



# Private Sector – Strategy & Modalities

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Rajeev Mahajan, Climate Investment Manager –  
Infrastructure, Private Sector Facility



# PSF – Portfolio and Impact



Theme

- Adaptation
- Cross-cutting
- Mitigation

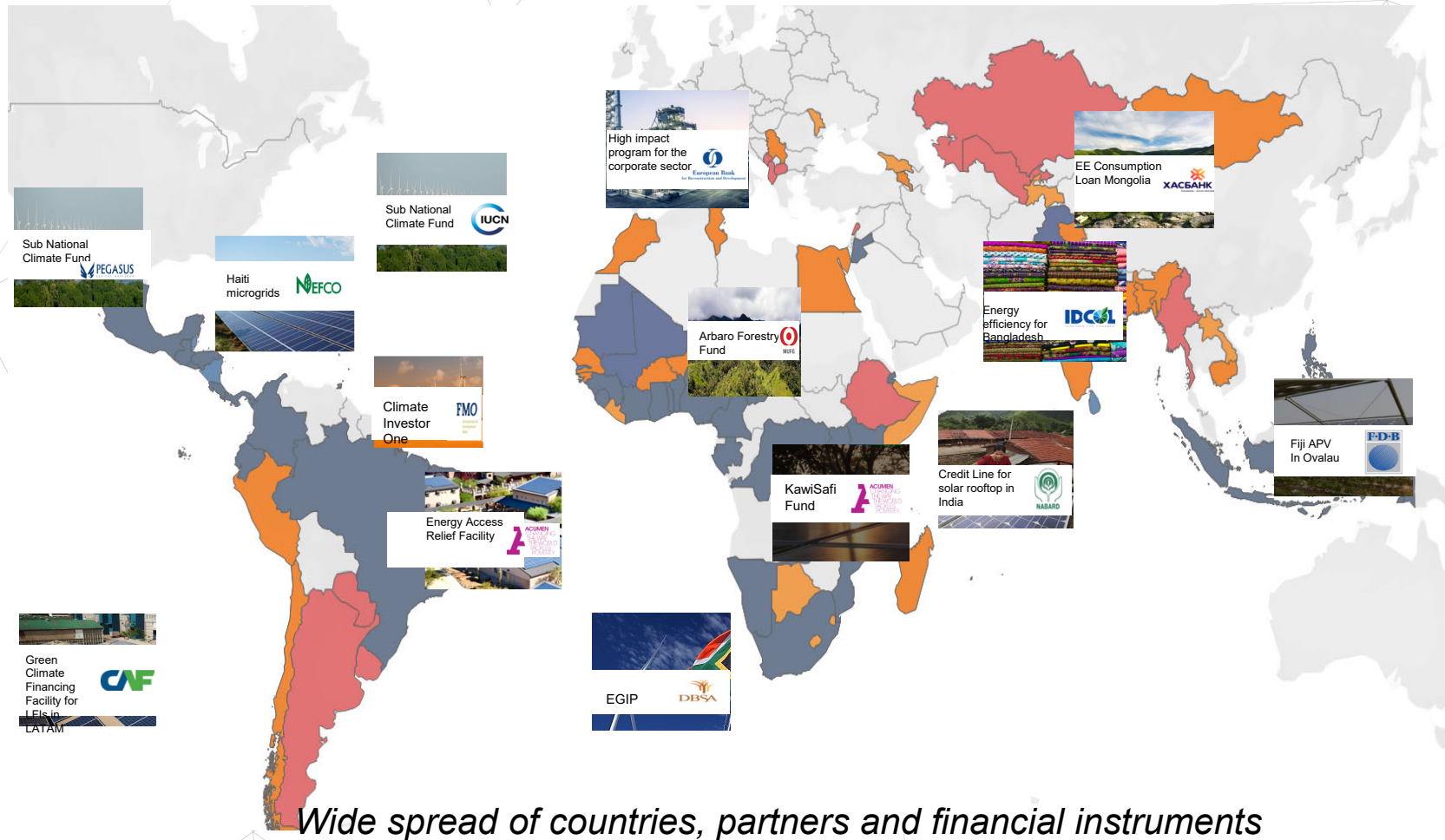
**60**  
Projects

**\$5B**  
GCF financing

**\$17.6**  
B

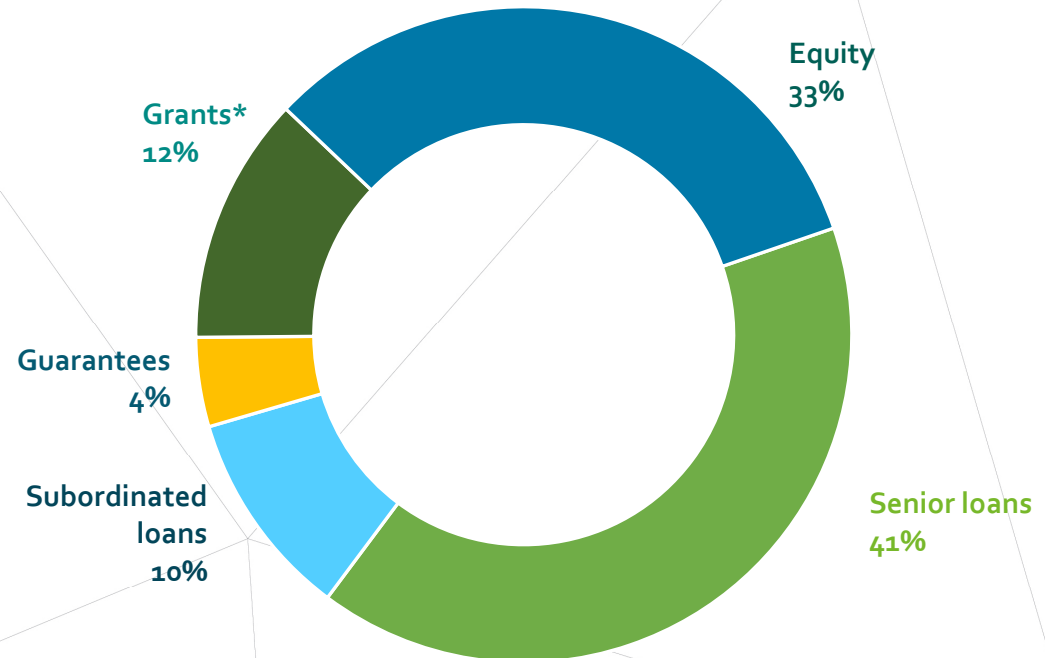
**1.5Gt**  
Lifetime CO2

**489M**  
Beneficiaries



## Our portfolio in focus (private sector)

Funding amount  
by financial  
instruments



\* Includes USD 299 million in reimbursable grants

# Where we focus

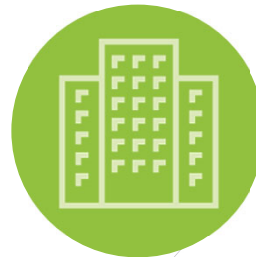
## Reduced Emissions from:



Energy generation  
