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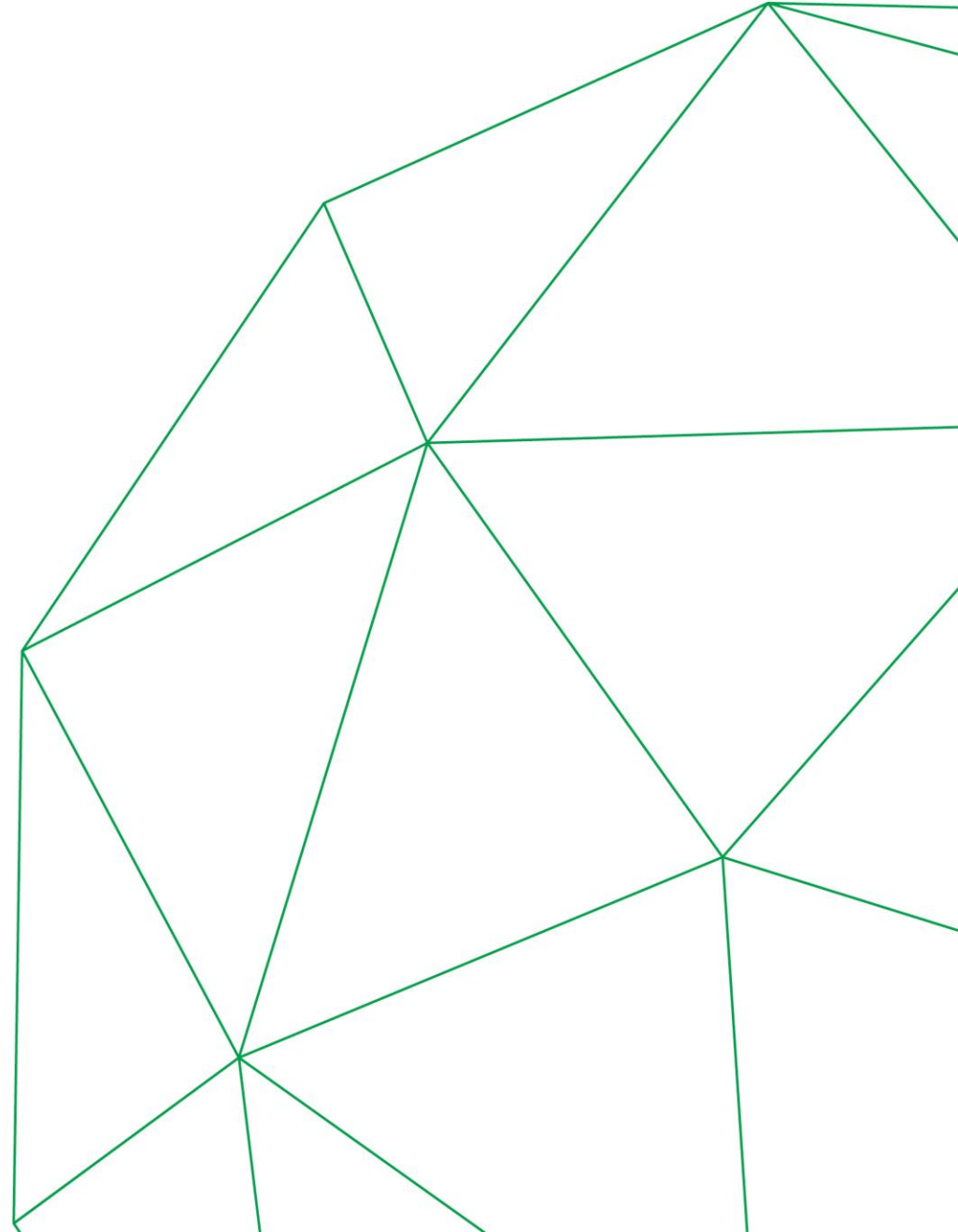
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Energy Efficiency, Access & Power Generation

