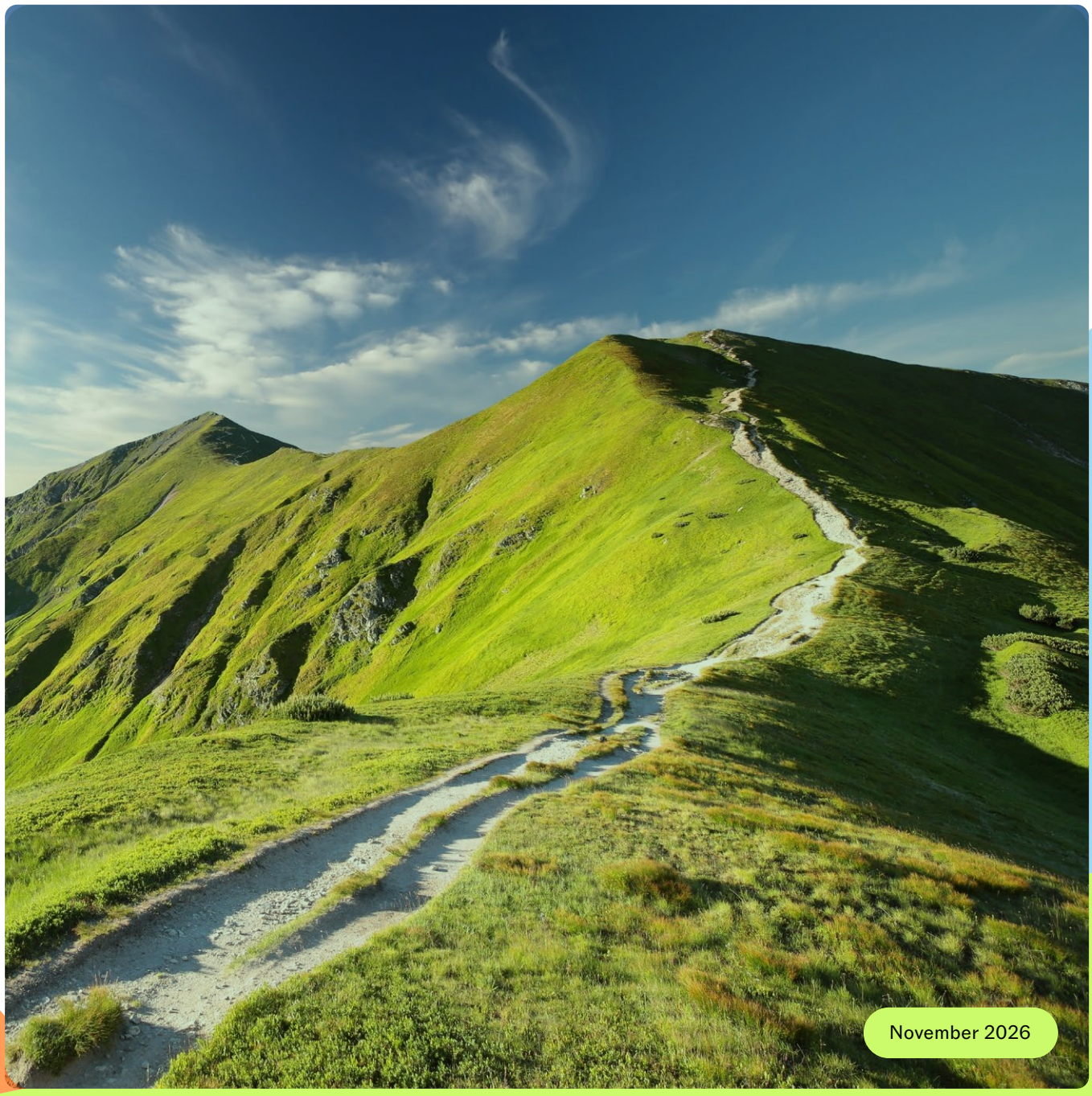
GREEN CLIMATE FUND

COP31 Edition

GCF Reform Journey

Country-led, efficient, and impactful



November 2026



Razafindravola Ernestine, lead of the Soa Te Hivoatra Women Association, demonstrates planting crops following adaptation techniques in East Madagascar as part of FP026. Image: Green Climate Fund/Little Big Films

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Executive summary

Developing countries face a double challenge: climate investment needs are greater than ever and must be met faster than ever. With Parties calling for at least USD 1.3 trillion a year in climate finance for developing countries by 2035, the world's largest multilateral climate fund must deliver at a much larger scale and a much faster pace. In 2023, GCF launched an ambitious programme of reform to rise to that challenge.

This report sets out how the Reformed GCF is becoming a benchmark country-led, efficient and impact-driven institution.

Country-led. GCF now works closer to the countries to serve the most vulnerable. Reorganized around regions, with a single point of contact for partners, Liaison Officers in 60 countries and five regional offices on the way, GCF is broadening access; the number of Direct Access Entities has increased by 78% since 2023. Funding is reaching the most climate-vulnerable communities; 21 of 40 countries that had never received a single-country project now have one.

Efficient. What once took years now takes months; operations are leaner. Accreditation and funding proposal reviews are now delivering on, and even surpassing, the 9-month targets set. Optimizing its balance sheet, the Fund has unlocked more than USD 4 billion in new capacity, paving the way for a record USD 1.97 billion in approvals at a single Board meeting in October 2026. GCF's operations are also becoming leaner: the Secretariat's administrative costs have fallen by 26% since 2020, relative to our portfolio size.

Impactful. The ultimate destination of the Reform journey is impact. Reform matters because of what it delivers on the ground. GCF projects have already made 377 million people more resilient and avoided 150 million tons of emissions. Its portfolio is set to reach 1.9 billion people, 1 in 4 in the developing world and to avoid the emissions of Co2 equivalent to three years of emissions of every car in the European Union.

Ready for scale. Reform did not slow delivery. It accelerated it, with programming exceeding USD 3 billion in 2025 and in 2026. With a growing partner network, systems built for higher volumes and a portfolio expanding faster than its costs, GCF is ready to grow towards USD 50 billion by 2030 and to turn every additional dollar into climate impact, swiftly and where it is needed most.

Behind these numbers is a story of transformation, the story of an institution that listened to its partners, rethought how it works and committed to face the many challenges of the journey. This report tells that story through the reforms themselves, the voices of our partners, and the projects that show what a Reformed GCF can deliver. Read on to discover how GCF got here, and where the journey goes next.

Reform on a page

Country-led



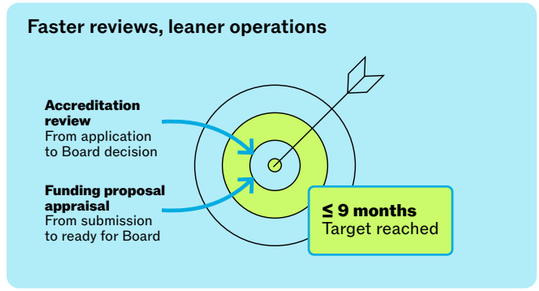
Bringing GCF closer to countries
Dedicated regional teams, single point of contact, in-country Liaison Officers and 5 planned regional offices.

Strategic country-led programming
Multi-year readiness support, country platforms, country-specific programmatic approach.

Direct access
Targeted support through readiness and accreditation of Direct Access Entities.

Reaching the most vulnerable
250 projects and nearly 60% of GCF financing in grant equivalent terms directed to SIDs, LDCs and/or African States.

Efficient

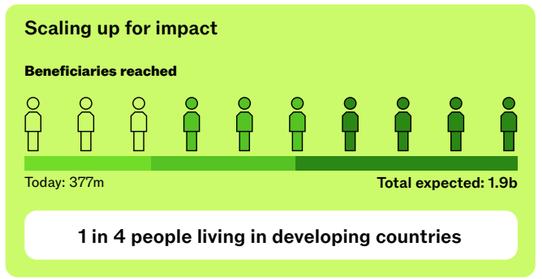


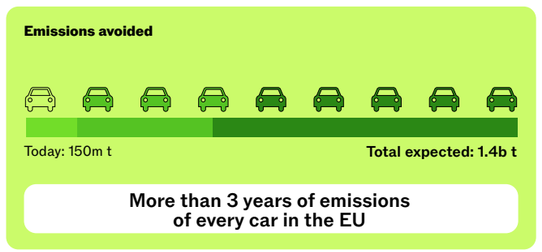
More efficient processes
Accreditation review and funding proposal appraisal time reduced to 9 months or less within first year of implementation.

Efficient use of resources
USD 4b unlocked through balance sheet efficiency that will scale up impactful projects.

Corporate efficiency
Stronger processes and systems, digital solutions and improved administration efficiency ratio.
Relative to portfolio size, administrative cost fell by 26% since 2020.

Impactful





Translating data, evaluations and knowledge into impact
Improved impact reporting and moving towards Harmonized Results Management Framework.

Mobilizing finance for impact
Differentiated risk appetite, mobilising USD 3 for every USD 1 GCF puts in, leveraging co-investment and guarantee platforms.

