AE answers.docx \(/GCF/programme_form/download_attachment/4788/52740/project_report?attachment_attr=clone0Mims4N6_field_KsDoRr67:cFTqYt5x\)](#)

Funding Terms and Conditions - v4 2026-08-28 12:43 +09:00

Change Request - 4. Funding Terms and Conditions (incl. AE fee)

Accredited Entities will use this request form to modify financial terms including AE fees

I. Change Request

Please provide concise information to explain the subject of the request, status in the approved FP, Board conditions and/or signed FAA, requested change(s) and references to legal agreements and/or approved FP relevant for the request. Please add rows if needed to capture all relevant requests.

Use 'Add Row' button to add multiple Requests related to changes in Financial Terms

Subject of the request	
Change in GCF financing terms for Sri Lanka	
Requested change	
While the Government of Sri Lanka confirmed its interest in using GCF resources to undertake a project for efficient cooling, it requested a change in the GCF financing. This change requires an amendment to Schedule 3 of the FAA. Originally, the FAA included an allocation for Sri Lanka of US \$1M in grant and US\$ 35M in low concessional loan (this loan is consistent with FAA Schedule 10 Option C). The Government has requested to receive instead US\$ 5M in grant a US\$ 31M of high concessional loans (40 year tenor, 10 year grace, 0.0% interest, 0.25% commitment fee, 0.25% service fee) consistent with FAA Schedule 10: Option B, a combination of high concessional loan and grants for countries that are at high risk of debt distress, and FAA Schedule 8. The GoSL has explained that without these changes, they will not be able to use the GCF resources due to the deterioration in the macro-economic situation of the country, which has resulted in IMF-mandated restrictions on public sector debt as well as the country reverting to be an IDA eligible country (see letters from GoSL in Annex 3).	
Approved FP/Conditions/FAA	References to FP/Conditions/FAA
US\$1 million in grants and US\$ 35 million in low concessional loan(20 year tenor, 5 year grace, 0.75% interest, 0.75% commitment fee, and 0.50% service fee)	FAA Table 1, Schedule 8, and Schedule 10 Option C
Which FP/Conditions/FAA is the request referring to?	
What were the approved terms in the FP/Conditions/FAA?	

II. Justification and assessment of impact on the implementation of the funded activity

Please include justification and assessment of impact on the implementation of the funded activity of the change request(s).

In case of change in market conditions, in addition to your assessment and summary, please provide references, market studies and quantitative information where available. If not available, please provide information why this information is not available.

In case of change in pricing components relating to the cashflows of the Funded Activity (e.g as result of change in tenor, instrument, interest rates or fees) include the updated Economic and Financial model in the justification of the request. Use the EFA model as per the approved funding proposal.

For AE fees: Please justify the request and attach a revised AE fee budget using the approved AE fee budget as a reference point.

Clarify whether the (i) change in pricing of the GCF Proceeds deviates from Board approved parameters, and/or (ii) change in pricing and financial structure of the Funded Activity is material and adverse.

Sri Lanka's request to revise the financing terms is driven by the deterioration in the country's macro-economy since approval of the Cooling Facility (F177) in October 2021. A balance of payments crisis and sovereign default in 2022 plunged the country into an economic crisis, shrinking GDP by 9.5% between 2021 and 2023 and doubling poverty to 25.9% in 2023. The Government responded with macro-fiscal stabilizing and structural reforms, supported by a 48-month, US\$3 billion IMF Extended Fund Facility (EFF) program approved in March 2023, and two World Bank Operations totaling US\$700 million.[1] In December 2022, the World Bank reversed the country's 2017 graduation to IBRD financing and approved its eligibility for concessional IDA financing.[2] While Sri Lanka's income classification shifted for FY27 after it narrowly qualified as an upper middle-income country, the status of Sri Lanka as an IDA eligible country was re-confirmed in July 2026 [3] since the upgrade in Sri Lanka's World Bank income classification does not automatically imply changes in the World Bank's lending policy for the country.[4]

The economy stabilized by mid-2023 and recovered steadily in 2024 and 2025.[5] However, despite progress, in June 2024 an IMF review of the EFF stated: "Sri Lanka is in debt distress... downside risks remain high under a restructuring scenario." [6] On November 28 2025, Cyclone Ditwah hit Sri Lanka, claiming



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more than 600 lives and affecting millions. The IMF supported the authorities' request for emergency support, recognizing progress achieved with reforms, but noting that "Debt sustainability risks are still high, and sustained improvement in public debt dynamics relies on continued fiscal discipline...."[7] Most recently, the IMF EFF May 2026 Review reiterated that while Sri Lanka has made major progress, sustained fiscal consolidation and governance reforms are needed to durably restore macroeconomic stability and debt sustainability. Even after the implementation of a successful program and debt restructuring, debt sustainability risks will be high for many years.[8] Sri Lanka remains under an active IMF-supported EFF program and the World Bank's Sustainable Development Finance Policy under which strict limits on new borrowing are critical.