Carol Litwin & Saurabh Kaura

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#InspireMoreClimateAction



GLOBAL SECTORAL EMISSIONS

Global greenhouse gas emissions by sector

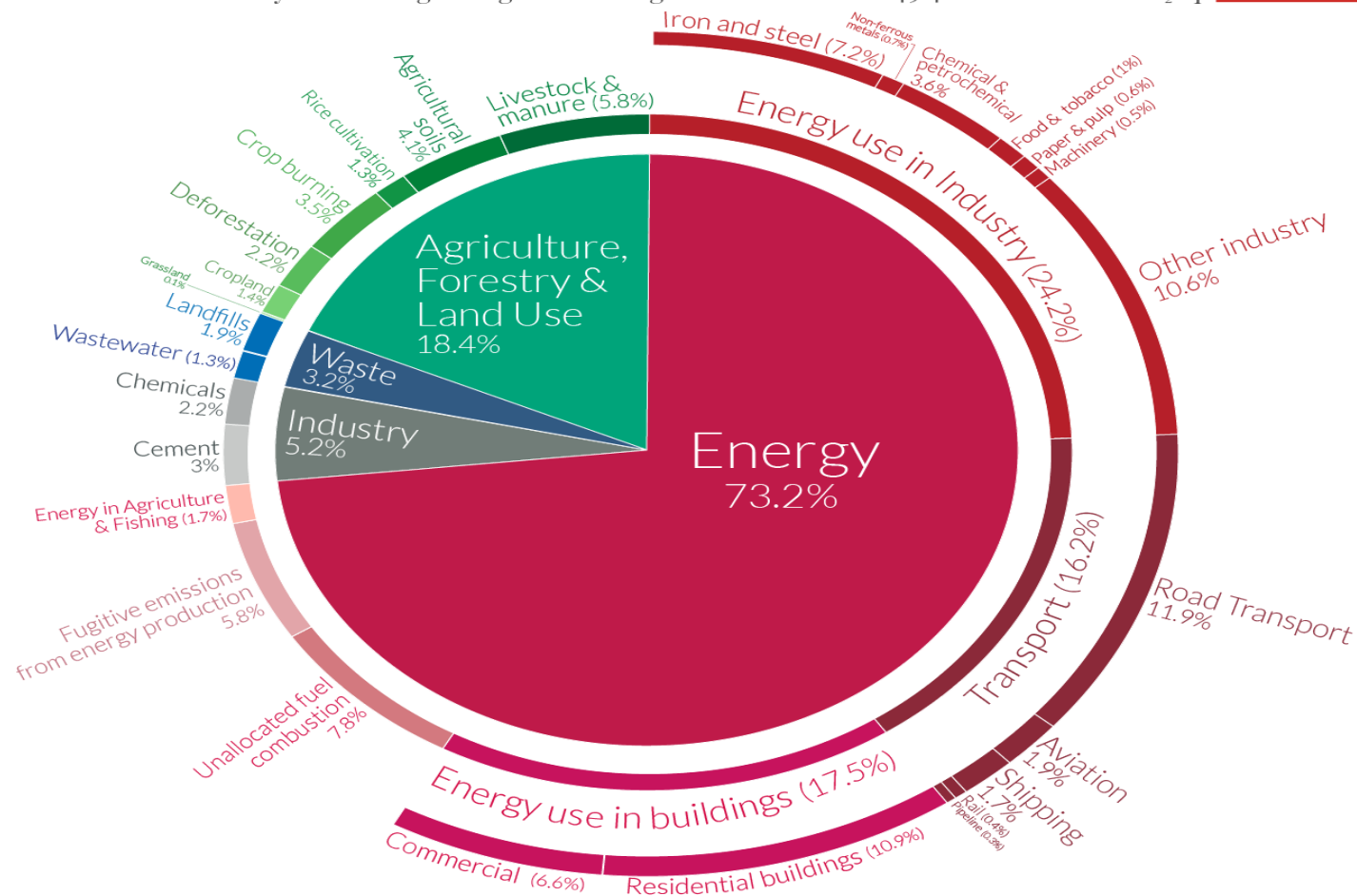
This is shown for the year 2016 – global greenhouse gas emissions were 49.4 billion tonnes CO₂eq.

Our World
in Data



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OurWorldinData.org – Research and data to make progress against the world's largest problems.

Source: Climate Watch, the World Resources Institute (2020).

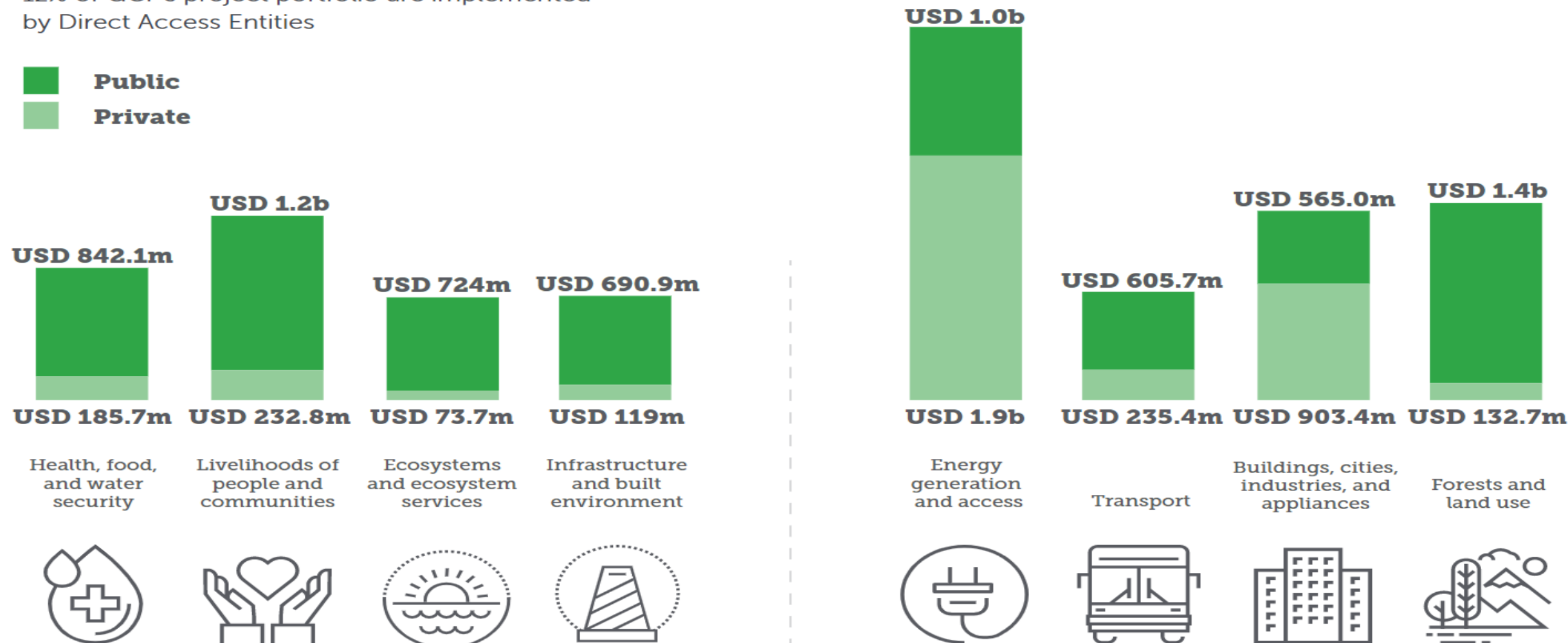
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GCF Investments