The case for the Reform

The climate crisis is intensifying, and with global temperatures set to exceed 1.5°C, the costs and risks of inaction are rising rapidly. Every additional fraction of warming increases impacts on people, economies and ecosystems, while making adaptation more difficult and costly. Supporting human prosperity in the face of these rising risks will require climate investment in developing countries at unprecedented scale and speed, with financing needs estimated in the trillions of dollars annually.

This imperative was reflected at COP29, where Parties called for climate finance for developing countries to reach at least USD 1.3 trillion per year by 2035, a goal reaffirmed at COP30 alongside a commitment to at least triple adaptation finance by 2035. As the world's largest multilateral climate fund, GCF has a central role to play in meeting this challenge.

FP072 is helping smallholder farmers in Zambia build resilience to drought and erratic rainfall. Image: Food and Agriculture Organization



This was also the premise of the "50by30" vision presented in 2023 by GCF's Executive Director, Mafalda Duarte. Built around five core tenets – enhancing efficiency, maximizing impact, reaching the most vulnerable communities, scaling private sector mobilization, and advancing strategic country-led programming – the vision set a clear direction for GCF's reform. Delivering on it required GCF to strengthen its operating model and improve how it supports countries and partners, building a Fund capable of efficiently and impactfully managing a capitalization of USD 50 billion by 2030.

In response to the double challenge of urgency and scale, an extensive Reform Journey was undertaken, grounded in listening, learning and action. GCF listened to its partners and the communities it serves, assessed the progress made since the Fund's creation, and identified both external challenges and internal barriers to effective delivery. Based on this, the Fund launched a series of reforms to transform the GCF into a more country-led, more efficient and more impactful fund.

The first driver of the Reform was the need for greater country focus. Redesigning the organization of the Secretariat was necessary for its operating model to be better integrated and more responsive to the countries' needs. The new regional teams, with a new single point of contact, provide a more consistent engagement across all of GCF's tools – from readiness and project preparation, to pipeline development and portfolio management. This single point of contact is supported by enhanced investment services, focusing GCF's response to country needs and simplifying country access to GCF finance.

The second driver for the Reform was the need to improve access to finance by making the Fund more efficient. Feedback from partners pointed to slow response times and high transaction costs. Internal inefficiencies, including fragmented workflows, silos and process complexity made access challenging for partners, particularly for those with the least capacity. These challenges highlighted the need to simplify procedures and speed up delivery with new service standards for review times.

This report sets out how the Reformed GCF is becoming a benchmark country-led, efficient, and impact-driven institution.

Lastly and most importantly, the Reform is driven by the imperative to make GCF more impactful. While strengthening country ownership and improving access to finance are essential, they ultimately serve the broader goal of maximizing the Fund's contribution to climate action. GCF recognized the difficulties in demonstrating results and the need to invest in stronger monitoring and evaluation systems, enhancing the use of data to effectively capture outcomes, identify lessons, and provide evidence of how climate finance is transformed into measurable and systemic climate impact. This report sets out how the Reformed GCF is becoming a benchmark country-led, efficient, and impact-driven institution.



Through FP184: Vanuatu community-based climate resilience project (VCCRP), local farmers and fisheries have access to climate information and early warning systems. Image: Save the Children Australia

Reform Journey

The sequencing of the Reform agenda was deliberate. Reforms to widen access came first, because a faster pipeline offers little value if partners, particularly Direct Access Entities and the most vulnerable countries cannot enter it. The reorganization in regional teams, the new readiness strategy and the revised accreditation framework are broadening access pathways and partner network.

Reforms to accelerate project appraisal cycle times followed closely, so that a broader pipeline could move faster from concept to disbursement. Concept screening now takes less than two months instead of around two years, all but two of the 51 funding proposals submitted since January 2025 have been appraised or are on track for appraisal within nine months, and first disbursements of grants within six months of approval have almost tripled since 2023.

In parallel, the Fund is strengthening its institutional backbone to ensure that a growing portfolio does not translate into a proportional increase in costs. The Fund now manages a USD 22.2 billion portfolio, and relative to its portfolio size, its administrative costs have fallen by 26% since 2020. It continues to improve its structures, processes and tools to sustain this pace of growth and be able to efficiently manage a USD 50 billion portfolio by 2030.

Lastly, the standardization and digitization of data paved the way to allow the reform of the result and risk frameworks, enabling GCF to report results consistently at portfolio level and take calibrated risks in pursuit of greater impact.

As GCF continues on this journey, the next phase will focus on consolidating the gains achieved and embedding the reforms now underway so that their full benefits can be realized by 2030. GCF will continue to deepen country engagement through the opening of regional offices, strengthen its reach to the most vulnerable and continue improving its processes to unlock further efficiency gains.

Reform journey timeline



Country-Led

First Country Platform

2024–2027 Strategy approved

Direct Access Entity window

First Liaison Officers deployed

60 Liaison Officers deployed

100 Liaison Officers deployed by 2029

Investment team regionalization

5 regional offices approved

1 regional office open in 2027, and 4 more by 2030

Efficient

Funding Proposal Appraisal 9-month target achieved

Efficient GCF Initiative launched

Streamlined access and funding processes

Consolidation and continuous improvement

Focus on delivery and disbursement

Reformed Accreditation

Accreditation review 9-month target achieved

IT Systems integration

Strengthened corporate processes and controls

Balance Sheet efficiency

Continuous improvement

Focus on people

USD 4b unlocked

Impactful

Revised Risk Appetite Statement

GCF.10 Impact Reporting

Digitized Annual Performance Reports

Harmonized Results Framework

AI-enabled knowledge management

1. Country-led

Advancing country-led strategic and paradigm-shifting programming

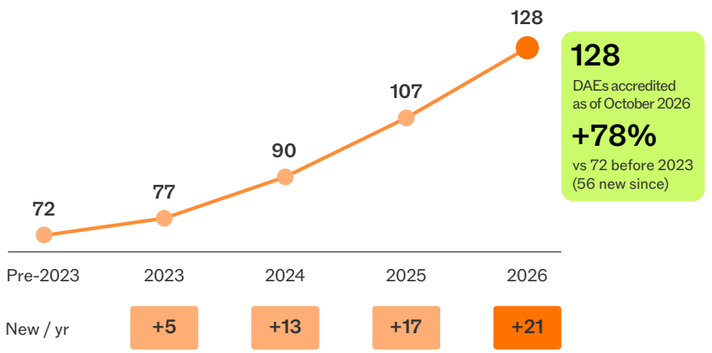


Through FP036: Pacific Islands Renewable Energ Investment Program, solar panels and Battery Energy Storage Systems (BESS) have been installed in the Cook Islands. Local electrical technician, Karo Tararo, stands alongside the new crucial infrastructure. Image credit: Green Climate Fund/Konini Rongo

While country ownership has always been a core principle of the GCF, experience showed that stronger engagement with countries, deeper regional understanding, and more integrated support were needed to operationalize this principle. The country-led reform pillar is therefore about bringing the organization closer to the realities, priorities and needs of countries, while making engagement with GCF more responsive, coherent and effective.

Broadening access, reaching the most vulnerable communities

Direct Access Entities (DAEs) accredited
Cumulative total, with new accreditations each year



128
DAEs accredited as of October 2026

+78%
vs 72 before 2023 (56 new since)

27
DAEs benefiting from dedicated readiness support of up to USD 1 million each

Priority-country portfolio
Financing to SIDS, LDCs and African States

3.6 billion
USD IN GCF FUNDING IN 2025 & 2026 ALONE

59%
OF GCF'S TOTAL PORTFOLIO

65%
OF GCF'S ADAPTATION FINANCE

1.1 Bringing GCF closer to countries

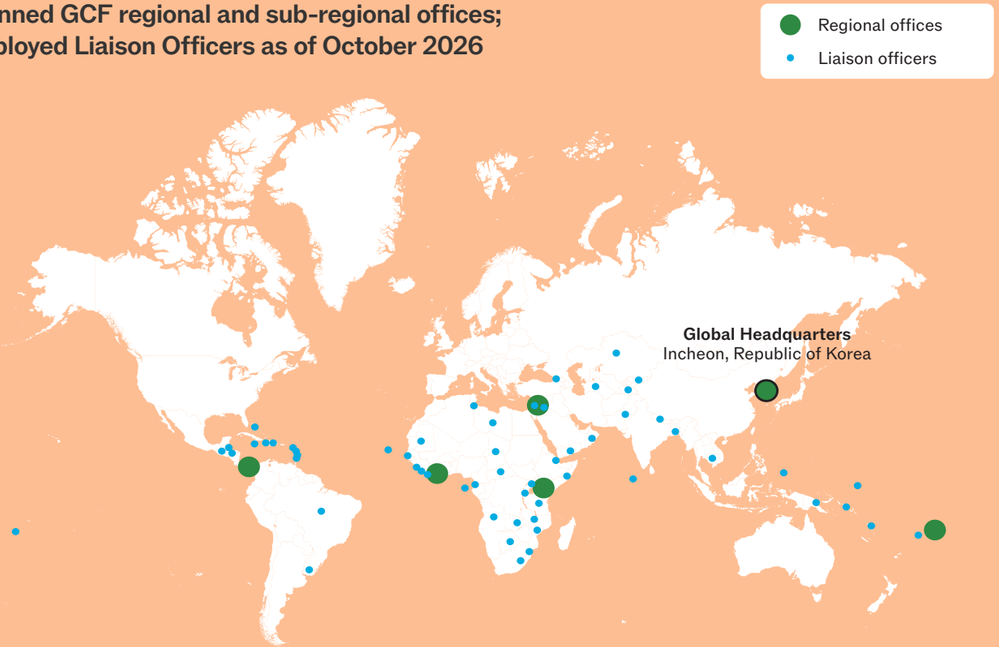
Starting in 2024, **the organizational reform** focused on reshaping the Secretariat to better support countries through a regional lens. This included redesigning the organizational structure around regions, allowing programming teams to engage with countries and partners across the full range of services and support GCF provides, namely, upstream policy and institutional strengthening, pipeline development and review and portfolio management. The integration of the Private Sector Facility into the regional set-up at the end of 2025 enabled the engagement along a whole-of-economy lens, including public and private sector investments. This organizational design enhances the ownership of the operational teams across the entire project lifecycle, breaking down silos and enabling partners to engage through a single, consistent point of contact from start to finish. This has also facilitated communications with partners, with many day-to-day exchanges with developing countries now being conducted in their languages, thanks to the end-to-end engagement of the specialist regional departments.

