
Annual Performance Report

Project/Programme title: Global Subnational Climate Fund (SnCF Global) – Equity (FP152)

Accredited Entity: Pegasus Capital Advisors (PCA)

Date of Report submission: 20 April 2026

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RATIONALE

This report layout is designed to support the drafting of a structured report that assesses, evaluates, documents, and communicates the progress on Funding Proposal (FP) implementation and on its associated Funded Activity Agreement (FAA). The layout aims to provide a clear and comprehensive understanding of key objectives, progress, and risks, drawing on project implementation related data provided by Accredited Entities (AEs). Considering the Green Climate Fund's (GCF) evolving strategic direction toward a Risk-Based Approach, the report is intended to:

- Track quantitative and qualitative progress of the project implementation.
- Highlight critical findings and emerging trends.
- Identify risks and propose actionable mitigation strategies.
- Support evidence-based decision-making.
- Promote transparency and accountability.
- Align with strategic and regulatory frameworks.
- Serve as a foundation for AE engagement on project performance

METHODOLOGY

The report's layout mirrors, to the extent possible, the structure of the Funding Proposal (FP) to maintain coherence with the presented information. However, the FP and the Report differ in scope and strategic intent; thus, while the FP serves a functional role in informing the Report, it does not dictate a strictly parallel structure.

A. PROJECT DATA (Prefilled where possible)

Should any information/data prefilled from Section A.1 to Section A.12 be incorrect or require updating, please inform GCF's Project Lead of appropriate corrective action.

A.1. Date of report submission		20 April 2026		
A.2. Project or programme	Project	A.3. Sector	Private	
A.4. Total Financing (GCF + Cofinance)				
	GCF Financing		Mill. USD 150.0	
	Equity		Mill. USD 150.0	
	Co-Financing		Mill. USD 600.0	
	Equity		Mill. USD 600.0	
	Total Financing		Mill. USD 750.0	
A.5. Total GCF funding disbursed to this date	NA (draft)			
A.6. Implementation period	From 1 July 2020 to NA			
A.7. ESS Category (Refers to GCF revised <u>Environmental and Social Policy</u> and GCF ESS Standards to assess your FP category.)				Intermediation 2
A.8. Executing Entity Information				
Full legal name	Country of registration (or, for intl orgs, country of HQ)	Entity type	Role in project	Focal Point(s) and email(s)
Gold Standard Foundation	Switzerland	-	-	-
R20 Regions of Climate Action	Switzerland	-	-	-
SnCF Global	United States	-	-	-

A.9. Co-Financier information

Full legal name	Country of registration (or, for intl orgs, country of HQ)	Focal Point(s) and email(s)	Ownership Type	Beneficial Owner(s)
Senior Equity Investors	United States	-	-	-

A.10. Alignment with country NDCs & NAP <i>(NB Only populate if applicable, e.g., if your project/programme specifically contributes to a country's NDC or NAP target/s)</i>				
Country	Date of NDC/ NAP submission	NDC/ NAP objective	Brief description of project's alignment with NDC/ NAP objectives	Percentage of target met with proposed project.Beneficial owner(s)
Morocco	2 June 2022	economy-wide target of reducing net GHG emissions between 59 to 67 percent below 2005 levels in 2035.	The Company is an agricultural technology company that has developed a suite of tech-enabled hardware, IoT, and SaaS products for monitoring and optimizing on-farm operations to reduce costs, GHG emissions, and environmental impacts, and to improve yields and farmer resilience.	1%

A.11. Estimated duration of impact	
A.12 Report to be shared with NDA	Yes ☐ No ☐

B. EXECUTIVE SUMMARY

Should any information/data prefilled in Section “B” be incorrect or require updating, please inform GCF’s Project Lead for appropriate corrective action.

B.1. Summary

Managed by Pegasus Capital Advisors, the Sub-national Climate Fund (“SCF” or the “Fund”) aims to unlock large-scale investment in climate mitigation and adaptation projects at the sub-national level. It addresses a key financing gap for mid-sized, bankable projects (USD 5–75 million) that are often overlooked by commercial investors.

Through a blended finance model, the Fund uses anchor and first-loss capital from the Green Climate Fund to de-risk investments and mobilize private institutional capital. By aggregating and structuring projects to institutional standards, SCF enables scalable investment while delivering measurable climate, SDG, and social impacts. The Fund also features a dedicated Technical Assistance Facility (see “FP151 Global Subnational Climate Fund (SnCF Global) – Technical Assistance (TA) Facility”) that supports capacity building, project preparation, and M&E activities.

The Fund focuses on sustainable agriculture and urban development solutions, renewable energy, and waste management.