The original terms of GCF funds for the Funded Activity correspond to FAA Schedule 10 Option C. These terms were appropriate at the time of GCF approval of F177, before Sri Lanka's debt crisis and when it was an IBRD country, but as an IDA-eligible country at high risk of debt distress, Sri Lanka now meets one of the conditions for FAA Schedule 10 Option B: Combination of high concessional loans and grants. World Bank co-financing for the Funded Activity would also be provided under highly concessional IDA.

Adjusting the financing terms of the GCF funding is essential to ensure the Funded Activity remains fiscally viable so that that Sri Lanka can expand use of efficient and sustainable cooling to strengthen climate resilience and low-carbon development.

References [1] to [8] are included in attached Annex 6-Full justification of Sri Lanka request for changes in financing terms.

III. Impact on blended rate and/or concessionality

Please explain how the requested change(s) impact(s) the blended rate for the final beneficiaries and the concessionality of the GCF funding. Please confirm whether the change(s) are also affecting the accredited entity's / other co-financiers' pricing and other Funded Activity terms & conditions. Add quantitative analysis to support your evaluation.

The requested modification in financing terms for the Sri Lanka cooling project with an increase in the grant amount from US\$1 million to US\$5 million and a decrease in the loan amount from US\$35 million to US\$31 million as well as a requested change in loan terms from low-concessional terms (20-year tenor, 5-year grace, 0.75% interest, 0.75% commitment fee, 0.50% service fee) to high-concessional terms (40-year tenor, 10-year grace, 0% interest, 0.25% commitment fee, 0.25% service fee), results in a substantially more concessional financing package for the Government of Sri Lanka.

The revised pricing reduces the effective blended rate faced by the Executing Entity (Ministry of Finance) and lowers annual debt-service obligations over the life of the loan, improving the fiscal sustainability of the Funded Activity. In the case of the GCF grant funds, the concessionality will be passed to the beneficiary. In the case of the GCF loan, the funds will be used to expand an existing credit line where the borrowers will pay an interest rate, as explained in Annex 11A Economic and Financial Analysis (Sri Lanka). For the final beneficiaries of the credit line, the impact is not a change in the rate already offered under the existing program, but that the program will be expanded thanks to the availability of highly concessional GCF funds.

The financing terms of the co-financier (World Bank) have also changed since the Facility was approved since the World Bank accepted Sri Lanka's request to return to more concessional IDA terms from IBRD terms in November 2022; all World Bank co-financing to the cooling project in Sri Lanka will be on IDA terms. However, this Change Request does not affect the pricing, terms, or conditions of the co-financing contributed by the World Bank that is already committed under the ongoing IDA-funded Integrated Urban Development and Climate Resilience Project (IRDCRP), nor does it modify the AE's fee structure or responsibilities. Quantitatively, eliminating the 0.75% interest rate alone reduces cumulative loan finance charges on GCF loan financing by approximately two-thirds over the initial 20-year period of the loan, and the doubling of the tenor combined with an extended grace period lowers annual amortization requirements, significantly improving affordability. The revised terms fall fully within the concessionality parameters permitted under FAA Schedule 10 (Option B) and do not constitute a deviation from Board-approved pricing frameworks.

IV. For programmes: does the change impact the expected disbursements schedule and pipeline of the programme?

Please check the box as applicable: *

- ☒ The programme disbursement schedule and pipeline are not affected by the changes request.
☐ The programme disbursement schedule and pipeline are affected by the changes request.

Does requested changes affect pipeline and disbursement schedule? *

- ☐ Yes
☒ No

Please describe how the requested changes affect pipeline and disbursement schedule. Please attach the updated pipeline and disbursement schedule in the attachment section.

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V. Other information relevant to the assessment of the request.

Please provide any additional information relevant to the assessment of the change request.

The justification for the specific concessionality proposed for GCF financing for Sri Lanka has three elements (Please see Annex 6A with the letter from the Government of Sri Lanka (GOSL) addressing this topic in detail).

First, the need for the GOSL to reduce lending and increase its concessionality in response to the limits on debt imposed by the IMF and WB programs that deal with Sri Lanka's ongoing debt distress after its debt crisis of 2022. Therefore, the GoSL requested an increase in the grant from US\$1M to US\$5M, a corresponding reduction in the loan from US\$35M to US\$31M. and a change in the loan terms from low concessionality to high concessionality.