Looking ahead, the Fund will deepen this shift through physical regional presence, **targeting opening the first regional office in the second half of 2027**. In a landmark decision at 44th meeting of the GCF Board, and in strong support of GCF's Reform, the Board decided that, while the headquarters will continue to be located in the Republic of Korea, GCF will open regional offices in:

- Latin America and the Caribbean, located in Panama City, Panama;
- Eastern Europe, Central Asia and the Middle East, located in Amman, Jordan;
- Africa, located in Nairobi, Kenya and Abidjan, Côte d'Ivoire; and
- the Pacific, located in Suva, Fiji (sub-regional office).

Marking the first time GCF will have a physical presence closer to the countries it serves, this reform will strengthen coordination with its national government focal points (National Designated Authorities) and project partners (Accredited Entities), ensuring readiness support is aligned with country needs, accelerating project preparation, and improving implementation and monitoring of results.

Planned GCF regional and sub-regional offices; Deployed Liaison Officers as of October 2026



	Regional offices	Liaison officers
Africa	• Abidjan, Côte d'Ivoire • Nairobi, Kenya	Angola, Botswana, Cabo Verde, Central African Republic, Chad, Cote D'Ivore, Djibouti, Equatorial Guinea, Eswatini, Ethiopia, Gambia, Lesotho, Liberia, Libya, Malawi, Mauritania, Mozambique, Rwanda, Sao Tome and Principe, Sierra Leone, Somalia, Tanzania, Tunisia, Uganda, Zambia
Asia and the Pacific	• Incheon, Republic of Korea • Suva, Fiji (sub-regional office)	Bangladesh, Cambodia, Cook Islands, Maldives, Mongolia, Naoero, Nepal, Pakistan, Palau, Papua New Guinea, Solomon Islands, Tonga, Vanuatu
Eastern Europe, Central Asia and the Middle East	Amman, Jordan	Georgia, Jordan, Kazakhstan, Kyrgyzstan, Oman, State of Palestine, Tajikistan, Turkmenistan, Yemen
Latin America and the Caribbean	Panama City, Panama	Bahamas, Barbados, Belize, Brazil, Dominican Republic (the), Grenada, Guatemala, Haiti, Honduras, Jamaica, Saint Kitts and Nevis, Saint Lucia, Uruguay

> **For Georgia, strengthening climate resilience and advancing a sustainable economy are key priorities. Together with the Green Climate Fund, we are taking concrete steps to reduce climate-related risks, strengthen early warning systems and promote the sustainable management of forests. Our goal is to turn regional cooperation into concrete projects, and projects into investments and tangible results.**
>
> David Songulashvili,
> Minister of Environmental Protection and Agriculture, Georgia

1.2 Strategic country-led programming

GCF's Readiness Programme was fundamentally reoriented under the 2024–2027 strategy to support multi-year, programmatic approaches.[1] Directly responding to earlier concerns around complexity, slow delivery, and fragmented support,[2] a core pillar of this reform has been improving efficiency, speed, and usability of readiness support. This has included:

- Streamlining processes and tools, reducing the time required to process readiness grants;
- Pre-qualifying delivery partners to accelerate implementation;
- Advancing digital systems and standardized procedures to improve processing, disbursement, and oversight; and
- Refining the results framework to focus on fewer, more impactful objectives.

Within this framework and building on the successful roll-out of country coordination mechanisms financed by previous readiness grants, Country Platforms have emerged as a flagship modality, operationalizing the shift toward coordinated, large-scale investment planning.

Through readiness resources and complementary financing arrangements, GCF is supporting the establishment of a **Country Platform Hub**, a global coordination and knowledge mechanism designed to facilitate connections to technical and financial partners, continuous learning, best-practice sharing, and peer exchange amongst developing countries, supporting governments to design, implement, and scale Country Platforms.

1 GCF Readiness Strategy 2024–2027, adopted by decision B.37/21.
2 Independent Evaluation of the Readiness and Preparatory Support Programme (IEU, 2023; GCF/B.37/06).

Strategic country-led programming in Brazil

The Brazil Country Platform, launched in October 2024 as the first GCF-supported platform, set the precedent. It exemplifies a whole-of-government and whole-of-economy approach, aligning national climate priorities with investment pipelines across ministries, public agencies, subnational actors, and the private sector, while embedding participation from civil society and indigenous communities.

To date, it has identified a pipeline of over USD 25 billion. Already, it has approved GCF financing over USD 300 m, with cofinancing of USD 1.4 billion, demonstrating how well-placed country platform finance can unlock climate finance at scale.

Recognizing the capacity constraints in many countries as well as the countries' request to ease access and accelerate delivery, the new readiness strategy also supports for the first time the recruitment and placement of **Liaison Officers**. They are a significant step forward in enhancing country ownership and operational efficiency, serving as vital bridges between the GCF Secretariat and National Designated Authorities (NDAs), ensuring real-time support, improved coordination, and stronger alignment with national climate priorities. Their scope of work includes country programming, planning readiness support over medium-term, supporting origination efforts for mainstream funding, overseeing readiness activities and climate investments, as well as portfolio monitoring and reporting. This initiative not only aims to enhance the immediate engagement with GCF but also seeks to build long-term local capacity to address climate priorities effectively. As of October 2026, 60 countries have already benefited from this placement.

LIAISON OFFICERS DEPLOYED

60

Country Platforms have emerged as a flagship modality, operationalizing the shift toward coordinated, large-scale investment planning.



Liaison officers participating in the GCF onboarding workshop at the GCF headquarters. Image: Green Climate Fund/Terence Gile

1.3 Focus on Direct Access Entities

The Readiness Strategy 2024-2027 also responds to a clear gap in terms of support to Direct Access Entities (DAEs) who had not yet been able to present projects to the GCF. For the first time, a dedicated DAE modality is being implemented with each DAE being able to access funding of up to USD 1 million. As of October 2026, 27 DAE proposals have already been approved.

DIRECT ACCESS ENTITIES BENEFITING FROM READINESS SUPPORT

27

To further scale support for DAEs, GCF, in collaboration with the Adaptation Fund, has rolled out the **CP-DAE Community of Practice** that brings DAEs together for peer learning, shared knowledge, and collective capacity building. It functions as a global platform to exchange experience, reduce duplication, and accelerate the transition from accreditation to pipelines and effective implementation.

Supporting DAEs to scale climate action

One of the beneficiaries of the readiness DAE window is Eldik Bank. Through targeted capacity building, technical assistance, and knowledge transfer, the readiness funding helps the Bank integrate climate considerations into its governance, strategies, and operations. The project also supports the establishment of dedicated institutional and technical functions to manage climate-related projects and partnerships in line with the standards of the GCF and other international financial institutions. Ultimately, the initiative seeks to position Eldik Bank as a key national institution for mobilizing and channeling climate finance to advance low-emission and climate-resilient development in the Kyrgyz Republic.



Kumis is rooted in the herding traditions that sustain rural livelihoods in the Kyrgyz Republic. Eldik Bank is preparing to mobilize climate finance as the first Kyrgyz bank to become a GCF DAE. Image: Adobe Stock/kvdkz

Reform in action: Scaling country-led direct access

GCF's partnership with the Caribbean Development Bank (CDB) shows how a more country-led GCF can deepen its relationship with a regional Direct Access Entity and move beyond individual projects towards sustained, programmatic investment.

CDB brought forward 3 funding proposals, totalling USD 161 million including co-financing, addressing interconnected priorities for Caribbean SIDS: renewable energy and energy efficiency in Barbados, Belize and Jamaica; strengthened hydrometeorological and multi-hazard early warning services in Belize and Trinidad and Tobago; and greater climate resilience of the water sector in The Bahamas.

The partnership is also evolving towards a more programmatic approach. Supported by GCF readiness programme, the Regional Platform for Catalyzing Resilience and Climate Action in the Caribbean, launched in June 2025 with support from GCF, is designed to identify and deliver country-focused investment opportunities while building a coordinated regional approach to resilience. Eight governments are committed to participate: Bahamas, Barbados, Belize, Grenada, Guyana, St. Kitts and Nevis, St. Vincent and the Grenadines, and Trinidad and Tobago.

