
Annual Performance Report

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GREEN
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FUND

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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. 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

At its 3rd year of implementation, PEEB Cool has reached cruising speed. Thanks to a successful cooperation and joint workforce between AFD and GIZ, the programme is well known in beneficiary countries by a variety of public actors that are active in energy efficiency and sustainability in the buildings’ sector.

The major challenge of the programme is still to identify subprojects which benefit from concessional loans from GCF. 2 countries have now secured loans: Mexico and Argentina. One financing agreement of USD 100m has been signed in Mexico and two financing agreements of EUR 50m each are approved and waiting to be signed in Argentina. These loans will finance sustainable building projects with different contents: construction of energy-efficient buildings by private companies in Mexico, renovation of public hospitals and schools in two Argentinian provinces with a strong focus in adaptation. It is too early yet to report on actual impacts at this stage because the subprojects are under design process. In some other countries, the identification process has started for investment subprojects, such as North Macedonia and Nigeria.

Meanwhile, technical assistance activities have provided interesting results on both AFD and GIZ side. On AFD side, technical assistance activities have supported buildings projects in PEEB Cool beneficiary countries, providing a sustainability component to projects which are financed by AFD financing tools only. On GIZ side, technical assistance activities are implemented in close coordination with institutional partners like country agencies for energy efficiency. Those institutional activities include strengthening local capacities (70 people already trained), improving the sectoral investment framework and public policies in the sector, activities which have started in all countries.

2026 will be a major turnpoint for the programme, with potentially new investment projects under identification and possible reallocation of funds between countries for ensuring complete use of GCF funds.

B. 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)

Please provide a concise summary of progress made towards achieving the Logical Framework Indicators, focusing exclusively on achievements realized during the reporting year. Structure the summary by outcome, output, and activities, ensuring each section is clearly delineated. Limit each outcome and output summary to 100 words, and each activity summary to 80 words. For example: Outcome 1 (100 words), Output 1 (100 words), Activity 1.1 (80 words), Activity 1.2 (80 words) etc.... Please ensure that all activities are reported with explicit reference to the implementation plan for the past year.

PEEB Cool officially started in November 2023. In 2024 PEEB Cool was fully set on track.

The main project milestones are the following:

- signature of the FAA between GCF/AFD on January 11th 2023
- signature of AFD/GIZ delegation agreement on October 27th 2023
- signature of AFD/Proparco mandate agreement on October 25th 2023
- programme effectiveness on November 6th 2023
- first disbursement of GCF grant to AFD amounting EUR 15 million on March 18th 2024
- first disbursement of GCF loan to AFD amounting USD 25 million on March 28th 2025

PEEB Cool Programme Management Unit is complete, it comprises since December 2024 full-time officers at AFD and GIZ headquarters as well as in AFD and GIZ country offices covering the 11 beneficiary countries.

The Steering Committee of PEEB Cool is identified and comprises 4 members as part of AFD, Proparco, GIZ (implementing entities) and FFEM (co-financier). The first PEEB Cool Steering Committee meeting was held on May 16th 2025.

In all PEEB Cool countries of intervention, AFD and GIZ hold dialogue with government partners including the NDA and a technical partner from either the government or public authorities.

COMPONENT 1 – INVESTMENT FACILITY IMPLEMENTED BY AFD

The Investment Facility aims at preparing, financing and supervising sustainable buildings subprojects. GCF concessional loans for financing and grant for technical assistance will help improve the sustainability of buildings projects construction or renovation compared to the current practices in countries.

Output 1.1 - Project owners are supported in the various phases of their investment

AFD as a development bank has a proactive approach based on opportunities: AFD will align to the government strategies and respond to the investment needs in countries. Only a financing request from the financing partner will allow AFD to start the preparation of an investment.

In this regard, AFD has been actively engaging in identifying strategies and priority investments required by partner governments in the 11 countries and, at the same time, presenting the PEEB Cool approach, eligibility criteria and services offer to governments, public and private actors. GIZ is participating to this effort of preparing investments as part of Component 2 – Enabling Facility.

Activity 1.1.1 - Technical assistance support at identification and design phases

Technical assistance support at identification phase has been provided to 3 subprojects which will benefit from GCF concessional loans: 1 credit line in Mexico and 2 direct loans to the provinces of Santa Fé and Cordoba in Argentina. Those subprojects have been approved by AFD board, implementation will start soon. Technical assistance at design phase will start accordingly.

Technical assistance at design phase is being provided to 5 additional subprojects which are financed by AFD group only in PEEB Cool beneficiary countries. Those additional subprojects are detailed later in this APR.