C. RESULTS AND IMPACTS

C.1. Overall Summary of the Project Progress

(This section provides a narrative report summarizing the overall progress of the implementation status of the funded activity progress during the reporting period. 1,500 words)

During 2025, the Fund was primarily focused on (i) fundraising, (ii) building a pipeline of potential investments and (iii) deploying capital into investments.

Building on strong partnerships with UNDP and other partners, the Fund advanced fundraising discussions with institutional investors, development finance institutions, and corporates. Blended finance mechanisms, including first-loss structures supported by GCF, continued to de-risk participation.

In 2025, SCF achieved key milestones in both capital mobilization and investment deployment. Notably, Ajinomoto Co., Inc. committed approximately USD 20 million to the Fund, marking a significant step in attracting strategic corporate investors and reinforcing confidence in SCF's blended finance model. On the investment side, Pegasus Capital, through SCF, supported the acquisition of Lotraf in Morocco via its portfolio company Ifria Cold Chain Development Company. This transaction expands critical temperature-controlled logistics infrastructure across Casablanca, Rabat, and Kenitra, strengthening regional food supply chains, reducing food loss, and contributing to climate and development objectives.

Investor engagement deepened through targeted events, resulting in an expanded pipeline of prospective investors and increased conversion of soft commitments into advanced-stage negotiations. Targeted investor outreach through global events (e.g., COP, Climate Week), bilateral meetings, and partnerships, advancing commitments and expanding the investor base.

The Fund also built on its existing portfolio and expanded its pipeline of bankable projects in 2025. The pipeline grew across sectors including renewable energy, sustainable food systems, and infrastructure. Regional diversification increased, particularly in Africa, Latin America, and Southeast Asia. Enhanced collaboration with UNDP and other partners improved pipeline building and ensuring investment-ready, high-integrity projects.

In 2025, the Fund accelerated capital deployment, building on the initial six transactions. Additional investments were executed across the existing pipeline and priority sectors.

C.2. Performance against the Funding Proposal Logical Framework Indicators

For each of the indicators please report only the 'annual value' for the reporting year; this means reporting solely the values achieved from January 1st, 2025, to December 31st, 2025. The "cumulative value" will automatically be updated by the system by aggregating reported annual values since project FAA effectiveness.

Please ensure that targets are clearly defined and reported using the following categories:

- *Midterm Target: The results to be achieved by the midpoint of implementation.*
- *Final Target: The results to be achieved by the conclusion of project or programme implementation.*
- *Lifetime Target: The total results expected over the entire operational period of the project or programme.*

Note that the baseline, midterm, final and lifetime targets will be prefilled based on your previous Annual Performance Report and/or Funding Proposal. It is imperative that you carefully review, verify and update where relevant.

Should the project be Multicountry, please report the achievement by Country.

Lastly, avoid using commas or periods as thousand separators. Periods should only be used as decimal separators.

For REDD+ Results-Based Payment (RBP) projects, you are only required to report on the progress of activities.

Should any prefilled information/data in the Logical Framework be incorrect or require updating, please inform GCF's Project Lead for appropriate corrective action.

GCF Outcome Level: Standardized Indicators

PMF/IRMF Results Management Framework

No indicators/questions defined.

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO₂eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered

Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO₂eq) as a result of GCF support.

Unit						Tonnes of CO ₂ -equivalent
Baseline	Target			Previous Year Cumulative Value	Annual value	Cumulative Value <i>(automatically calculated)</i>
	Mid-term	Final target	Lifetime			
0	2,997,322	8,991,965	77,634,432	4,146	8,242	12,388

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered							
Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO ₂ eq) as a result of GCF support, disaggregated by result area.							
Unit							Tonnes of CO ₂ -equivalent
Disaggregation by: Result Areas (Mitigation)	Baseline	Mid-term	Final target	Lifetime	Previous Year Cumulative Value	Annual value	Cumulative Value
Energy Generation and Access	0	0	0	0	1	6	7

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered							
Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO ₂ eq), disaggregated by Country.							
Unit							Tonnes of CO ₂ -equivalent
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Lifetime	Previous Year Cumulative Value	Annual value	Cumulative Value
Mexico	0	0	0	0	4,146	8,242	12,388

Energy generation and access

No indicators/questions defined.

(IRMF) Supplementary 1.4 Renewable energy generated						
Provide the total renewable energy generation (MWh) produced.						
Unit						Megawatt-hour
Baseline	Target		Previous Year Cumulative Value	Annual value		Cumulative Value <i>(automatically calculated)</i>
	Mid-term	Final target				
0	0	0	8,887	17,663		26,550

(PMF) 6.3 MWs of low emission energy capacity installed, generated and/or rehabilitated as a result of GCF support (IRMF) Supplementary 1.3 Installed renewable energy capacity					
Provide the total installed renewable energy generation capacity (MW).					
Unit					Megawatt
Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value <i>(automatically calculated)</i>
	Mid-term	Final target			
0	0	0	1	5	6

(PMF) 6.3 MWs of low emission energy capacity installed, generated and/or rehabilitated as a result of GCF support (IRMF) Supplementary 1.3 Installed renewable energy capacity					
Provide the total installed renewable energy generation capacity (MW), disaggregated by Country.					