Support to DAEs has also been strengthened through the Revised Accreditation Framework (RAF) approved by the Board in 2025.[3] Under the RAF, priority is given to applications from DAEs, particularly those from countries that do not yet have one. These national and regional entities can implement locally led climate action, putting country ownership as a core priority of GCF's network extension. RAF introduces fit-for-purpose processes that enable GCF to expand its network and country coverage significantly, especially given that at the outset more than half of eligible countries lacked a national Direct Access Entity. With this, GCF continues to broaden its network of partners, especially Direct Access Entities.

The first window closed in April 2026 with 49 national direct access applicants from 35 countries and 11 regional direct access applicants, and the second window closed in September 2026 with 66 national direct access applicants from 50 countries and 17 regional direct access applicants. This is showing great interest from potential partners. While expectation is that applications are reviewed within a 9 month timeframe,[4] 6 DAEs that applied under the RAF were accredited at B.46 with an average 4 months review.

DIRECT ACCESS APPLICATIONS RECEIVED

147

TOTAL DIRECT ACCESS ENTITIES ACCREDITED IN 2026

21

B.46 DAE ACCREDITATION PROCESSING TIME

4 months

[3] Revised Accreditation Framework, adopted by decision B.42/04/Add.01.

[4] The timeline excludes applicants' response time and includes review by the Secretariat and the Accreditation Panel.

1.4 Reaching the most vulnerable

At its founding, the GCF recognised the **urgent and immediate adaptation needs of Small Island Developing States (SIDS), Least Developed Countries (LDCs) and African States.** Building on that mandate, the 50by30 vision includes an explicit focus on reaching those that are particularly vulnerable to climate change. These countries, where debt stress, instability, weak institutions, damaged infrastructure, displacement, and environmental degradation compound exposure to climate shocks, concentrate many of the world's most climate-vulnerable communities.

The reforms have brought these into focus and proactively sought to support these groups, both in the Fund's programming and accreditation pipelines, as well as to ensure GCF is supporting all the eligible developing countries under the UNFCCC. In 2024, GCF mapped out eligible countries without GCF funding in its portfolio. The mapping found 18 countries without approved GCF funding proposals and 40 without a single-country funding proposal. Since then, GCF has worked systematically to close this gap. At its 46th meeting of the GCF Board (October 2026), 21 of these 40 countries have received their first single-country approval. These include Somalia and Iraq in 2024; Togo, Papua New Guinea, Mauritania and South Sudan in 2025; and The Bahamas, Jamaica, Algeria, Cameroon, Chad, Central African Republic, Moldova, Syria and Yemen in 2026.

ADDITIONAL COUNTRIES NOW WITH APPROVED SINGLE-COUNTRY PROJECT

21/40

GCF is rapidly becoming a leading provider of climate finance in developing countries, including those with fragile contexts, where its support stood at USD 1.23 billion prior to 2023 and rose to USD 2.39 billion from 2023 to 2026. Over the past two years, GCF's approved funding directed towards LDCs, SIDS, and African States amounted to USD 3.6 billion. In grant equivalent, these priority countries now represent 59% of GCF's total portfolio, and 65% of its adaptation portfolio.

GCF also pays particular attention to the specific and existential challenges of SIDS. In June 2026, the GCF Secretariat went a step further in addressing them by establishing a dedicated SIDS taskforce, bringing together the Regional and Investment Services teams every quarter to coordinate on SIDS priorities. In addition to its regional dialogues, GCF is also committed to convene a biannual Talanoa, a virtual dialogue, between GCF Management and SIDS senior officials to discuss strategic matters. GCF is now considering implementing similar arrangements to respond to the needs of the LDCs.

Priority-country portfolio

Portfolio size (USD bn) and share of the GCF financing in nominal terms and % in grant equivalent (GE)

SIDS	LDCs	African States
USD 2.77 bn (13.5 bn with co-financing)	USD 6.23 bn (23.48 bn with co-financing)	USD 8.34 bn (26.37 bn with co-financing)
92 projects, of which 47 single-country projects	154 projects, of which 96 single-country projects	155 projects of which 96 single-country projects
16% GE	32% GE	38% GE

2. Efficient

Enhancing access and institutional performance



Harvesting palm fruit in Peru's Datem del Marañón, where GCF's first project, FP001, supported sustainable livelihoods alongside the conservation of the Amazon's wetlands and forests. Photo credit: L. Elias / Profonanpe

The **Efficient GCF initiative** was launched at the end of 2023 to improve the speed of access to climate finance and to set up the systems, processes and capabilities needed to perform effectively.

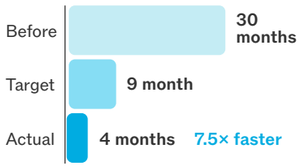
In 2025, the initiative expanded its scope of action to include corporate processes, and, in 2026, a broader Operational Excellence framework was created to provide a foundation for continuous improvement of GCF's processes and systems and a sustained culture of excellence across the Secretariat. **Through Efficiency reform, GCF is making it easier and faster for partners to access GCF finance, using our resources more efficiently and strengthening the institutional backbone that supports delivery.**

Faster reviews, leaner operations

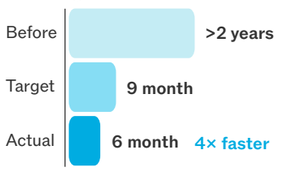
Review time (months)

Before vs after the reform

Accreditation



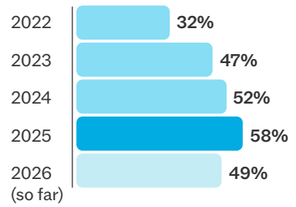
Funding proposals



Both review times now beat the 9-month target

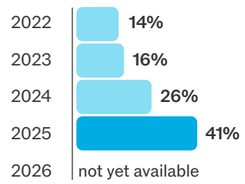
Funded Activity Agreements signed within one month of Board Approval

Before vs after the reform



Grants disbursing within 6 months

% first disbursements within ≤ 6 months after approval

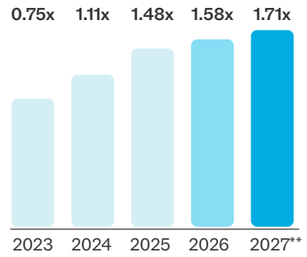


Corporate efficiency

Admin cost per USD 1b portfolio

-26% Between 2020 and 2026

Efficiency ratio*



In 2026, GCF portfolio growth exceeded its base cost growth by 58% (vs. 2025)

* The efficiency ratio measures the growth of the portfolio against the growth of the Secretariat's admin cost. When the ratio is larger than 1, the portfolio is growing faster than the associated cost.

** 2027 Based on budget figures

2.1 Investment process efficiency

Since 2024, investment process reforms have focused on revamping GCF's access and programming processes, to simplify entry points, shorten timelines, and reduce transaction costs for partners.

> **Our experience under the Revised Accreditation Framework has been highly efficient and constructive. For IOM, partnering with GCF presents an important opportunity to scale adaptation investments for the most vulnerable. We stand ready to support countries in addressing the impacts of climate change on human mobility, particularly in LDCs, SIDS and fragile settings.**
>
> Ms. Rania Sharshs, Director of Climate Action Division, IOM

In 2025, GCF committed to a target of reviewing **all accreditation proposals in nine months or less.**[5] This reform reallocated controls over fiduciary standards across the project lifecycle, reinforcing accreditation as an institutional due diligence function. To enhance efficiency, applications are considered during two fixed application periods, or windows, each year. The first window closed in April 2026. Of the 176 paid applications, 13 entities have already completed the process, and did so in four months on average. The Secretariat is monitoring the pipeline to ensure it can deliver on the reform's goals to expand the partner network, strengthen efficiency, predictability, fairness, transparency, and enhance accountability and risk management.