Second, more specifically, the amount of the grant is based on the amount needed for three key activities that will not happen, because they are not financially viable without these grants. These are: (i) capacity building (US\$0.5M); (ii) grants to make affordable first mile cooling equipment to vulnerable small farmers and fishers who would otherwise not have access to this equipment (US\$2.85M); and, (iii) grant financing for substantial investments in public cooling facilities in fishery harbors that have high economic returns but are not financially viable without this grant support (US\$1.625).

Third, with respect to the loans, by having higher concessional GCF terms, Sri Lanka can: (i) maintain an overall cost of lending that is better aligned with the requirements of the IMF program; (ii) use those resources to expand the existing program of lending through a credit line that offers a lower rate than the market rate and where the Government absorbs the foreign exchange risk (SL could not have used low concessionality loans to expand this program with these characteristics while providing affordable financing, see Annex 11A section X for an explanation of the costs of the foreign exchange rate risk and administration).

References [1] to [8] are included in attached Annex 6-Full justification of Sri Lanka request for changes in financing terms

VI. Attachments

Please provide any additional information relevant to the assessment of the change request.

Does the change request impact Funded Activity cashflows? *

- ☐ Yes
☒ No

Does the change request includes changes to AE fee? *

- ☐ Yes
☒ No

Updated market studies and feasibility studies

Guiding document to EFA (methodology)

For programmes: pipeline and disbursement projections under current and revised terms

[Annex 4- A4_CoolingFacility_Budget-plan_Restructuring-Rev.xlsx \(/GCF/programme_form/download_attachment/4789/52740/project_report?attachment_attr=clonek213PQv7_field_ceP3WlvG:VslGtXbc\)](#)

FAA Schedule (Updated) terms and conditions in track change

[Annex 5-Changes to the EE and Revised GCF Budget Summary-Rev.pdf \(/GCF/programme_form/download_attachment/4789/52740/project_report?attachment_attr=cloneZC5zDul6_field_ceP3WlvG:9ickxCVW\)](#)



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Any other documentation

[Annex 6 Updated Justification SL Change Fin Terms-Rev Aug 26.pdf \(/GCF/programme_form/download_attachment/4789/52740/project_report?attachment_attr=cloneWDOedOGL_field_ceP3WLvG:CriUEIfk\)](#)

[Annex 6A Letter Sri Lanka Government-Cooling Facility-08252006.pdf \(/GCF/programme_form/download_attachment/4789/52740/project_report?attachment_attr=cloneWDOedOGL_field_ceP3WLvG:tKW02JFB\)](#)

Scope of the FA - v4 2026-08-28 12:43 +09:00

Change Request - 5. Scope of the FA

Accredited Entities will use this request form to officially submit the Restructuring Proposal Template of an FA project. Managing team will revise the request and provide the AE with decision.

I. Change Request

Please provide concise information to explain the subject of the request, status in the approved FP, Board conditions and/or signed FAA, how the change will affect the impact of the project as compared to the approved FP, requested change(s) and references to legal agreements and/or approved FP relevant for the request. Please add rows if needed to capture all relevant requests.

Use 'Add Row' button to add multiple Requests related to changes in Scope of the FA

Subject of the request Change in Logical Framework due to change in Scope	
Requested change The target areas of the Cooling Facility covered in the Logical Framework are: (i) refrigeration, cold chains and logistics; and (ii) space cooling and cool/green solutions. The proposed project in Sri Lanka, focused on climate-friendly refrigeration, cold chains and logistics in agriculture rather than space cooling as in the original Funding Proposal (see Annex 7), is fully consistent with the Funded Activity's Objective in Schedule 1, Eligibility Criteria in Schedule 10 and Logical Framework in Schedule 9 of the FAA. The revised Cooling Project would expand sustainable agriculture and affordable food supplies, reduce greenhouse gas emissions (GHG), and strengthen the climate resilience of the population. These changes in scope do entail changes in selected target indicators of the Logical Framework (Annex 11). Total GCF Funds for the Sri Lanka project (US\$ 36M) remain unchanged. The project's ESS category will be confirmed before approval, and as per the FAA, no activities will be carried out with potential E&S risks equivalent to category A pursuant to the E&S risks categorization used under the AE policies and procedures (Clause 11.03(h)).	
Approved FP/Conditions/FAA Description of activities for Sri Lanka in the FP Annex 22: The proposed project will finance and promote the implementation of energy efficient, climate friendly chillers and other energy efficiency (EEff) measures in Sri Lanka's commercial and industrial building sector This is reflected in the indicators for Sri Lanka included in Schedule 9 of the FAA .	References to FP/Conditions/FAA FAA Schedule 9. Logical Framework, p. 45. FP Annex 3-Economic Analysis FP, FP Annex 22 Project Information FP Annex 23 Greenhouse gas calculations FP Annex 27. Cooling Baseline Assessment Which FP/Conditions/FAA is the request referring to?
What were the approved terms in the FP/Conditions/FAA?	