Unit						Megawatt
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Mexico	0	0	0	1	6	7

(PMF) 6.3 MWs of low emission energy capacity installed, generated and/or rehabilitated as a result of GCF support
(IRMF) Supplementary 1.3 Installed renewable energy capacity

Provide the total installed renewable energy generation capacity (MW), disaggregated by technology.

Unit						Megawatt
Disaggregation by: Renewable energy technology	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Rooftop Solar	0	0	0	1	6	7

(PMF) A1 and A2 Total number of direct and indirect beneficiaries
(IRMF) Core 2 Direct and indirect beneficiaries reached

Provide the total number of direct beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Gender.

Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	5,000	10,000	19	7	26
Female	0	5,000	10,000	10	0	10

(PMF) A1 and A2 Total number of direct and indirect beneficiaries
(IRMF) Core 2 Direct and indirect beneficiaries reached

Provide the total number of direct beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Country.

Unit						No. of Beneficiaries
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Morocco	0	5,000	10,000	36	7	43

(PMF) A1 and A2 Total number of direct and indirect beneficiaries
(IRMF) Core 2 Direct and indirect beneficiaries reached

Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Gender.

Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	4,250,000	8,500,000	36,200	15,350	51,550
Female	0	4,250,000	8,500,000	0	15,350	15,350

(PMF) A1 and A2 Total number of direct and indirect beneficiaries
(IRMF) Core 2 Direct and indirect beneficiaries reached

Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Country.

Unit						No. of Beneficiaries
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Mexico	0	0	0	0	66,901	66,901

Optional Co-Benefit Indicators

No indicators/questions defined.

Total number of established or strengthened institutional frameworks, policies, plans and coordination mechanisms to support climate-resilient and low-emission development					
Provide the total number of established or strengthened institutional frameworks, policies, plans and coordination mechanisms.					
Unit					No. of Items
Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value <i>(automatically calculated)</i>
	Mid-term	Final target			
0	2	4		0	0

Project Specific Indicators							
Indicator	Unit	Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value <i>(automatically calculated)</i>
			Mid-term	Final target			
Number of MRV system (including SnCF MRV criteria, reporting pathways, and impact registry)	No. of Items	0	1	1	1	0	1
Number of viable climate mitigation projects invested in.	No. of Projects	0	10	20	6	0	6
List of participants of trainings and workshops	No. of knowledge-sharing events/platforms	80	100	360	326	0	326

Activities				
Activity Name	Implementation Progress (%)	Utilised GCF Budget	Allocated GCF Budget	% (Automatically calculated)
N/A	N/A	N/A	N/A	N/A

C.2.1. Subprojects
<i>Where applicable, include information on sub-projects. For projects and programmes approved until B.31, the logical framework should focus on the mitigation and adaptation Performance Measurement Frameworks (PMF). For projects and programmes approved from B.32 onwards, the logical framework should reflect the Integrated Results Management Framework (IRMF).</i>

Title	Currency	GCF Funds	Co-Financing	Country	GHG Emissions Reduced	Direct Beneficiaries	Indirect Beneficiaries
Luxun	USD	10,429,826	10,870,173	Mexico	12,389	47	66,901
Ifria	USD	4,907,105	5,114,283	Morocco	0	7	0
Cerro Verde Ecolodge	USD	10,614,556	11,062,703	Ecuador	0	0	0
Aga Solar	USD	284,004	295,995	Albania	0	0	0
DR Solar	USD	225,734	235,265	Dominican Republic (the)	0	0	0
Curvalux	USD	1,106,722	1,153,448	Mexico	0	0	0

C.3. Compliance with FAA covenants	Yes ☒ No ☐
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The Fund and all portfolio companies are in compliance with all legal agreements.

C.4. Funded Activity Implementation Arrangements in the Following Year	Yes ☐ No ☒
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None

D. RISKS ASSESSMENT AND MANAGEMENT

D.1. Risk and mitigation measures

As stated in the Board-approved "Risk Appetite Statement," a cornerstone of the GCF's Risk Framework is proactive risk management. This includes risk identification, assessment, monitoring, reporting and appropriate mitigation to minimize and respond to risks, both directly and through partners implementing GCF's projects and programmes.

Risk Management Matrix

A risk is the probability of an event to adversely affect the achievement of the project Impact (its objectives, outcomes, and results). "Inherent risk" refers to the level of risk present before any of the mitigating measures are applied. "Residual risk" represents the level of risk after mitigating measures have been implemented.