and access



Transport



Buildings, cities,  
industries and  
appliances



Forests and  
land use

## Increased Resilience of:



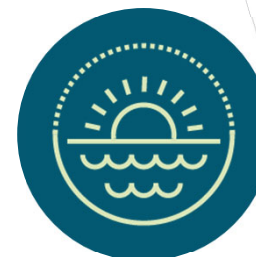
Livelihoods of people  
and communities



Health, food and  
water security



Infrastructure and  
the built environment



Ecosystems and  
ecosystem services

# How we drive change



**01**

Establish enabling environment for novel climate solutions



**02**

Catalyse innovation



**03**

De-risk and mobilise finance at-scale



**04**

Strengthen national financial institutions to drive adoption of novel climate solutions



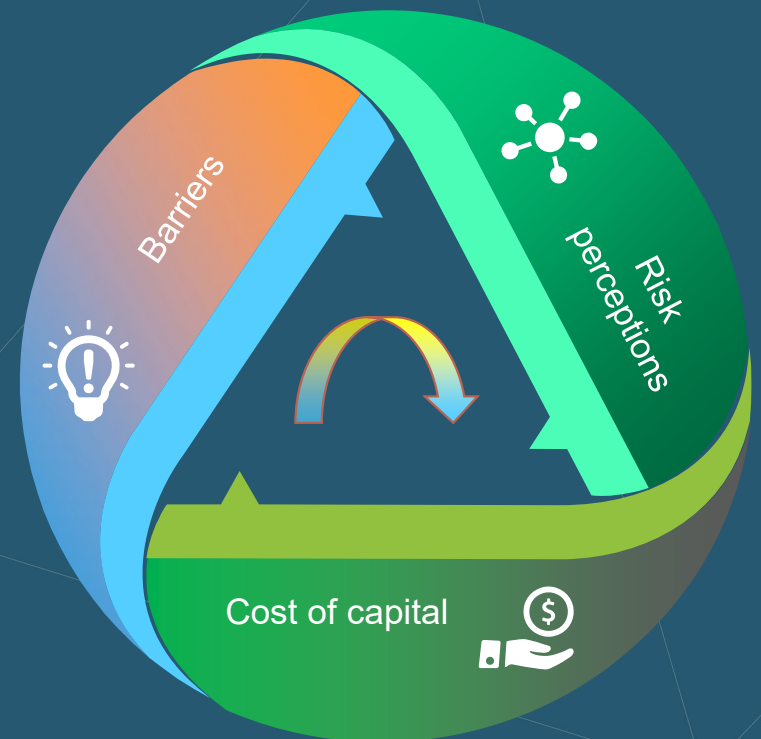
# Addressing barriers to climate investments