II. Justification and assessment of impact on the implementation of the funded activity

Please provide a justification for the change request. This can include evidence supporting the reasons for the request, assessment of changes in circumstances, market conditions and/or underlying rationale for the project/programme.

Climate projections by Carbon Brief indicate that Sri Lanka will experience 1 to 3.6oC of warming by 2100 while another study on Climate Change and Agroecosystems[1] indicates a 14-26% decrease in net returns per farm in Sri Lanka due to climate change by 2040-2069 compared with 2012-2013.[1] The negative impacts of climate changing on agriculture are already happening, compounded by the effects of the macro-economic crisis of 2021-22 that resulted in a drop of GDP by 9.5% and a doubling of poverty rates to 25.9% by 2023. Post-crisis GoSL priorities are shown in its Public Expenditure Investment Program (PIP) 2026-2030 which aims for inclusive and resilient growth and a systematic transformation by strategically accelerating economic growth in six critical areas including agriculture. [1] Within agriculture, an important strategy is strengthening resilience to climate change while medium term PIP targets include reducing post-harvest losses of fruits and vegetables from 30% to 20% by 2030 (p.33) and reducing fisheries sector losses from 37% to 27% by 2030 (p.36).

Reflecting these urgent priorities, the GoSL confirmed strong interest in utilizing GCF resources under the Cooling Facility to strengthen the country's economic resilience and support its transition to a low-carbon development pathway but requested to deploy these GCF resources in Agricultural Value Chain Development where cooling and cold storage investments are crucial to support national priorities as shown in the PIP mentioned above (see also Annex 2 for letter from Ministry of Finance, Planning and Economic Development). Re-allocating Sri Lanka's funds also has the major advantage that the interventions



can be readily deployed under the Integrated Rural Development and Climate Resilience Project (IRDCRP), under implementation since Sept. 2025 by the Ministry of Agriculture, Livestock, Land, and Irrigation to increase the productivity, market access, and climate resilience of agri-food producers. The GCF funds would be made available through Additional Financing to the IRDCRP. IDA co-financing for the cooling project is estimated at US\$100 million meeting the 2:1 ratio required. All the co-financing for the Sri Lanka Project under FP177 will come from IRDCRP. Project activities would contribute directly to reaching the medium-term targets for increased resilience and growth of the GoSL PIP cited above.

The project's cooling activities would bring both adaptation and mitigation benefits across the agricultural value chain. Implementation will begin in high-loss corridors and products (e.g., up-country vegetables, coastal fisheries) and at nodes where short, cost-effective cold storage can prevent large amounts of waste. The measures could include: efficient pre-cooling at packhouses to remove field heat from perishables, energy-efficient cold rooms (including off-grid units with solar PV) at aggregation centers and secondary hubs, and refrigerated trucks/containers with insulated last-mile solutions. The interventions will also support temperature-controlled processing for dairy, fisheries and horticulture to maintain quality and extend shelf life. To reduce dependence on the grid or diesel generation and related GHG emissions, facilities will integrate on-site solar PV with hybrid inverters and battery storage to ensure stable operation of cooling equipment.

[1] https://www.worldscientific.com/doi/10.1142/9781783265640_0022

[1] <https://pulitzercenter.org/stories/sri-lankas-climate-exodus#:~:text=Rising%20temperatures%20prevent%20crop%20fertilization,the%20harvest%20is%20taken%20inside.%E2%80%9D>

[1] https://npd.treasury.gov.lk/files/PIP%202026-2030%20final_new.pdf, p. 5

III. Technical assessment of the requested change(s)

Please provide a technical assessment of the requested changes. This may include:

Description of the change in scope (including climate, sectoral, and geographical aspects; baseline assessments covering the revised scope; proposed technology, measures, or innovation; assessment of materiality of proposed changes that are deemed to be significant)

Description of changes to the economic and financial analysis, including co-benefit areas (please attach economic and financial analysis)

Description of rationale for inclusion/exclusion of countries, regions, or project sites (including market studies, climate and sectoral impact, risk assessment)

Description of changes in the logical framework with revised GHG reduction spreadsheet and/or revised beneficiary calculation

Please clarify whether the requested change would result in a material and adverse deviation from the intended objectives or outcomes that the AE seeks to achieve from the implementation of the project/programme, in particular its climate and/or environmental outcomes as set out in the funding proposal and/or FAA