Please update the project risk matrix by reviewing and revising information for all previously identified risks, and adding any new risks identified during implementation by selecting the adequate Risk Area in the drop-down menu. For each risk, ensure you provide a clear risk description, outline the potential negative consequences, specify the mitigating measures in place, and complete the severity scoring as required.

For the Integrity Risk Area, an annual reporting (and more frequent and prompt reporting if stated in the legal agreements with the GCF) is required for each of its 3 Risk Sub-areas, as GCF has zero tolerance for Prohibited Practices, for SEAH in Fund-related Activities, and for working with parties and engaging in activities subject to sanctions imposed by the United Nations Security Council. The AE reporting obligations under GCF's policies and in the legal agreement(s) with the GCF include but are not limited to requiring AEs to take action to identify, mitigate and promptly disclose to the GCF any real or perceived Conflict of Interest, any alleged or suspected Prohibited Practice, promptly notify the Fund of any material risks or other indications of money laundering and/or financing of terrorism in relation to the Project and promptly take remedial steps in consultation with the GCF.

The AE shall also provide updates on the risks and mitigating measures under the other Risk Areas when changes to already identified risks or new risks have been identified.

Risk scoring:

For likelihood, please rate on a scale from 1 to 5: 1. Unlikely, 2. Possible, 3. Likely, 4. Almost certain, 5. Certain

For impact, please rate on a scale from 1 to 5: 1. Close to none, 2. Low, 3. Medium, 4. High, 5. Catastrophic

The severity of each risk is automatically computed based on the likelihood and impact of the risk.

Risk 1	Money Laundering and Terrorist Financing		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Money Laundering (ML) & Terrorist Financing (TF)		
Description	Risk of proceeds from Fund being diverted to money laundering activities or activities that support terrorist activities		
Consequences	Could lead to severe sanctions and/or penalties (financial or criminal)		
Inherent Risk	Likelihood	Impact	Severity
	2 - Possible	5 - Catastrophic	10 - Medium High
Mitigation Measure(s)	Implement strict financial controls supported by staff training and monitoring		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Comments	N/A		
Risk 2	Sanctions due to non-compliance		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Sanctions		
Description	Sanctions against operations or individuals due to non-compliance with mandatory regulation		
Consequences	Could lead to severe operational damages, shut down or revocation or permit(s) where relevant		
Inherent Risk	Likelihood	Impact	Severity
	2 - Possible	5 - Catastrophic	10 - Medium High

Mitigation Measure(s)	Implement strict standard operating procedures and financial controls, supported by staff training and monitoring.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Comments	N/A		
Risk 3	Fraud, Bribery and Corruption		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Fraud / Bribery & Corruption / Collusion and any other prohibited practice		
Description	The misuse of power, financial or position, to influence outcomes outside of normal procedures.		
Consequences	Could lead to reputation damage and/or financial ramifications through fines. In severe instances could lead to jail time for those involved.		
Inherent Risk	Likelihood	Impact	Severity
	2 - Possible	4 - High	8 - Medium High
Mitigation Measure(s)	Implement strict operational controls with employee code of conduct, supported by training and monitoring.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Comments	N/A		
Risk 4	Conflict of Interest		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Conflict of interest		
Description	Conflicts of interest through misuse of position.		
Consequences	Could lead to contracts, opportunities or permits being revoked. In some instances financial remuneration may be required with penalties.		
Inherent Risk	Likelihood	Impact	Severity
	2 - Possible	4 - High	8 - Medium High
Mitigation Measure(s)	Strict control measures through Declaration of Conflict requirement for all parties, and use of delegated authority matrix.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Comments	N/A		

D.2. Report risk incidents

If any risk (previously identified or not) has materialized, please capture it here as a risk incident.

(this section is confidential)

E. FINANCIAL INFORMATION

E.1. GCF financing

In addition to the financial report in the annex, update the table with relevant GCF financial data for each country and instrument, including amounts and allocation percentages.

Country	Instrument	Currency (as per FAA)	Committed Amount	Disbursed Amount	Expenditure (reporting year)	Cumulative Expenditure	Mitigation	Adaptation
Mexico	Equity	USD	10,429,826.37	10,429,826.37	1,247,944.38	6,387,812.46	0%	100%
Ecuador	Equity	USD	10,614,556.57	10,614,556.57	1,270,047.63	6,500,951.63	0%	100%
Morocco	Equity	USD	4,907,105.5	4,907,105.5	587,142.54	3,005,387.49	0%	100%
Democratic Republic of the Congo (the)	Equity	USD	225,734.74	225,734.74	27,009.5	138,252.65	0%	100%
Albania	Equity	USD	284,004.66	284,004.66	33,981.58	173,940.43	0%	100%
Total		USD	26,461,227.84	26,461,227.84	3,166,125.63	16,206,344.66	N/A	N/A

E.2. Co-financing

Please populate the table with relevant Co-financing data for each Co-financier and instrument, including amounts and allocation percentages.