IMPROVEMENT ON AVERAGE TIME FOR ACCREDITATION REVIEW

7.5x faster

Additionally, an ambitious target was set to complete **the appraisal of Concept Notes and Funding Proposals in nine months or less.**[6] To deliver on this commitment, GCF has:

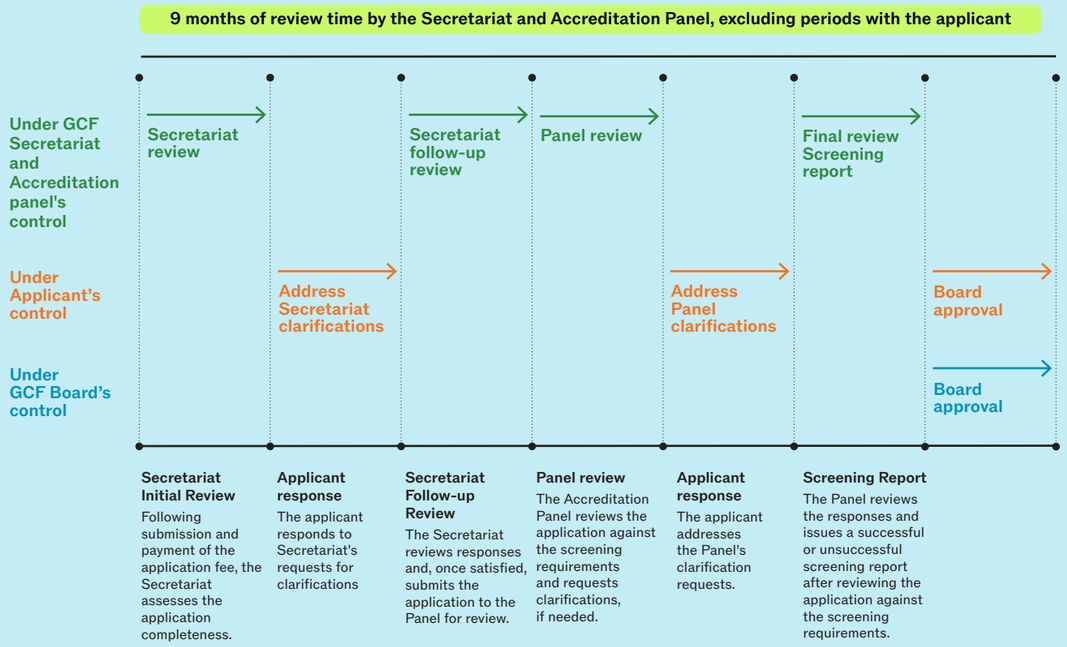
- Introduced an initial concept screening process through which GCF provides clear and early feedback to partners in less than two months, versus approximately two years historically, significantly reducing transaction costs on both sides;
- Standardized and streamlined the screening processes to avoid duplication of work;
- Deployed a first AI agent within a programmatic process to support the appraisal of Concept Notes and Funding Proposal;
- Continued to implement and enhance the PSAA (Project-specific Assessment Approach) modality by which the accreditation assessment and proposal appraisal are conducted in parallel, reducing the overall cycle time; and
- Improved its internal dashboards to monitor its pipeline in real time.

[5] The nine-month review period begins once the Secretariat confirms receipt of the accreditation fee for a submitted application. It covers the time the application is under review by the Secretariat and the Accreditation Panel, but excludes any time the application is with the applicant to respond to requests for clarification. The review period ends when the Accreditation Panel issues its screening report; it does not include the time between the issuance of the screening report and the Board meeting at which a decision is taken.

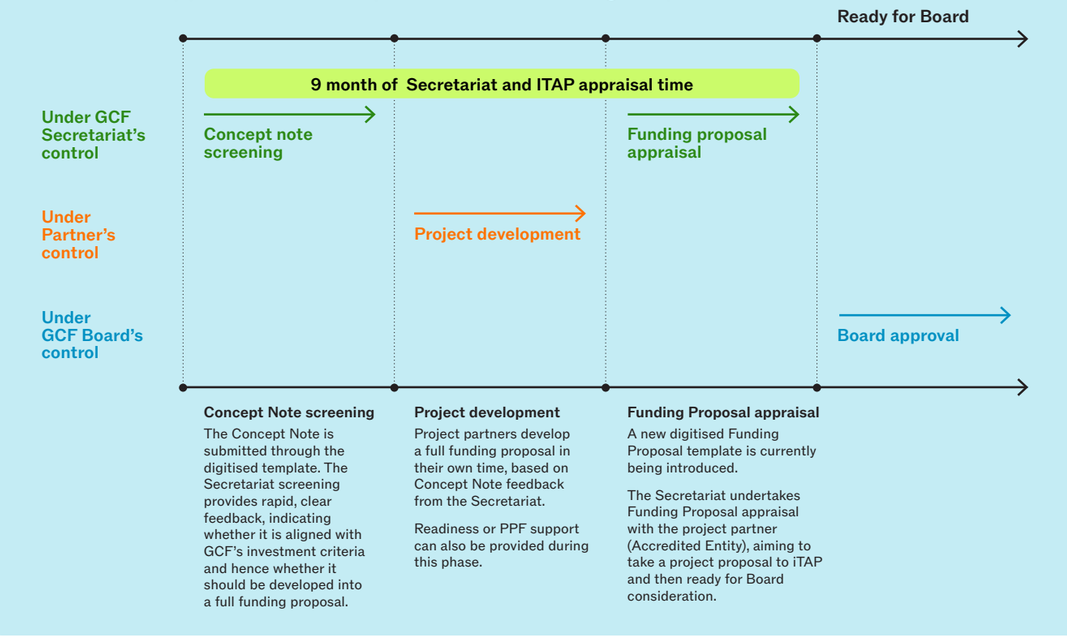
[6] This includes GCF Secretariat processing from reception of a concept note on the GCF partner portal until the project is ready to be presented to the Board for approval. It excludes the time taken by GCF's partners to develop their proposal. The 9-month commitment applies to all proposals received from 1 January 2025 onwards.

Timeline for accreditation application review

Review begins when the applicant pays the fees after submitting the application.



Timeline for appraisal of Concept Notes and Funding Proposals



Fast-track accreditation in Ghana and Nigeria

GCF used a new fast-track process for entities financed by the African Development Bank to bring two African national institutions into its network in record time. Under this process, GCF leverages and relies on the due diligence partners have already performed. Ghana Infrastructure Investment Fund (GIIF), a national infrastructure fund, and Nigeria's InfraCredit, a private infrastructure credit guarantee company, were the first two entities to be fast-tracked. GCF reviewed each application in about four months, less than half its nine-month accreditation target. As national Direct Access Entities, they can now bring climate investments directly to GCF in infrastructure, energy, transport, cities, water and food security, and livelihoods.

GCF is now delivering on its 9-month commitment for new projects submitted since January 2025. As of 30 October 2026, among 51 newly submitted Funding Proposals, 31 have been processed within nine months, 18 are currently progressing as scheduled to meet the target completion date, and two have experienced a slight delay. So far, the projects which have completed the full appraisal cycle have done so in less than six months on average.

IMPROVEMENT ON AVERAGE TIME FOR FUNDING PROPOSAL APPRAISAL

4x faster

To ensure projects move quickly into implementation, GCF has progressively streamlined its legal processes and agreements. Efforts that began in 2019 to sign some Funded Activity Agreements (FAAs) at the time of Board approval reached a steady state by 2023. Since then, more than half of the projects have had their FAAs signed within one month following board approval. Building on this, GCF introduced new Standard Conditions in 2026. They reduce the need to negotiate core contractual provisions afresh for each project while maintaining GCF's requirements. Early results are promising: all seven public sector projects that used the Standard Conditions in 2026 signed their FAAs on the day of Board approval.

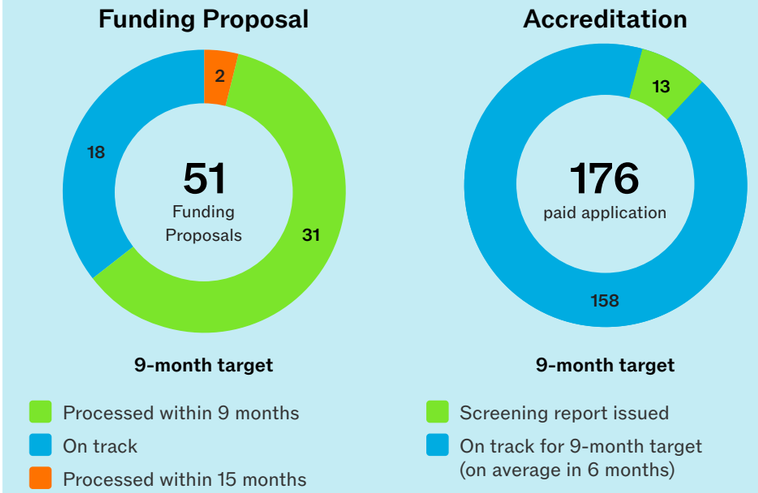
GCF is now delivering on its 9-month commitment for new projects submitted since January 2025.

This is how our partners from CITIC Capital describe their experience working with GCF:

> As we established the CC Asia Climate Fund, we experienced firsthand how GCF has been evolving into the climate partner of choice. The Efficient GCF framework fundamentally streamlined our day-to-day engagement, providing highly constructive support and pragmatic, timely feedback needed to seamlessly navigate project appraisal process. Beyond being a trusted partner, GCF also committed to higher efficiency. Complementing this operational agility, the Project-Specific Assessment Approach (PSAA) accelerated our speed and options to access to GCF resources and design a programme that is tailor made with high cost efficiency, empowering us as a new partner to channel

Accreditation Applications, Concept Notes and Funding proposals under review by GCF as of 30 Oct 2026

Faster, more predictable processing



> capital directly into underserved markets and technologies. By blending rapid project appraisal with the broadened access, the GCF allowed us to focus entirely on programming a high-impact climate investment that is truly country-led, sending a clear signal that it is an increasingly accessible partner for private sector institutions.
>
> The Efficient GCF framework fundamentally streamlined our day-to-day engagement, providing highly constructive support and pragmatic, timely feedback needed to seamlessly navigate project appraisal process. Beyond being a trusted partner, GCF also committed to higher efficiency.