The proposed cooling interventions will be deployed through efficient, cost-effective modalities to replace sub-optimal technologies and practices that currently drive high energy intensity and carbon emissions while yielding low productivity. The interventions will prioritize best-in-class, right-sized cooling systems including passive measures such as cool roofs and planting of trees and vegetation for shading, as well high-efficiency compressors, variable-speed drives, optimized evaporators and condensers, high-performance insulation, efficient windows and tight door seals. The cooling project will adopt low-GWP refrigerants consistent with the Kigali Amendment and introduce leak detection, recovery, and technician certification to minimize refrigerant emissions and performance losses. Thermal optimization will be achieved through product-specific temperature setpoints, improved defrost control, and thermal energy storage to shift loads off peak and reduce grid stress. In off-grid locations or to reduce dependence on grid and diesel backup, facilities will integrate on-site solar PV with hybrid inverters and battery storage to ensure stable operation of cold rooms. Logistics measures will include route optimization and load consolidation, and—where feasible—the introduction of electric or solar-assisted three-wheelers and small trucks for first- and last-mile delivery to reduce fuel use and associated emissions.

From an adaptation perspective, the proposed Project of refrigeration, cold chains and logistics in agriculture strengthens significantly the adaptation capacity of the beneficiaries and the resilience of social infrastructure. In contrast, the original project in the FP by providing space cooling and cool/green contributed more significantly to the reduction of GHG emissions.

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The revised adaptation and mitigation indicators are indicated in Annex 8 to this Change Request (revised FAA Schedule 9 Logical framework) and Update FP Annex 23).

IV. Other information relevant for the assessment of the request

Please provide any additional information relevant to the assessment of the change request.

The Sri Lanka project will use all three types of implementation arrangements mentioned in Schedule 3 of the FAA: (i) public procurement and contracting model for cooling equipment for use in public sector facilities including fisheries; (ii) energy efficiency financing facility model for grants for efficient cooling equipment to small producers; and (iii) credit line model for cooling equipment for Horticulture, Fisheries, Dairy and Meat sub-sectors.

A 3-year implementation schedule is proposed for the Sri Lanka Cooling Project (the other 3 projects in preparation have 5 year schedules), based on the following reasons, together with the evidence under Change Request 6 Section II that the EEs have the capacity to implement within the proposed timeline.

(i) The original IDA project IRDCRP is an approved and active project (effective since Sep 2025, with a closing date of June 2030). The GCF funding for Sri Lanka will be an Additional Financing (AF) to an existing project (IRDCRP as explained in Section II) that has an already established and well-functioning PMU.

(ii) The bulk of the AF will be delivered via a credit line managed by Ministry of Finance's Development Finance Department (DFD) through Participating Financial Institutions (PFIs). DFD already manages several credit lines for SMEs and for smallholder farmers with systems already in place to manage funds and interface with PFIs.

(iii) Government ownership is the foundation of the project, with a concept for the Additional Financing for the cooling project led and prepared by Ministry of Agri culture & Livestock, and already reviewed and approved by Ministry of Finance.

An expanded preliminary economic and financial analysis was provided for the Sri Lanka cooling project at the request of GCF reviewers. This analysis considered benefits other than GCG emission reductions. Annex 11 to this Change Request contains a spreadsheet with the Sri Lanka cooling project expanded EFA analysis while Annex 11A contains an explanation of its methodology, assumptions and results.

V. Attachments

Please provide any additional information relevant to the assessment of the change request.

Feasibility study and/or technical due diligence report(s) and/or market study and/or climate vulnerability assessment study

Environmental and Social Impact Assessment (ESIA) / Environmental and Social Management Plan (ESMP) / Environmental and Social Management System (ESMS)

GHG emission reduction spreadsheet and narrative and/or Adaptation beneficiary calculation and narrative. *

[ANNEX8-1.XLS \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=clonek213POv7_field_ceP3WlvG:kRXIz8gB\)](#)

Baseline assessment

[Annex 9-A27_SL_CC - Rev.pdf \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloneZC5zDul6_field_ceP3WlvG:qCx05hNu\)](#)

Economic and Financial Analysis (EFA)

[Annex 10 - A3_CoolingFacility Model - 2026-08-27 - Rev.xlsx \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloneaVq72x1h_field_ceP3WlvG:egDyKXfV\)](#)



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FAA Schedule 2. Budget and Disbursement Plan

[Annex 4- A4. CoolingFacility_Budget-plan_Restructuring-Rev.xlsx \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=clone08HS3rsQ_field_ceP3WlvG:7p3wrcJy\)](#)

FAA Schedule 5. Implementation Plan (in track change)

[Annex 5-Changes to the EE and Revised GCF Budget Summary-Rev.pdf \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloneIrsCjRTX_field_ceP3WlvG:jE2PGxf1\)](#)

[Annex 5A- Indicative Timeline Plan at Country Level.xlsx \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloneIrsCjRTX_field_ceP3WlvG:PKR7TbgB\)](#)

Any other documentation

[Annex 7- A22 SL CC - 2026-08-21 -August- Rev .pdf \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloner4Z24ixC_field_ceP3WlvG:vOkM7q1Y\)](#)