Co-financier	Instrument	Currency (as per FAA)	Committed Amount	Disbursed Amount	Expenditure (reporting year)	Cumulative Expenditure	Mitigation	Adaptation
Other - Combined	Equity	USD	28,749,731.11	28,749,731.11	16,894,628.35	18,018,677.35	0%	100%
Total		USD	28,749,731.11	28,749,731.11	16,894,628.35	18,018,677.35	N/A	N/A

E.3. Additional Finance Mobilised Beyond Approved Co-financing

Report the realised (cumulative value) and/or expected volume (Final Target) of private/public finance leveraged as a result of GCF involvement in the investment, in addition to and beyond any co-financing originally committed at approval. This datapoint shall be reported separately from official co-financing figures and is intended to capture the catalytic effect of GCF investments and support institutional learning.

GCF Policy: <https://www.greenclimate.fund/sites/default/files/document/policy-cofinancing.pdf>

No additional finance mobilized information provided.

File Name: 2025 APR - SCF Financials 2026.03.31.xlsx

F. ENVIRONMENTAL & SOCIAL SAFEGUARDS, GENDER, and INDIGENOUS PEOPLES

This section provides an update against the ESS standards agreed as part of the Environmental and Social Action Plan (ESAP) and Environmental and Social Management Framework (ESMF), as well as Environmental and Social Management System (ESMS), Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP), Indigenous Peoples Plan (IPP), Indigenous Peoples Plan Framework (IPPF), Resettlement Action Plan (RAP), Resettlement Policy Framework (RPF) when applicable.

F.1. progress on key challenges and updates regarding Environmental and Social Safeguards

Key Environmental and Social Changes

Have there been any changes in the key environmental and social risks and impacts? If you tick 'Yes,' please provide further information.

Yes ☐ No ☒

Environmental and Social Safeguarding Updates

Have there been any change/update on environmental and social safeguarding? you tick 'Yes,' please provide further information.

Yes ☐ No ☒

F.2. Compliance with laws and regulations applicable to ESS. Gender and Indigenous Peoples.

Have there been any changes or updates regarding compliance with applicable laws and regulations of the country, as well as the relevant conditions or covenants under the FAA?

Yes ☐ No ☒

None

F.3. ESS standards implementation progress

Does this reporting period include any ESS standards-related activities or updates?

Yes ☒ No ☐

If you tick 'Yes', please provide further information to report on the progress made in complying with the requirements of the relevant ESS standards that were triggered during the approval of the funding proposal and during the reporting period, if any; and the GCF Indigenous Peoples Policy, if relevant, describing achievement and specifying details outlined in the tables below.

Activities implemented during the reporting period, including monitoring

During the reporting period, the SCF supported the acquisition of Lotraf in Morocco through its portfolio company Ifria Cold Chain Development Company. This investment expands temperature-controlled logistics infrastructure across key urban hubs, including Casablanca, Rabat, and Kenitra, strengthening regional food supply chains, reducing post-harvest losses, and contributing to climate mitigation and food security objectives. Following the acquisition, SCF focused on the integration of Lotraf into Ifria's environmental and social management system (ESMS). This included the rollout of Ifria's policies and procedures across Lotraf's operations, covering the following areas: • Environmental and Social Management System (ESMS) • Environmental and Social Management Plan (ESMP) for Construction • Organizational Capacity and Competency • E&S Guide • Grievance mechanism • Human Resources Policy and Procedure • Gender Action Plan • Occupational Health and Safety • Life and fire safety • Safety Guide • Contractor Environmental, Health and Safety Management • Contractors Selection and Management Process Manual • Preparedness and Response Procedure • Traffic Management Plan • Security Management Plan • Refrigerant Management Plan and Disclosure and list of refrigerants Monitoring activities included regular engagement with management and targeted training sessions to ensure alignment with SCF requirements and the effective implementation of the Environmental and Social Action Plan (ESAP). Progress is being tracked through ongoing oversight and capacity-building efforts to support full operational integration. Additionally, practical tools and checklists were implemented to effectively monitor E&S matters. The reporting framework was also implemented to track and monitor key KPIs.	
Outputs during the reporting period	
Rollout and operationalization of Ifria's ESMS and initiation of the ESAP across Lotraf due to acquisition • Adoption and implementation of key E&S policies and plans, including OHS, Gender Action Plan, HR policies, security, traffic, emergency response, and refrigerant management • Establishment of a grievance mechanism and implementation of contractor EHS management procedures • Delivery of targeted training sessions to Lotraf staff on E&S requirements and roles • Deployment of monitoring tools and checklists to track E&S performance • Implementation of a reporting framework, including defined KPIs and processes for ongoing data collection and oversight	
Key environmental, social and gender issues, risks and impacts addressed during implementation	
None	
Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention	
None	
Remarks/Notes	
Cerro Verde Ecolodge, Dominican Republic Solar, Curvalux, and Albania Solar are still under development, hence the Fund can only report on the sustainability progress of Luxun in Mexico and Ifria.	
F.4. Sub-projects information	
Have any subprojects been implemented?	Yes ☒ No ☐
Title of the sub-project	Ifria
ESS management plan/instrument in place	
Following the acquisition of Lotraf, Ifria's Environmental and Social Management System (ESMS) was rolled out across operations, building on existing Lotraf policies and aligning them with SCF requirements. An Environmental and Social Action Plan (ESAP) was implemented to guide the integration process and address identified gaps.	