Recognizing the importance of continuous institutional improvement, the GCF Board has actively engaged in enhancing its own governance and effectiveness, with the support from the Secretariat. At its 44th meeting (B.44), the Board approved significant updates to its committee structure, streamlining committee mandates to generate more integrated advice and adopted a Board training programme. At B.46 the Board also considered ways to enhance its decision-making and will continue discussions on Board effectiveness to further accelerate access and results.

GCF launched the GCF Partner portal as a one stop site for our partners, in response to their feedback. Partners struggled to navigate multiple GCF systems, resulting in a fragmented and poor user experience. By creating a more integrated and user-friendly interface, the GPP helps break down these silos and gives partners a clearer view of the status of their pipeline and approved projects.

In 2026, GCF is now focusing on more effectively and efficiently monitoring the performance of its portfolio, and of its partners. Through the introduction of a streamlined, digitized template for partners to report their Annual Performance Reports on the GPP platform, GCF partners are able to access historical data and report incremental changes, while revised sections now request quantitative metrics rather than extended narratives, increasing efficiency for both AEs and GCF regional teams. The digitization of data collection enhances the quality of reported information and supports the application of AI-based tools to identify inconsistencies and potential errors, thereby reducing the need for repeated clarifications. These new features also strengthen impact measurement and reporting and are described in greater detail in the following chapter of this document.

> **The Efficient GCF framework fundamentally streamlined our day-to-day engagement, providing highly constructive support and pragmatic, timely feedback needed to seamlessly navigate project appraisal process. Beyond being a trusted partner, GCF also committed to higher efficiency.**
>
> CITIC Capital

GCF is also strengthening the disbursement process by identifying both internal and external root causes of delays. While external factors will require longer-term solutions, the Secretariat has already taken steps to address issues within its control. In 2025, GCF's treasury system was successfully integrated with its Trustee's, enabling automated and seamless information transfers for payments. This integration has reduced manual inputs, resulting in faster processing times, for this part of the disbursement process and enhanced control over the disbursement workflow. In addition, automation is advancing in other areas, such as sanction screening, with a dedicated solution scheduled for delivery by the end of 2026.

2.2 Efficient use of resources

GCF's reform agenda also aims to make the best use of the Fund's existing resources, ensuring that every dollar is deployed strategically and to maximum effect. To this end, GCF has revised its approach to commitment authority and is building on its complementarity with sister funds to maximize its contribution to the climate finance ecosystem.

In July 2026, the Board adopted a **refined approach to commitment authority** – the amount GCF can commit to new projects – enabling the Fund to make more effective use of its existing resources. Previously, loans and guarantees required reserves equal to their full value; the revised approach instead reflects their modelled risk, while grants and equity remain fully reserved. At the time of the decision, commitment authority for the remainder of 2026 and through the end of 2027 was estimated to increase from approximately USD 1.4 billion to USD 5.6 billion, unlocking more than USD 4 billion in additional capacity for project commitments without new contributions or borrowing. This reform facilitated a record-breaking Board meeting in October 2026, with USD 1.97 billion approved for new climate projects.

ADDITIONAL COMMITMENT AUTHORITY UNLOCKED

4 billion

> **GCF's reform agenda also aims to make the best use of the Fund's existing resources, ensuring that every dollar is deployed strategically and to maximum effect.**

GCF also leverages its **Complementarity and Coherence Framework** with other multilateral climate funds to fulfil its role within the wider climate finance ecosystem and scale up successful interventions.

Through the newly agreed AF-GCF Scaling-Up Framework, GCF and the Adaptation Fund are creating a pathway for successful, country-led adaptation projects to move from proven interventions towards larger-scale investment. By connecting the knowledge, results and partnerships generated through Adaptation Fund projects with opportunities for potential GCF financing, the Framework aims to build on demonstrated experience, reduce unnecessary duplication and strengthen complementarity across the climate finance architecture.

2.3 Corporate efficiency

In parallel, reforms to corporate efficiency have focused on strengthening institutional capacity and enhancing the productivity of the Secretariat's support functions.

First, the Fund adopted a **multi-annual work programme and budgeting framework**, strengthening internal governance by providing greater predictability and capacity for and transparency in resource allocation. And through organizational development efforts, core functions were reinforced, including Treasury, Financial Control, IT, People and Culture, Risk and Operational Excellence, to ensure that the institution is better equipped to support a growing and increasingly complex portfolio and to implement regional presence.



A garment worker at Emessa in Egypt, where GCF financing has helped make clothing production more energy- and water-efficient. A new production line has cut energy use by about 28%, CO_2 emissions by 46 tonnes a year and water consumption by 50%. Image: European Bank for Reconstruction and Development

Leveraging MCF partnerships: AF-GCF Scale up

In Micronesia, the Adaptation Fund helped demonstrate how communities could use locally-led ecosystem restoration and management to protect livelihoods from climate impacts. GCF then helped take those lessons to regional scale.

GCF provided USD 173,000 in project preparation support to help turn lessons from that and other successful initiatives into a regional programme across Micronesia, Palau and the Marshall Islands. Today, that has become an almost USD 10 million programme, led by a regional Direct Access Entity, putting finance into locally led adaptation and expected to reach more than 76,000 people. One fund helped prove what works; another helped prepare it for scale. That is what an integrated climate-finance system should do.



SAP029 funds local groups across three Pacific nations to protect and restore the coastal and marine ecosystems their communities depend on. Image: Adobe Stock/ Noriyuki

Significant investments were also made to implement an integrated ERP system,[7] modernize internal processes, and reduce manual work, particularly within the finance and procurement functions, resulting in substantial efficiency gains. As an example, process automation has enabled the accounting team to double the number of invoices processed per month while maintaining a similar level of staffing. The consolidation of the ERP environment into a single integrated system, serving as a single source of truth for finance, HR, procurement, and travel and expense data, has significantly strengthened GCF's reporting capabilities. By bringing these core operational data sets together into one platform, it has reduced the time required to produce reliable operational information, improved consistency across reports, and enhanced management's ability to monitor performance and make timely decisions. Looking ahead, as it further leverages AI, the Secretariat is working toward near real-time reporting that will provide even faster, more actionable insights across the organization.

[7] An Enterprise Resource Planning (ERP) system is a centralized software system organizations use to manage core business activities such as accounting, procurement and human resources.

GCF is embracing **artificial intelligence as an enabler of a faster, more agile institution**, using it to accelerate the review of complex documents, identify patterns across large datasets, support initial analysis and summaries, and reduce time spent on routine tasks. In 2025/2026, through AI-enabled development software development, the organization avoided procurement cost of USD 5 million. At the same time, GCF is putting responsible use at the heart of this transformation: as a climate fund, GCF is paying particular attention to the environmental footprint of AI. When evaluating, procuring and scaling AI tools, GCF considers their environmental impact and applies a right-sizing approach that balances capability against energy use and cost, helping ensure that the technology we use is consistent with our climate mission. As a tool, AI will augment, not replace, human judgment, supported by safeguards for human oversight, transparency, fairness, privacy and security.

As part of its reform agenda, GCF recognizes that further work is needed to strengthen how people are managed and supported, to build the high-performing culture we aspire to: securing the best talent, in the right locations, when we need it. Underpinned by a strong and enabling organisational culture.

Like many young and growing organisations, GCF has been transforming itself at pace internally, alongside important changes to how we deliver climate impact externally. Greater investment in our people is central to this transformation. At the end of 2025, a comprehensive staff survey provided valuable insights into employee experience, engagement, and evolving needs. These findings are informing the development of a structured 'People Plan' to be implemented starting immediately and throughout the next strategic period [USP 3]. The Plan will strengthen the foundations of effective support for employees and, over the medium term, enable GCF to be more ambitious in attracting and retaining top talent while driving individual and collective performance. It will establish the target operating model needed to deliver across new geographic locations and help us understand the capacity and capabilities required to do so successfully.

The Board's adoption of new **Staff Regulations and Staff Rules** [decision B.42/15] in July 2025 marked an important milestone in this transformation. These came into effect on 1 January 2026, introducing a single salary structure and eight other



The two-day staff retreat in April 2025 brought GCF staff together in one place to build relationships, connect across teams, and strengthen the internal network. Image: Green Climate Fund

Staff Regulations, including: the introduction of a technical and managerial track; a standardised approach to updating salary scales; and updating some benefits. Work continues to embed these changes, and build on them through the People Plan.

In September 2026, GCF launched a Culture Taskforce as a first step towards bringing the organisation together to co-create the culture needed to achieve our ambitions. We will design a new behavioural competence framework to build that culture through everyday practice. This work will be complemented by the creation of a new Professional Conduct Unit that will work with other units in helping people navigate conduct, ethics and integrity matters, as well as actively supporting effective, and early dispute resolution. At the same time, GCF is building on strengths already present across the organisation. The Gallup Strengths framework has been rolled out to help staff identify and develop their individual strengths, while managers were trained to apply the same approach when leading their teams, creating a multiplier effect across the organisation.

Finally, to reinforce its culture of excellence, GCF has, over the past three years, invested significantly in internal control and operational excellence training. This includes targeted training programmes on the COSO[8] internal control framework, building a critical mass of staff with formal certification, and strengthening control awareness across the organization.