[ANNEX1~2.XLS \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloner4Z24ixC_field_ceP3WlvG:Q5CEpJ98\)](#)

[Annex 13 - Examples of DFD credit lines in operation.pdf \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloner4Z24ixC_field_ceP3WlvG:0IHRNMT\)](#)

[Annex 14- A24 Methodology_july 2021.pdf \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloner4Z24ixC_field_ceP3WlvG:5nArhNV7\)](#)

[Annex 11 - Sri Lanka Cooling Illustrative EFA - 2026-08-27.xlsx \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloner4Z24ixC_field_ceP3WlvG:GvTOcM7P\)](#)

[Annex 11A - EFA Narrative_v14 \(Updated\) - 2026-08-27.docx \(/GCF/programme_form/download_attachment/4791/52740/project_report?attachment_attr=cloner4Z24ixC_field_ceP3WlvG:468eoYJs\)](#)

Executing Entity (EE) and/or implementation arrangements - v4 2026-08-28 12:43 +09:00

Change Request - 6. Change of Executing Entity (EE) and/or other implementation arrangements

Accredited Entities will use this request form to change the EE and/or other implementation arrangements

I. Change Request

Please provide concise information to explain the subject of the request, status in the approved FP, Board conditions and/or signed FAA, requested change(s) and references to legal agreements and/or approved FP relevant for the request. Please add rows if needed to capture all relevant requests.

Use 'Add Row' button to add multiple Requests related to changes in Executing Entity

Subject of the request Changes to the EE and indicative implementing model in Sri Lanka Project due to change in sector focus e.g. Executing Entity / Other implementation arrangements	
Requested change The Executing Entity remains the Democratic Socialist Republic of Sri Lanka represented by its Ministry of Finance but as a result of the change requested in Section 4 in sector scope from to agriculture and food, a change is requested enabling it to act through its Ministry of Agriculture, Livestock, Land and Irrigation (MoALLI) for Components 1, 2(i) and 2(iii); and through the Department of Development Finance (DFD) within the Ministry of Finance for Component 2(ii), rather than through its Ministry of Power. e.g. Describe the new EE / change in legal status of the existing EE/ implementation arrangements	
Approved FP/Conditions/FAA Executing Entity is the Democratic Socialist Republic of Sri Lanka represented by its Ministry of Finance act through its Ministry of Power What were the approved terms in the FP/Conditions/FAA?	References to FP/Conditions/FAA FAA Schedule 3 Table 1 Executing Entities per Components p. 34 Which FP/Conditions/FAA is the request referring to?

II. Justification and assessment of impact on the implementation of the funded activity

Please provide a justification for the request. This can include evidence supporting the reasons for the request, assessment of changes in circumstances, including government/institutional reorganization leading to the change, and associated benefits and risks to the implementation of the funded activity.

The changes requested above are needed to implement the Cooling Project in the Agriculture and Food Sector of Sri Lanka, which is a high priority of the Government for the reasons given in the justification in Change Request – 5- Scope of the Project above.

The Ministry of Agriculture, Livestock, Land and Irrigation (MoALLI) is the central authority responsible for developing sustainable agriculture, livestock and water resources in Sri Lanka and has the responsibility for public investment in the sector, and is the implementing agency for the World Bank project that would provide the co-financing. MoALLI is responsible for implementation of the IRDCRP project that co-finances the cooling activity. Given the financial nature of the implementation model selected for component 2 (ii), it will be the The Ministry of Finance's Department of Development Finance that will be responsible for the credit line in this Component 2 (ii), subject to technical oversight by MoALLI.

The Bank's appraisal of the MoALLI to implement the project is provided in the Project Appraisal Document (PAD). See Section III for Institutional, M&E, and disbursement arrangements and Section IV.B for fiduciary arrangements. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099032425093021027>. With respect to the DPD ,the World Bank will conduct a complementary assessment as part of appraisal for the proposed GCF Additional Financing to IRDCRP. The assessment will cover the Department for Development Finance (DFD) within the Ministry of Finance, with respect to its financial management capabilities as a financial intermediary.

III. Technical assessment of the requested change(s)



Change Request

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Please provide details of the requested change(s), including the following (as relevant for the request):

- description of the new EE, legal status, governance;
- In case of a change in the legal status of the EE, please provide details of the relevant change;
- If budget transfer from previous EE to the new EE is required;
- results of the capacity assessment of the new EE;
- identified risks, and as applicable updated risk assessment;
- if technical expertise/capacities will be provided by the AE;
- legal arrangements with the new EE or details on whether the existing legal obligations will be transferred/assigned to the EE whose legal status has undergone a change;
- team composition: PMU, technical members, track record of Funded Activity implementation;
- co-financing provided by the new EE and if flow of funds is affected;
- change in responsibilities of Local PMUs, Funded Activity steering committee, local stakeholders participation.
- track record of new EE;
- Changes to governance structure of the Funded Activity.