Title of the sub-project	Ifria
The ESS framework includes key instruments such as OHS procedures, a Gender Action Plan, HR policies, contractor management processes, a grievance mechanism, emergency preparedness procedures, and a refrigerant management plan. Monitoring tools, checklists, and a reporting framework with defined KPIs have also been established to support ongoing oversight and continuous improvement.	
Stakeholder engagement plan in place	
Yes. Stakeholder engagement plan in place in compliance with SCF requirements and Gold Standard's stakeholder engagement guidelines.	
Activities/engagement conducted with Indigenous peoples	
None.	
Key environmental, social and gender issues, risks and impacts addressed during this reporting period	
Following the acquisition of Lotraf, key ESG issues related to aligning existing policies with SCF standards, particularly in occupational health and safety (OHS), labor practices, contractor management, and refrigerant handling. While policies were in place, gaps were identified in standardization and alignment with best practices. These were addressed through the rollout of Ifria's ESMS and implementation of an ESAP, including strengthening OHS measures, formalizing contractor processes, and implementing a refrigerant management plan. A grievance mechanism was reinforced, and targeted training supported effective implementation. Monitoring tools and a reporting framework were introduced to track performance and support continuous improvement, strengthening ESG governance and reducing operational and environmental risks.	
Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention	
None	
Title of the sub-project	Luxun
ESS management plan/instrument in place	
Luxun continued to implement its ESMS and expand the number of roof-top solar projects to avoid GHG emissions.	
Stakeholder engagement plan in place	
Yes.	
Activities/engagement conducted with Indigenous peoples	
None.	
Key environmental, social and gender issues, risks and impacts addressed during this reporting period	
No new risks identified. Luxun had zero social or environmental incidents (zero OHS incidents, zero grievances). Looking ahead, Luxun plans to develop a supplier rating system to ensure quality and accountability across installation partners, as well as the ambition to establish a long-term net-zero GHG emissions reduction target. The company is also reinforcing its environmental management practices, with a focus on waste reduction, reuse, and recycling, alongside continued promotion of sustainable technologies and climate mitigation strategies.	
Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention	
None.	