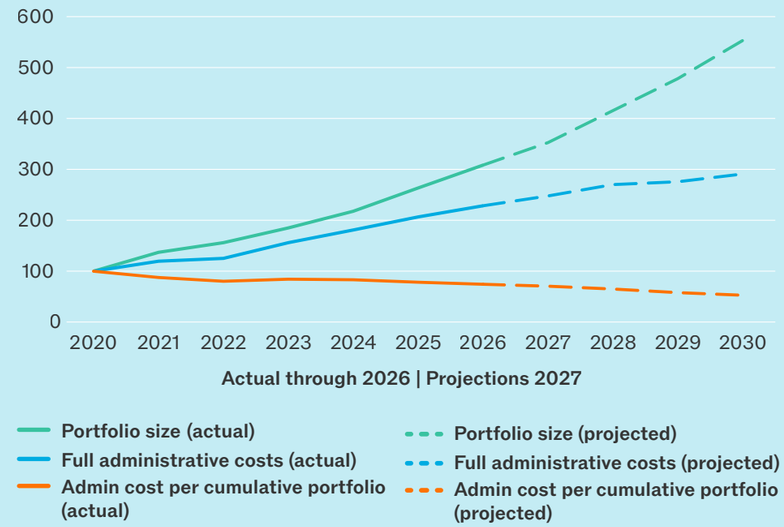
By embedding stronger control mechanisms within streamlined workflows and digital systems across the programming and corporate functions, and by building a risk-aware culture, GCF is reducing operational risks, improving compliance, and enabling more reliable and timely decision-making. This shift reflects a move from manual, fragmented controls toward a more integrated and preventive control environment, where risks are identified and managed proactively as part of day-to-day operations.



Community members in Vanuatu, where GCF-backed FP184 is supporting climate-resilient agriculture and locally led solutions to strengthen food security and climate resilience. Image: Save the Children Australia

[8] GCF utilizes Committee of Sponsoring Organizations of the Treadway Commission (COSO) model as its foundational Internal Control Framework, as per Board Decision B.BM-2015/06.

Evolution of Portfolio Size and Administrative Costs – Index 2020 = 100



As a result of initiatives undertaken at both the programming and institutional levels, productivity gains are beginning to materialize. Between 2020 and 2025, the cumulative portfolio expanded at a CAGR of approximately 21.3%, compared with 15.6% for Secretariat administrative costs. **This growing differential indicates that GCF is scaling its portfolio faster than its administrative cost base, improving the Corporate Efficiency Ratio and demonstrating increasing operating leverage as the institution grows.** GCF operations are becoming leaner: compared to its portfolio size, Secretariat's administrative costs have fallen by 26% since 2020.

More remains to be done to make the Fund fully fit-for-purpose as it scales towards the 50by30 vision, and the Secretariat is already acting on it. The next phase of institutional reform will strengthen cash-flow management, corporate performance management and internal governance, aligning strategic priorities, workplans and budgets, tracking institutional performance against clear indicators, and reinforcing accountability for delivery across the Secretariat. Stronger internal governance will also enable faster, more transparent decision-making and more disciplined prioritization, so that new initiatives are resourced in line with the Fund's strategic objectives.

GCF operations are becoming leaner: compared to its portfolio size, Secretariat's administrative costs have fallen by 26% since 2020.

Together, these measures will lock in the efficiency gains achieved to date and provide comfort that additional resources entrusted to GCF will be managed efficiently and translated into impact.

3. Impactful

Leveraging the power of technology and data for greater, systemic impact



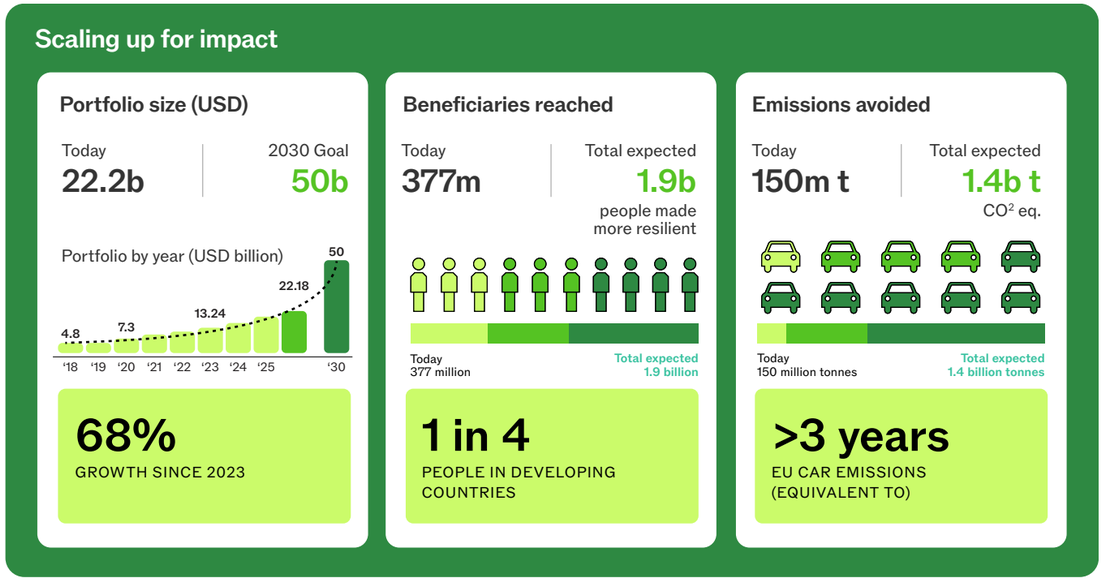
A tea farmer in northern Rwanda, where a GCF-supported project (FP073) is helping rural communities strengthen their resilience to the impacts of climate change. Photo credit: GCF / Andy Ball

Impact is the ultimate destination of the GCF Reform Journey, the point at which being country-led and becoming more efficient translate into tangible climate results for people and the planet.

GCF's projects have achieved significant results to date, reducing more than 150 million tonnes of greenhouse gas emissions and directly strengthening the climate resilience of 377 million people worldwide. Across the full portfolio of approved projects, 1 in 4 people in the developing world, or 1.9 billion are projected to benefit from our adaptation interventions.

Impact is the ultimate destination of the GCF Reform Journey, the point at which being country-led and becoming more efficient translate into tangible climate results for people and the planet.

Yet the rising climate crisis necessitates that the GCF pivots from a project-based approach to interventions geared towards longer-term systemic and transformational changes. To support this shift and to generate a greater multiplier effect of its intervention, GCF is massively investing in **strategic knowledge and learning**, technology and data as well as sharpening its results frameworks.



3.1 Turning data, evaluations, and knowledge into impact

The Fund is undertaking a **technology-led transformation to strengthen how it captures, manages and uses data** to demonstrate impact and drive learning. The Concept Notes, Annual Performance Reports (APRs) and Funding Proposals are

digitized through the GCF Partner Portal, enabling a more structured, reliable and standardized collection, use and reporting of data and results.

GCF is also transforming the way it leverages insights from evaluations, moving from stand-alone accountability instruments into a continuously utilized source of strategic insight, embedded across decision-making processes and institutional learning systems. The introduction of consistent online publication of Accredited Entity-led interim and final evaluation reports responds directly to stakeholder demand, particularly from civil society, for greater transparency and accountability. Concurrently, the Fund is strengthening internal processes to "close the loop" between Independent Evaluation Unit (IEU) findings and management responses, ensuring that evaluation insights are consistently integrated into Secretariat decision-making, enhancing coordination and relevance.

At the same time, GCF is pioneering a shift from fragmented, supply-driven knowledge management into a demand-led, AI-enabled system that delivers actionable insights at the point of need. Combining internal IT and Monitoring Evaluation and Learning (MEL) capabilities, GCF is building an institutional knowledge system that transforms data and information into a structured, query-able, and synthesized knowledge base. This approach leverages Retrieval Augmented Generation (RAG) frameworks and a structured knowledge model to ensure that insights are accessible, contextually relevant, traceable, and anchored in GCF's results areas.

Complementary efforts in **data libraries and dashboards** are expanding access to portfolio and country-level information, improving monitoring, evidence-based decision-making and institutional oversight, and enabling a shift away from fragmented, manual reporting toward an integrated reporting and analytics model. Underpinning these changes is a robust data governance framework that safeguards

In Ecuador, GCF's completed project FP019 protected and restored over 800,000 hectares of the Amazon with Indigenous leaders. Image: Green Climate Fund/ Formato Verde



consistency, accountability and transparency, while the public GCF Open Data Library makes key project and impact data available for external scrutiny and use.

Moreover, the Harmonized Results Management Framework (HRMF) has been developed to provide a consistent basis for planning, tracking and assessing results across the portfolio, helping to strengthen comparability, accountability and learning across the two existing corporate results frameworks for GCF projects and enabling the Secretariat to report results at portfolio level. By making the structuring of funding proposals and the monitoring of results more intuitive and user friendly, the HRMF will improve accessibility for Accredited Entities, reduce the compliance burden, support higher-quality results reporting, and strengthen GCF's position as a partner of choice. Furthermore, to support complementary and coherence across other climate funds and national reporting obligations, the framework is being aligned with peer climate fund frameworks and with indicators under the Global Goal on Adaptation.