In case of a change in EE, please clarify whether the change of the EE would have a material effect on the implementation of the Funded Activity.

In case of a change in the legal status of the EE, please clarify whether there is a material and adverse change in the legal status of the executing entity which has a material and adverse impact on the implementation of the Funded Activity.

The change of the line ministry of the EEs from one line ministry to a different line ministry and a department of the Ministry of Finance would not have a material effect on the implementation of the Funded Activity as the change is required in order to implement a new cooling project that is a high priority of the Government. No material and adverse change would occur in the legal status of the implementing entity, as both Ministries are part of the same central government of the Democratic Socialist Republic of Sri Lanka. There is no change in the legal status because both of the entities through which the Ministry of Finance would act are a line ministries and a department of a line ministry of the same Executing Entity.

There is no change in the legal status of the EE, since both entities through which the Democratic Socialist Republic of Sri Lanka would act are line ministries

The Bank's appraisal of the MoALLI's capacity to implement the project is provided in the Project Appraisal Document (PAD). See Section III for Institutional, M&E, and disbursement arrangements and Section IV.B for fiduciary arrangements. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099032425093021027>. With respect to the DPD, the World Bank will conduct a complementary assessment as part of appraisal for the proposed GCF Additional Financing to IRDCRP. The assessment will cover the DPD capacity's, in terms of its financial management capabilities as a financial intermediary.

IV. Other information relevant for the assessment of the request

Please provide any additional information relevant for the assessment of the change request.

Fill out

V. Attachments

EE capacity assessment report (if change of EE is requested)

FAA Schedule 3. Implementation Arrangements (in track change)

As applicable updated risk assessment

Any other documentation

[Annex 5A- Indicative Timeline Plan at Country Level.xlsx \(/GCF/programme_form/download_attachment/4792/52740/project_report?attachment_attr=cloneGiosKmP2_field_ceP3WLvG:Yx8Ps9xU\)](#)



Other Changes - v4 2026-08-28 12:43 +09:00

Change Request - 9. Other Changes

I. Change Request

Please provide concise information to explain the subject of the request, status in the approved FP, Board conditions and/or signed FAA, requested change(s) and references to legal agreements and/or approved FP relevant for the request. Please add rows if needed to capture all relevant requests.

Use 'Add Row' button to add multiple Requests



Subject of the request

Partial cancellation of GCF Funds of the Facilit

Requested change

Cancellation of GCF proceeds allocated to projects in El Salvador, North Macedonia and Panama, because the Governments have decided to not proceed with the preparation and implementation of the Cooling Projects originally approved under the Facility, nor have they brought forward any other alternative cooling projects that meet the Facility's eligibility criteria for use of the funds.

Approved FP/Conditions/FAA

The Accredited Entity may, at any time prior to the Closing Date, cancel any portion of the GCF Proceeds undisbursed by the Fund to the Accredited Entity, by delivery of a thirty (30) calendar days prior written notice to the Fund, upon which such portion of the GCF Proceeds shall become no longer available for disbursement to the Accredited Entity.

References to FP/Conditions/FAA

FAA Table 2 Indicative budget summary per country (USD) p. 34 FAA Clause 9.04

e.g., FP Term Sheet, paragraph (...)

Other information relevant for the assessment of the request

As explained below, the Governments of North Macedonia, Panama and El Salvador, have not moved ahead with the cooling projects initially planned in the FP and have informed the Bank teams that they have no plans to invest in cooling projects due to changing national priorities or macroeconomic constraints. After confirming the situation with the Governments and informing the Governments and consulting with the NDAs about this decision, the AE proposes a partial cancellation of the funds allocated for the three countries. This will enable US\$23.5 million of GCF funds allocated to these countries (US\$2.5 million in grants and US\$21 million in loans) to be utilized by the GCF to finance projects to increase climate adaptation and mitigation in other countries.

Panama (US\$7M for space cooling in the FP): Discussions with the Government after the approval of the Facility were put on hold due to elections and then several additional months were required for the new Government to settle in. Panamanian authorities have since not signaled that investment in cooling is one of their priorities. The overall lending portfolio of WB projects is limited due to broader national policies limiting borrowing levels. No potential project has been identified under the Cooling Facility. After confirming that the Government does not foresee investing in a cooling project and consulting with the NDA, the AE proposes the cancellation of these funds as part of this Change Request.