F.5. Implementation of the stakeholder engagement plan	
Were any actions undertaken to increase engagement of relevant stakeholders in the project, particularly regarding environmental, social, and gender elements?	Yes ☒ No ☐
Activities implemented during the reporting period	
Project specific for Ifria. During the reporting year, UNDP has conducted stakeholder consultations in Senegal and Morocco for Ifria compliant with Gold Standard's stakeholder consultation requirements. In Senegal, field consultations were conducted in strategic agricultural production zones, directly engaging those most impacted by post-harvest losses, including professional organizations, individual farmers, and community producers in areas such as Niayes and Thiès. The project team systematically identified key stakeholders and initiated contact via phone and email to schedule meetings. This methodical approach fostered constructive dialogue across the agricultural value chain, ensuring a broad perspective and integrating diverse insights. Subsequently, stakeholders in the fisheries sector were consulted, including the Director of the Fishing Port of Dakar. Through the interviews with stakeholders, it is clear that cold storage are seen as an essential solution to modernize agricultural value chains. They will play a significant role in reducing post-harvest losses, stabilizing market prices, enhancing exports and creating local jobs. Cold storage is seen as an essential solution to boost Senegalese agriculture. To overcome these obstacles, the stakeholders are advocating for sustainable and inclusive solutions such as the deployment of solar cold storage with varying capacities (between 150 and 15,000 tons), affordable storage tariffs, the implementation of refrigerated transport services, as well as the strengthening of local skills for efficient management of facilities. In Morocco, stakeholders collectively emphasized the acute shortage of cold storage facilities in drought-affected areas and expressed strong interest in partnering with IFRIA to develop energy-efficient, climate-smart storage solutions in a context of worsening heatwaves. The stakeholder engagement process sought to engage key public and private sector actors, incorporate their inputs, address outstanding questions, and enhance project design while facilitating additional resource mobilization.	
Dates and venues of engagement activities	
June-August 2025, Morocco: Local stakeholders were invited by email, phone and in-person outreach. 41 stakeholders were consulted April-June 2025, Senegal: The project team systematically identified key stakeholders and initiated contact via phone and email to schedule meetings. This included 11 group consultations, 3 individual interviews, 2 focus groups with women producers and 2 focus groups with young farmers and actors in the fishing sector.	
Sex-disaggregated data on stakeholder engagement participants (male + female = total)	
Consultations engaged a broad range of stakeholders across Senegal and Morocco, including farmers, cooperatives, NGOs, youth and climate organizations, public institutions, and private sector actors. In Morocco, 41 stakeholders were consulted, with women representing approximately 24% of participants (and a majority in selected farmer groups), while consultations in Senegal included both male- and female-led organizations, with targeted focus groups for women and youth to ensure inclusive participation. Key stakeholders consulted included farmers' federations and cooperatives (e.g., Federation of Market Gardeners, Association of Niayes Market Gardeners' Unions), NGOs and associations (e.g., AND Sokhali Baymi, youth and climate NGOs), private sector actors (e.g., Africa One), and public institutions such as the Ministry of Agriculture, Chambers of Agriculture, Market Regulatory Agency, and local authorities. Key issues and risks identified across consultations included high post-harvest losses due to inadequate cold storage and transport infrastructure, high energy costs, limited access to infrastructure for smallholders, women and youth, and risks related to affordability, governance, and environmental footprint (e.g., energy use). Stakeholders also highlighted structural barriers such as limited access to land and finance for women and youth, and risks of unequal access or "elite capture." These were addressed through project design adjustments, including integration of solar-powered cold storage, inclusion of refrigerated transport, development of training programs, establishment of inclusive governance mechanisms, and implementation of grievance and participatory monitoring systems to strengthen transparency, accountability, and equitable access.	
Information shared with stakeholders	

All stakeholders received: - A non-technical summary of the IFRIA project in French, English or Arabic - A summary of the anticipated social, economic and environmental impacts in French, English or Arabic
Outputs including issues raised and addressed during the reporting period
Stakeholders identified key issues including lack of cold storage and transport infrastructure, high energy costs, and significant post-harvest losses. These were addressed through the integration of solar-powered cold storage and refrigerated transport solutions in the project design. Concerns around affordability and equitable access, particularly for smallholders, women, and youth, were addressed through inclusive governance approaches, targeted capacity-building, and consideration of pro-poor access mechanisms. Additional issues related to limited technical capacity and environmental sustainability were addressed through training programs, integration of climate-smart solutions, and the establishment of monitoring and grievance mechanisms to support ongoing stakeholder engagement and accountability.
Remarks/Notes
None

F.6. ESS forward planning and lessons learned	
Are there any planned ESS activities for the next reporting period or lessons learned to share from this period?	Yes ☒ No ☐
Provide planned activities on environmental and social safeguards for the next reporting period	
Continue to implement ESAPs and ESMPs at subproject-level.	
Provide any success stories, good practices, or challenges, including those related to the engagement of Indigenous peoples and local communities, promoting Indigenous knowledge and benefits to Indigenous peoples and local communities	
None	
F.7. Grievance Redress Mechanism - confirmation & grievances	
<i>Please indicate whether the project can confirm the following statement:</i>	
Fully functional and operational Grievance Redress Mechanisms are in place, have been communicated to and are accessible by all stakeholders applicable to this project	
☒ The accredited entity confirms the statement above at project-level, AE-level, and GCF-level grievance mechanisms.	
☐ The accredited entity does not confirm the statement above	