PROJECTS BY THEME AND KEY RESULT AREAS

12% of GCF's project portfolio are implemented by Direct Access Entities

 **Public**
 **Private**



Paradigm Shifting Pathways - EE



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Pathway 1. Scaling-up industrial energy efficiency

- Shifts to low-emission sources for highly energy-intensive industrial processes, scaling up the use of low-emission feedstocks for priority industrial materials, and catalysing industrial innovations to reduce energy, material, and carbon intensity

Pathway 2. Enhancing “space” energy efficiency

- Reducing emissions from energy consumption in heating, cooling, and lighting in industrial and commercial “spaces”

Pathway 3. Catalysing rapid market switch to highest efficiency appliances/equipment

- Supporting breakthrough energy efficiency programmes across critical super-efficient appliances/equipment supply chains

Paradigm Shifting Pathways - RE



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Pathway 1. Low Emission Power Generation

- Supporting deployment of renewable generation sources (geothermal, solar, wind and ocean energy)

Pathway 2. Efficient and Reliable Energy Transmission, Distribution and Storage

- Supporting grid flexibility, digitalization, and storage to make power grids more capable of efficiently and reliably operating with higher shares of renewables.

Pathway 3. Promoting Access to Modern Renewable Energy

- Supporting renewable energy for cooking, grid connections and off-grid electricity such as green mini-grids and solar home systems for access in a way that promotes sustainable development and climate resilience for the societies while reducing emissions.

GCF's Private Sector Facility

Catalytic Instruments

INSTRUMENTS

Loans



- › Flexible pricing & tenor
- › Relatively high-risk tolerance

Equity



- › Assume equity positions
- › Support investment incubators

Guarantees



- › Tailored guarantee instruments

Grants



- › Fit-for purpose grants
- › Encourage innovation
- › Minimum concessionality



1

De-risking climate smart **investments**

2

Offset risks and other impediments to climate investments

3

Encourage high impact climate investments and act as '**market maker**'

4

Support the development of **climate compatible financial systems**

RE Pathway 3

FP168 – Leveraging Energy Access Finance (LEAF) Framework



AE: African Development Bank (AfDB)

Countries: Ethiopia, Ghana, Guinea, Kenya, Nigeria, and Tunisia

- Framework with the aim to deliver DRE solutions to tackle the energy shortfall whilst also reducing CO₂ emissions and simultaneously boosting local economies and businesses.
- Address critical financing and investment barriers faced by the DRE sector
- Support the capacity-building of local banks and financial institutions through technical assistance

Programme size	<ul style="list-style-type: none">▪ USD 959.9 mn▪ GCF commitment – USD 170.9 mn
GCF Financing Instruments	<ul style="list-style-type: none">▪ Guarantees▪ Subordinated debt▪ TA grants
Financing Structures	<ul style="list-style-type: none">▪ Receivables backed, project finance, aggregators, and others
Sectors/ Technology	<ul style="list-style-type: none">▪ SHS, Captive Power, Green Mini-Grids

RE Pathway 1

FP 083 Indonesia Geothermal Resource Risk Mitigation Project



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- **AE/EE:** World Bank/PT SMI
- **Countries:** Indonesia
- **Total Project value:** USD 410 million
- **GCF:** USD 100 million
- **Emission reduction:** 112.2 MtCO₂eq
- Scaling up geothermal energy development by introducing a well-designed upstream risk mitigation mechanism and by promoting a conducive regulatory environment.
- Help public and private sectors mitigate early-stage resource risks.





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Market Challenges

Market in Flux

- Energy security
- Financing costs
- Risk appetite
- Capital costs



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Thank you

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