El Salvador (US\$6M for health in the FP): Initial consultations with sector authorities after approval of the Facility concluded that the cooling project could not be processed under the Covid Emergency Operation as initially envisaged. The Ministry of Health then proposed to include it as Additional Financing to the CRECER Juntos (P169677) Project which included a new maternity hospital, where additional investments needs for cooling were identified. However, the Bank was informed in mid-January 2024 that the Ministry of Health had decided not to use these GCF resources for that purpose. The Ministry identified a second healthcare project in April 2024 but subsequently did not proceed with that project. The WB and the Energy Ministry further explored other options to use these cooling resources, but no other project was identified. After confirming that the Government does not foresee investing in a cooling project and consulting with the NDA, the AE proposes the cancellation of these funds as part of this Change Request.

North Macedonia (US\$10.5 M for space cooling in the FP): The Bank team held several conversations with the past administration until 2024 but was informed that GCF had approved funding for similar scope to Program PEEB Cool led by AFD and GIZ. Further exchanges happened in 2025, when the Government confirmed that it had decided not to prioritize further investment in cooling. After confirming that the Government does not foresee investing in a cooling project and consulting with the NDA, the AE proposes the cancellation of these funds as part of this Change Request.



Add any supporting documentation you consider relevant

[Annex 2 Letters from AE to Host Country NDAs.pdf \(/GCF/programme_form/download_attachment/5938/52740/project_report?attachment_attr=clonelf8rxPhM_field_ceP3WLvG:c80e20920a186936:KEgQlygg\)](#)

[Annex 2A Partial Cancellation NOL.pdf \(/GCF/programme_form/download_attachment/5938/52740/project_report?attachment_attr=clonelf8rxPhM_field_ceP3WLvG:c80e20920a186936:qsZAc0YM\)](#)

[Annex 4- A4_CoolingFacility_Budget-plan_Restructuring-Rev.xlsx \(/GCF/programme_form/download_attachment/5938/52740/project_report?attachment_attr=clonelf8rxPhM_field_ceP3WLvG:c80e20920a186936:97aegJ0F\)](#)

[Annex 5-Changes to the EE and Revised GCF Budget Summary-Rev.pdf \(/GCF/programme_form/download_attachment/5938/52740/project_report?attachment_attr=clonelf8rxPhM_field_ceP3WLvG:c80e20920a186936:qrt8802i\)](#)

[ANNEX8~1.XLS \(/GCF/programme_form/download_attachment/5938/52740/project_report?attachment_attr=clonelf8rxPhM_field_ceP3WLvG:c80e20920a186936:DG577Wyy\)](#)

[Annex 9-A27_SL_CC-Rev.pdf \(/GCF/programme_form/download_attachment/5938/52740/project_report?attachment_attr=clonelf8rxPhM_field_ceP3WLvG:c80e20920a186936:BEYfcYB2\)](#)

[Annex 10 - A3_CoolingFacility_Model - 2026-08-27 - Rev.xlsx \(/GCF/programme_form/download_attachment/5938/52740/project_report?attachment_attr=clonelf8rxPhM_field_ceP3WLvG:c80e20920a186936:pTlwvqgb\)](#)



Closing Section - v4 2026-08-28 12:43 +09:00

Change Request - Closing section

This form should be completed by Accredited Entities in the preparation of a restructuring proposal to a Funded Activity under implementation.

Section I. Changes in Logical Framework

Please check the box as applicable: *

- ☐ The Funded Activity's Logical Framework remains unchanged.
- ☒ The Funded Activity's Logical Framework requires changes in relation to the request.

Please attach the revised Logical Framework (in track change) based on the format used in the Schedule "Logical Framework" to the FAA or in the original Funding Proposal. In case of changes to mitigation targets please attach a revised GHG reduction calculation and narrative. In case of changes to beneficiary numbers, please attach a revised beneficiary calculations and accompanying narrative.

Updated Logical Framework

[Annex 8 - A23 GHG ER and Logical Frame Rest-Rev.xlsx \(/GCF/programme_form/download_attachment/4795/52740/project_report?attachment_attr=field_W9JpkjyF:6719359a9bf5aaed\)](#)

Additional attachments (if applicable): Revised GHG calculation and narrative & Revised beneficiary (direct and indirect) calculation and narrative

Section II. Performance against GCF investment criteria

Please check the box as applicable: *

- ☒ The Funded Activity remains aligned with the GCF investment framework criteria as set out in the Funding Proposal.
- ☐ The following changes in alignment with the GCF investment framework criteria are noted in relation to the change request

Section IV. Updated risk assessment

Please check the box as applicable: *

- ☒ The Funded Activity's risk assessment remains aligned with that in the original Funding Proposal (or updated risk assessment, if any).
- ☐ The following changes in the Funded Activity's risk assessment are noted in relation to the change request.

Acknowledgement

*

- ☒ We hereby represent that all information included in the above change request is true and complete as of the date submitted.