*Barriers manifest themselves as elevated risk perceptions that translate into a high cost of capital*

*PSF has adopted a two-pronged approach to address elevated risk perceptions:*

- *Flexible suite of financial products – equity, debt, guarantees and grants*
- *Three levers of concessionality – pricing, tenor and structural subordination to catalyze mobilization*

***GCF – a unique institution to address market barriers***



# Project case study

FP039

GCF-EBRD Egypt Renewable Energy Financing Framework

**GCF funding:** USD 154.7 million in loan, grant  
**Total project funding:** USD 1000 million  
**Accredited Entity:** European Bank for  
Reconstruction and Development

*Mitigation  
Egypt*



- Supported Egypt in opening up the renewables sector to help it meet its target of 20% renewable energy
- The investment component helped scale up investments in the first wave of projects totaling USD 1 billion
- A comprehensive technical assistance to enhance renewable integration, auction policies, and planning
- Successfully brought down tariff from USDc 8.5 to under USDc 2.5, within 2 years
- The framework has since been replicated in other countries – Kazakhstan, South Africa



# Project case study

FP140

High Impact Programme for the Corporate Sector

**GCF funding:** USD 258 million in loan and grant  
**Total project funding:** USD 1 billion  
**Accredited Entity:** European Bank for  
Reconstruction and Development

*Mitigation*

*7 countries – Armenia, Jordan, Kazakhstan, Morocco, Serbia,  
Tunisia, Uzbekistan*



- GCF's first at-scale investment to promote the uptake of low-carbon technologies in the industrial sector, by stimulating behavioural change at the corporate governance and management level
- Designed to facilitate a transformational shift within energy-intensive industries, agribusinesses, and the mining sector in target countries. It seeks to forge a low-carbon pathway
- Unique result based concessionality to help corporates make investment decision on adopting process disruptive technologies



# Project case study

FP168

Leveraging Energy Access Finance (LEAF)  
Framework

**GCF funding:** USD 170.9 million in loan, g'tee, grant

**Total project funding:** USD 959.9 million

**Accredited Entity:** African Development Bank

*Mitigation*

*6 countries – Ghana, Nigeria, Tunisia, Kenya,  
Ethiopia, Guinea*



- Addresses financial and investment barriers by deploying credit enhancement instruments and new financial products to crowd in local currency debt and commercial capital
- These financial solutions will help develop decentralised renewable energy solutions to tackle energy shortfall, while also reducing CO<sub>2</sub> emissions and simultaneously boosting local economies and businesses
- Will also address adverse COVID-19 economic impacts

# Project case study

FP179

Tanzania Agriculture Climate Adaptation  
Technology Deployment Programme (TACATDP)

**GCF funding:** USD 100 million in loan, guarantee, grant

**Total project funding:** USD 200 million

**Accredited Entity:** CRDB Bank

*Adaptation  
Tanzania*



- This programme will strengthen resilience of Tanzania's agriculture sector by facilitating access to agriculture climate adaptation technologies
- Achieved by establishing a lending and de-risking facility that will make these technologies affordable to local farmers and agricultural enterprises
- Technical assistance and support from government authorities, creative use of climate risk insurance

# Project case study

FP186

India E-Mobility Financing Program

**GCF funding:** USD 200 million In equity  
**Total project funding:** USD 1.5 billion  
**Accredited Entity:** Macquarie Alternative Assets  
Management Limited (MAAML)

*Mitigation  
India*



- GCF's anchor, first-loss equity investment to set up a financing & leasing platform for electric vehicle (EV) owners and operators, that will rapidly bring the long-term cost of EV ownership to a level comparable to conventional vehicles
- GCF capital further aims to leverage USD 200 million of equity & USD 1.1 billion from local debt markets
- The program will also focus on other investments across the value chain, such as charging infrastructure

# Project case study

FP190

Climate Investor Two

**GCF funding:** USD 145 million in reimbursable grant

**Total project funding:** USD 888 million

**Accredited Entity:** FMO

*Cross-cutting*

*19 countries – Bangladesh, Botswana, Brazil, Colombia, Cote d'Ivoire, Djibouti, Ecuador, India, Indonesia, Kenya, Madagascar, Maldives, Morocco, Namibia, Nigeria, Philippines, South Africa, Sierra Leone, Uganda*



- Climate Investor Two (CI2) fund supports private sector to develop and construct climate-resilient infrastructure projects in the water, sanitation, and ocean sectors.
- CI2 will help countries, undergoing, or expected to undergo water stress, adapt to climate change by building infrastructure which sources, transports, and treats the water necessary for both municipal and industrial users.
- GCF's first at-scale private sector programme in the water sector.
- Unique staged fund structure with GCF capital being deployed for high-risk developmental phase and subsequently as a 1<sup>st</sup> loss investor for the construction phase.