And more importantly, through data-based evidence these reforms are allowing the GCF to project interventions with a potential to effect systemic change and even to support countries in adopting similar systemic approaches to programming.

Together, these next-generation reforms strengthen the Fund's ability to track outcomes, learn from results and inform the design and implementation of future projects. And more importantly, through data-based evidence these reforms are allowing GCF to project interventions with a potential to effect systemic change and even to support countries in adopting similar systemic approaches to programming.

3.2 Mobilizing finance for impact

The 2024 institutional reorganization marked an important step in strengthening GCF's ability to mobilize climate finance at scale, including through the establishment of the Department of Strategic Investment Partnerships and Co-Investments. The creation of this new department reflects the Fund's broader strategic objective of becoming a stronger catalyst for public and private investment, with a particular focus on developing large-scale transformative projects, innovative financial instruments, and structuring approaches that can unlock additional capital for country-driven climate priorities.

This is precisely where the Fund's **differentiated risk appetite** becomes central to its impact mandate. By accepting risks that other investors may not be able or willing to take, GCF can support projects and programmes with high climate impact potential, crowd in additional capital, improve the financial viability of investments, and help extend climate finance to the most vulnerable countries and communities, including in fragile and conflict-affected contexts. This approach was formalized in the revised 2024 Risk Appetite Statement,[9] which makes clear that risk-taking is not an end in itself, but a deliberate means to unlock greater impact.

[9] Risk Appetite Statement, adopted by decision B.40/17.

> **To realize significant impact and promote a paradigm-shift to meet its strategic objectives, GCF is willing to accept considerable risks in its programmes and projects in return for impact potential, to be evaluated on a case-by-case basis, recognizing the specifics of each funding proposal.**
>
> GCF Risk Appetite Statement, adopted by decision B.40/17

The revision of the Risk Appetite Statement was accompanied by more proactive risk-management measures, including the reinforcement of operational risk management practices and the rollout of a comprehensive Enterprise Risk Management (ERM) system. These enhancements provide a structured approach to identifying, assessing, and mitigating risks across the Fund's expanding portfolio, while also embedding risk awareness into daily operations. By integrating ERM into its reform journey, the Fund has positioned itself to manage complexity more effectively, safeguard resources, and build contributors confidence.

This approach demonstrates how the Reform equips GCF to take calibrated risks in pursuit of greater, systemic impact, reinforcing its role as a catalyst for transformational climate finance.

A key measure of the Fund's growing impact is its ability to mobilize finance well beyond its direct contributions. The reforms undertaken since 2023 have strengthened this catalytic function by reducing complexity, accelerating project delivery, and creating the conditions for larger and more transformational investments.

A building in Antigua and Barbuda strengthened through a GCF-backed project (FP133), which is climate-proofing public and community infrastructure to improve resilience and recovery from hurricanes and extreme weather events. Image: Green Climate Fund/Little Big Films



Through the Project Preparation Facility (PPF), GCF provides relatively modest, targeted funding at a critical stage of the investment cycle, helping countries and accredited entities turn promising climate concepts into robust, investment-ready projects. Since 2023, PPF grants of around USD 27 million have supported 50 Board-approved projects with USD 2.5 billion in GCF investment, helping mobilise a further USD 6.1 billion in co-financing. In this way, the PPF acts as a catalytic investment, using relatively small amounts of funding to overcome preparation barriers, strengthen project quality and accelerate the development of a larger pipeline of climate investments. SIDS provide a compelling example of this catalytic role. To date, PPF support for single-country SIDS amounts to USD 12.3 million across 23 grants, representing 14.7% of total PPF finance, with a further USD 16.8 million across 18 grants supporting multi-country projects that include SIDS. These grants have helped unlock USD 1.3 billion in climate investments, including USD 810 million in GCF financing, and will continue to support SIDS' maturing portfolio.

USD SIDS CLIMATE INVESTMENTS UNLOCKED THROUGH GCF PPF

1.3 billion

The reforms are also enabling GCF to use its financial capacity more strategically, making greater use of tools such as the Project Preparation Facility, moving beyond the deployment of its own resources to mobilize larger pools of capital and make greater use of catalytic financial instruments. This includes strengthening partnerships with institutions that bring complementary financial capacity and expertise, expanding the use of instruments such as guarantees, and building the internal capabilities needed to originate, structure and manage them effectively.

As of October 2026, the Fund's USD 22.2 billion portfolio mobilized USD 65.0 billion in co-financing, of which approximately USD 35 billion is through private capital demonstrating how strategic use of concessional resources can unlock significantly greater private investment. This is equivalent to a private sector mobilization ratio of 4.5:1, even raising to 6.25:1 in adaptation projects.

PRIVATE SECTOR FINANCING MOBLIZATION RATIO

4.5 : 1

These outcomes demonstrate that the reform journey is not only improving institutional performance, but also significantly enhancing the Fund's ability to act as a catalyst for transformational climate finance, amplifying the impact of every dollar invested and extending its reach far beyond the projects it directly funds by creating new business models for adaptation financing.

Using partnerships and risk-sharing to mobilize private capital

The emerging GCF–Sida guarantee partnership provides a practical example of this reform direction. Guarantees currently account for only around 2% of GCF approved financing, leaving significant scope to use the instrument more systematically. The proposed risk-layered model combines GCF first-loss protection with Sida's AAA-backed second-loss guarantee, seeking to crowd in private lenders while concentrating GCF resources where they can be most catalytic.

3.3 Translating reform into climate impact

Ultimately, the success of the Reform Journey will be measured not by changes to GCF's structures and processes, but by the climate impact those changes enable. The reforms described throughout this report are creating the conditions for GCF to translate its resources into results more rapidly, at greater scale and where they are most needed: stronger country engagement helps direct finance towards country priorities and underserved and vulnerable countries; faster appraisal and disbursement bring climate investments to implementation sooner; more efficient use of GCF's balance sheet and a differentiated risk appetite allow scarce concessional resources to go further; and stronger data, knowledge and results systems enable the Fund to learn from what works and pursue more systemic approaches.

Efficiency means faster and greater impact

One project in particular highlights how the combination of the reforms enable to quickly deliver impact for the most vulnerable. In Chad, a USD 25 million grant supporting climate–affected farming and agropastoral communities was developed by the NGO ACTED and brought by the Secretariat to the Board in just over five months. The Funded Activity Agreement was signed immediately after approval and the first disbursement occurred in less than three months. This end-to-end turnaround illustrates how recent reforms are enabling faster, more responsive delivery where it is most needed.



SAP066, Chad's first single-country project in the GCF portfolio, will restore more than 100,000 hectares of land and support over 250,000 people in adopting climate-resilient agricultural practices. Image: Adobe Stock/ Riccardo Niels Mayer

These reforms are already having a direct and tangible effect and build on an already substantial base of delivery. At the same time, many of the most significant benefits of the reform journey will materialize progressively as these reforms are embedded, scaled, and connected more fully across the institution, with the full effects expected to be seen over the period to 2030.

> **The climate crisis demands more than commitments – it demands action. It demands that we move from pledges to projects, from plans to implementation, and from ambition to impact. Sri Lanka stands ready to do its part. We have set ambitious targets. We are implementing transformative initiatives. And we are opening our doors to partnerships that can accelerate our progress. However, we cannot do this alone. We need the continued support of the Green Climate Fund, our development partners, the private sector, and civil society to mobilise climate finance, technology, and capacity needed to deliver on our Nationally Determined Contributions and National Adaptation Plans.**
>
> Hon. Dr. Dammika Patabendi, Minister of Environment, Sri Lanka

Ready for scale

The significant efforts made on reforms did not come at the expense of delivery. Even as the Fund restructured its institutional architecture and rehauled its processes and systems, it continued to expand its country partnerships and manage a rapidly growing portfolio. In fact, 2025 and 2026 marked record years, with programming volume exceeding USD 3 billion each year. This underscores the Fund's ability to balance transformation with performance: driving forward reforms, while simultaneously delivering climate finance to meet urgent adaptation and mitigation needs.

> **2025 and 2026 marked record years … [underscoring] the Fund's ability to balance transformation with performance.**

GCF is now ready for scale. Its partner network is expanding. Its processes, systems and tools can absorb higher volumes. The institution is also growing efficiently, with the portfolio expanding faster than its costs. And with every dollar in its portfolio mobilizing around USD 3 in co-financing, a larger GCF will catalyze even greater climate investment. Additional resources entrusted to the Fund can therefore be turned into climate results swiftly, at scale and where they are needed most.

The Reform is not a one-off exercise, but a continuing journey of institutional transformation, with yet many challenges ahead. As this journey continues, GCF will keep learning, adapting, and reporting on progress, providing regular updates on results achieved, milestones ahead, and the further changes needed to ensure that a more country-led and efficient institution translates into greater and more systemic climate impact for the countries and communities it serves.

> **The Reform is not a one-off exercise, but a continuing journey of institutional transformation.**



A community workshop under FP076, a GCF-supported project helping strengthen climate resilience across Cambodia's agricultural value chains. Image: Green Climate Fund/Albers Mayo

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