Meanwhile in Tunisia, Morocco and Nigeria, technical assistance services have been granted under PEEB Cool to project owners who lead a construction or renovation project to fulfill sustainability targets. The typologies of the projects are respectively hospitals construction (Tunisia), clinics construction and renovation (Morocco) and datacenter extension (Nigeria). Those projects are financed by an AFD group financing that was approved before PEEB Cool started. They might not use the investment capacities of the GCF under PEEB Cool however, since they are supported by the PEEB Cool TA scheme, they will contribute to the achievement of PEEB Cool targets regarding technical and financial indicators.

Activity 1.1.2 - Technical assistance at construction and operation phase

This activity has not started yet as no subproject supported by PEEB Cool has started construction/renovation phase so far. All subprojects supported by PEEB Cool will include this TA for ensuring an implementation which is compliant with PEEB Cool targets.

Activity 1.1.3 Capacity reinforcement to Subproject stakeholders

Same as above, this activity has not started yet. Subproject stakeholders will need capacity reinforcement for properly implementing and operating sustainable buildings, this phase has not started yet for any subproject.

Output 1.2: Financing agreements for investments signed

Activity 1.2.1 Investment funding

One subproject, a credit line benefitting to the national bank Nafin, was approved by AFD board on April 24th 2024 and signed with Nafin on December 17th 2024.

Two subprojects for the renovation of public and social buildings in two different Argentinian provinces were approved by AFD board on July 9th 2025. The signature of their respective financing agreement is happening early 2026.

A detail on the status of AFD and GIZ activities as part of each country is given in the same section below.

COMPONENT 2 – ENABLING FACILITY IMPLEMENTED BY GIZ

The local teams of the Enabling Facility (GIZ) in all 11 countries are fully staffed and the dialogue with government partners has been established. Scoping studies conducted in 8 out of 11 countries helped to map existing knowledge, needs and gaps and to identify key stakeholders and implementing partners. These studies provided relevant information for the operational planning on country level. Kick-off events with political high-level participation and workshops for the joint elaboration of operational plans have been conducted in all countries. These events were generally accompanied by a mission from the headquarters team. Operational Plans are in place in every PEEB Cool country, in some of them the planning does not yet cover the complete scope of results to be achieved until end of 2028.

Output 2.1: Sectoral investment frameworks unlock investment potential for green recovery

Activity 2.1.1. Development of sectoral frameworks or initiatives

So far none of the planned sectoral frameworks has been completed until end of 2025. (0 % completion). Documents and strategies that are still being processed, even at an advanced stage, are counted as "zero" in this calculation. Ongoing work is detailed in the "activity" sub-section of this APR.

Output 2.2: Policy proposals prepare the ground for building sector transformation

Activity 2.2.1. Support for development of policies on energy efficiency in buildings

So far none of the 24 planned policy proposals has been completed until end of 2025. (0 % completion). Documents that are still being processed are counted as "zero" in this calculation.

9 countries reported progress between 20 and 50 % until completion of a single policy proposal, several countries are currently working on two policy proposals, all of them are still in progress. Ongoing work is detailed in the "activity" sub-section of this APR.

Output 2.3: Private and public sector actors are enabled to work towards building sector transformation

Activity 2.3.1 Development of training and awareness raising modules

Training modules on topics that are considered relevant for all or most PEEB countries are being developed at HQ level for use in partner countries. Translation and adaptation to the specific conditions, if necessary, are foreseen to be done locally.

Three training modules had been developed by end of 2025:

1. The use of Article 6 (of the Paris Agreement) finance mechanisms for buildings
2. Local Financial Institutions
3. Bioclimate design

Activity 2.3.2 Implementation of training and awareness raising measures

Significant progress in the implementation of training and awareness raising measures has been reported from three countries (North Macedonia, Tunisia, Nigeria), while others are still in the phase of coordination with partner institutions about priorities with regard to trainings and of preparation of training measures. So far a total of 380 trainees have benefitted from GIZ trainings.

Output 2.4: Programme experience supports the global building sector transformation

Activity 2.4.1 Development of knowledge products

So far 3 knowledge products have been elaborated and presented on the following topics:

- “Energy Efficiency for Social Infrastructure – a toolbox for development banks” in collaboration with FiCS
- “A Guide to Green Financing” was developed for Mexico
- “A guide to the development of Article 6 projects in the buildings sector” was published and presented at COP30 in Q4

Activity 2.4.2 Dissemination of experience

PEEB took the opportunity to present the programme and partnership, activities and achievements so far in 6 events that are developed under the “activity” sub-section of this APR.