# Project case study

FP197

Green Guarantee Company

**GCF funding:** USD 40.5 million

**Total project funding:** USD 363 million

**Accredited Entity:** MUFG Bank, Ltd

*Cross-cutting*

*8 countries – Brazil, Gabon, India, Indonesia, Lao PDR, Philippines, Rwanda, Trinidad and Tobago*



- The Green Guarantee Company (GGC) is the first ever global institution dedicated to providing guarantees for climate bonds with significant climate adaptation and mitigation impacts
- GGC aims to create an ecosystem around climate bonds by derisking bonds of local issuers and attracting global investors
- GCF will serve as the founding equity shareholder in this first-of-its-kind institution by providing early stage and patient capital to incentivize participation from more private and institutional commercial investors.



# Project case study

FP198

**CATALI.5°T Initiative: Concerted Action To Accelerate Local I.5° Technologies**

**GCF funding:** EUR 26.8 million

**Total project funding:** EUR 36.5 million

**Accredited Entity:** Deutsche Gesellschaft fuer Internationalen Zusammenarbeit GmbH (GIZ)

*Mitigation  
13 countries – Argentina, Costa Rica, Dominican Republic, Honduras, Mexico, Benin, Burkina Faso, Côte d'Ivoire, Guinea, Mauritania, Niger, Senegal and Togo*



- The proposal will establish and implement regional technical assistance and investment grant platforms
- The platforms will seed a portfolio of early-stage climate ventures through 2 incubators/accelerators hubs in Latin America and West Africa.
- The hubs (in Mexico and Côte d'Ivoire) will facilitate innovation and technology transfer by bootstrapping promising climate technology start-ups
- The hubs will also facilitate venture capital investments in the start-ups, with the highest climate mitigation impact and business growth potential.

# Project case study

FP205

Infrastructure Climate Resilient Fund

**GCF funding:** USD 253 million

**Total project funding:** USD 765 million

**Accredited Entity:** Africa Finance Corporation

*Adaptation*

*19 countries – Cameroon, Chad, Cote d'Ivoire, Democratic Republic of Congo, Gabon, the Gambia, Guinea, Mali, Namibia, Nigeria, Sierra Leone, Togo, Kenya, Benin, Ghana, Rwanda, Djibouti, Mauritania and Zambia*



- The proposal will mainstream climate resilience in the design and financing of infrastructure projects through a private equity fund model
- GCF's role as a concessionary capital provider in a blended finance structure is tailored to address perceived risks and catalyze pension fund investments
- Fund structure is tailored to provide bridge towards commerciability
- The proposal will also support regulatory advancements to mainstream climate resiliency and also the development of parametric climate insurance product, tailored for infrastructure



# Project case studies

FP213

The Blue Green Bank

**GCF funding:** USD 15.5 million in equity  
**Total project funding:** USD 30.5 million  
**Accredited Entity:** Pegasus Capital Advisors (PCA)

*Cross cutting – mitigation and adaptation*  
*Barbados*



- The Blue Green Bank (BGB) brings together public, private, and multilateral institutions to mobilize finance for innovative climate investments in Barbados.
- The BGB acts as a partner for FIs/NBFIs to support them in the forms of funds, guarantees, or other mechanisms to facilitate the funding of blue and green climate responsive projects encompassed in the Roofs to Reefs programme (R2RP) by the Government of Barbados.
- Through the programme, it is expected to reduce 16.7 million tonnes of CO<sub>2</sub> emissions and benefited 226,000 direct beneficiaries, including low-income households.

# Project case study

SAPo37

Avaana Sustainability Fund

**GCF funding:** USD 24.5 million in equity

**Total project funding:** USD 120.0 million

**Accredited Entity:** SIDBI

*Cross-cutting  
India*



- The first venture capital fund that solely focuses on climate adaptation and resilience in India, investing in early-stage companies that are leveraging technology-led innovation to catalyse climate solutions and sustainability in India.
- It does not seek a concessional component, and it will raise equity capital from its investors and deploy the same into the investee companies.
- It is dedicated to being gender-conscious, with its investment strategy of investing in companies creating solutions for affected women, including gender-inclusive policies.



# Thank you

#InspireMoreClimateAction