Have there been any grievances received during the reporting period?	Yes ☐ No ☒																						
None																							
F.8. Implementation of activities and actions agreed in the Gender Action Plan																							
While some activities of the GAP have been completed per the last APR, some activities or still ongoing (see below).																							
[NL1]My understanding is that they only want new updates here. The latest info for all gender activities is in the APR 2024. I only included the ones that have an update here.																							
Are there GAP implementation activities or progress to report for this period?	Yes ☐ No ☒																						
<i>Summary on Activities and Actions agreed in the Gender Action Plan (max. 200 words)</i> <i>Provide a progress report on the gender action plan developed during project preparation stage for the reporting period. This will primarily be a report on activities undertaken and results achieved because of completion of an activity. Further, it should also indicate if the project is on track to achieving the intended outcome(s). The reporting should be done for activities, targets and indicators already set in the action plan including on vulnerable groups (youth, poor, female heads of households, etc.) as would have been identified in the gender analysis and action plan. If activities or targets are not achieved as per plan, reasons should be provided, and recourse action should be proposed. Please include reporting on any changes or deviations. Include a Report on implementation challenges and lessons learnt and how these will inform on-going actions and what action will be taken by when to address the challenges faced. Incorporate both quantitative data and qualitative reports on the performance of such actions, and on progress on actions identified.</i>																							
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Budget	0
Currency	USD
Timeline (Planned completion of activity)	31 December 2030
Responsibility	
AE and independent consultants.	
Remarks/Notes	
As some sub-projects are still in development (pre-construction and pre-operation phase), they still need to develop a Gender Action Plan and conduct gender-responsive stakeholder consultations.	
F.9. Gender Action Plan implementation review	
Is the gender expert for the project/programme engaged to support the implementation of the gender action plan? If engaged previously, please advise if the gender expert has been retained by the project/programme, including plans to engage another expert if a previously engaged expert has left the project/programme.	Yes ☒ No ☐
<i>The ESG and Impact team provides gender expertise to support sub-projects in addressing gender-related issues.</i>	
Has the implementation of gender action plan/s being implemented according to Funding Activity Agreements and GCF's Updated Gender Policy? Please ensure that the budget is included in the reporting above if it was indicated in the approved or updated gender action plan.	Yes ☒ No ☐
<i>The Gender Action Plan (GAP) is being implemented in line with the Funding Activity Agreement and GCF's Updated Gender Policy. Gender considerations have been integrated into stakeholder engagement and sub-project execution. Monitoring is supported through ESG reporting systems with increasing use of gender-disaggregated data. The allocated gender budget is integrated into the overall ESG Management budget and in the Technical Assistance.</i>	
Are the planned activities, targets, indicators, timelines, etc. on track during the reporting period?	Yes ☒ No ☐
<i>Overall, implementation remains aligned with agreed targets and timelines. The focus is on implementing the GAPs on subproject level.</i>	
Were there any revisions of the approved GAP during the reporting period? Please submit the updated GAP in Annex section of this APR and ensure that the updated GAP has details on each change.	Yes ☐ No ☒
None	

Are the reported results on track to contribute to meeting the sex-disaggregated targets for the direct beneficiaries in the funding proposal, if applicable?	Yes ☒ No ☐
<i>Reported results are broadly on track to contribute to the achievement of sex-disaggregated targets. Sub-projects are actively aiming to increase employment opportunities for women, often with clearly defined targets aligned with the 2X Challenge criteria. These efforts support the inclusion of women as direct beneficiaries of investments and interventions through direct jobs creation for women.</i>	
Has the project/programme experienced any implementation challenges that affect gender-related activities? If yes, please include lessons learnt and how they are informing ongoing actions.	Yes ☒ No ☐
<i>Sectors supported by SCF (e.g., energy and infrastructure) have traditionally lower female representation. This has affected the pace at which gender-related targets, particularly participation and employment of women, can be achieved. Key lessons learned include the need for more targeted and proactive approaches to engage women, including early-stage outreach, tailored capacity-building, and partnerships with women-focused organizations. In response, ongoing actions include strengthening gender-responsive stakeholder engagement, increasing focus on training and awareness activities, and promoting inclusive recruitment and participation practices. These measures aim to progressively improve women's participation and ensure alignment with the Gender Action Plan over time.</i>	
Were there any best practices identified, or case studies prepared on benefits/activities undertaken as agents of action by women and the female heads of households during the reporting period? Please share any case studies in the text boxes or in the Annex section of the APR.	Yes ☐ No ☒
None	
Provide planned activities on gender elements for the next reporting period	
<i>The SCF team will continue to strengthen the integration of gender considerations across both the investment process and project implementation. This includes ensuring that gender-related risks are systematically addressed during screening and due diligence, while supporting investee companies in adopting gender-responsive practices during implementation. For 2026, SCF aims to:</i> • Implement and operationalize the Gender Action Plan (GAP) across the portfolio and work with new investees to develop and implement investee-level GAPs • Develop and implement gender empowerment activities as part of Environmental and Social Action Plans (ESAPs), with a focus on promoting gender equity and supporting vulnerable groups • Collect and report sex-disaggregated data and gender-specific KPIs, and implement corrective actions based on findings (on a quarterly and annual basis)	

G. ANNEXES (UPLOADED)
Annex 1: GHG emission reduction calculation methodology (for projects reporting GHG emission reductions) and details on the calculations of the annual and cumulative value.
File Name: Summary GHG calculation_Luxun_2025.xlsx
Annex 2: Communication and visibility material
No annexes provided.
Annex 3: List of grievances received
No annexes provided.
Annex 4: Procurement information
No annexes provided.
Annex 5: Updated implementation timetable for the Funded Activity for the following year
No annexes provided.
Annex 6: Updated Gender Assessment and/or Action Plan
No annexes provided.
Additional Annexes (if applicable)
No annexes provided.

