

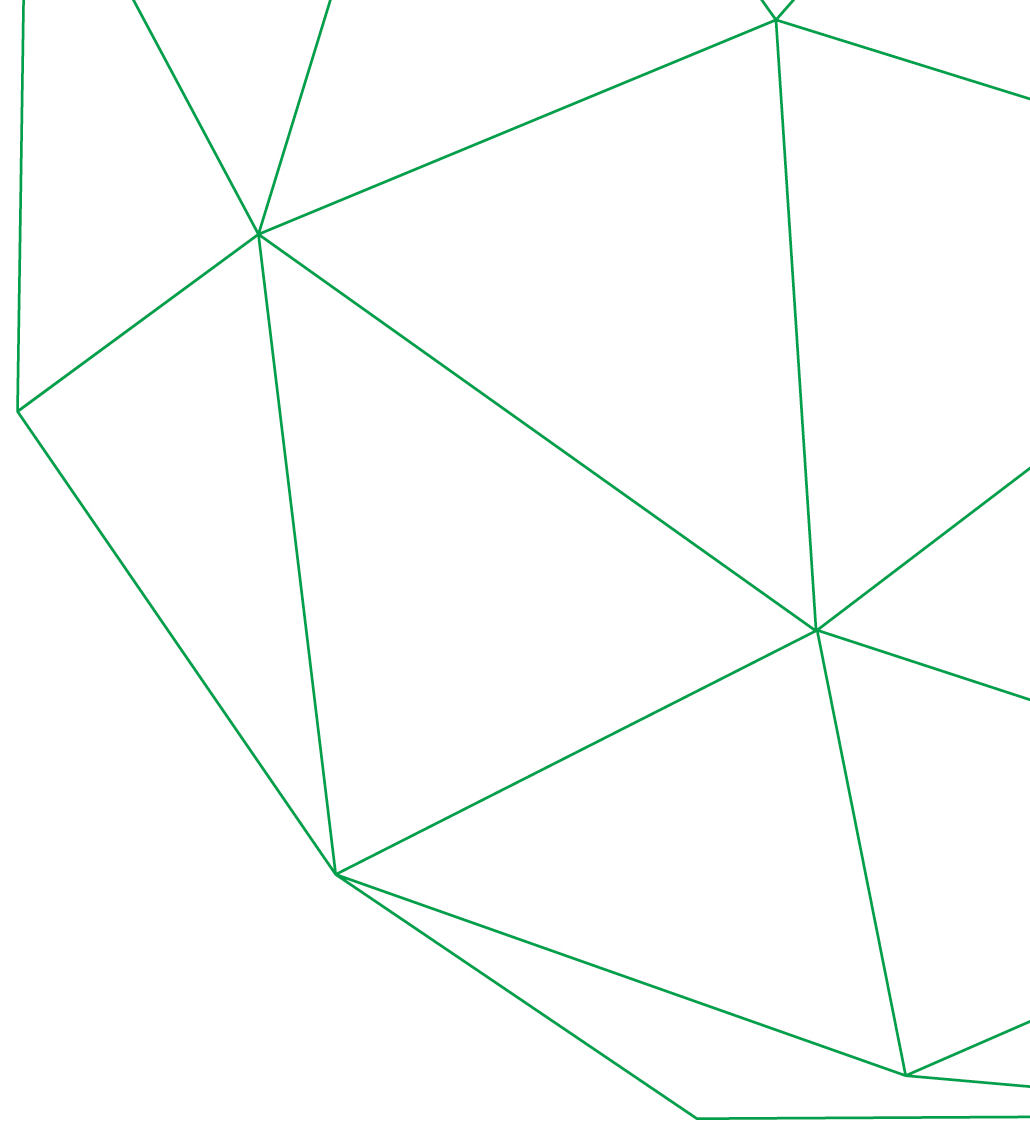
GREEN  
CLIMATE  
FUND

**GCF REGIONAL DIALOGUE**  
with MIDDLE EAST & NORTH AFRICA

# Project Preparation Facility

Nazeem Wasti, PPF Specialist

**Rabat, Kingdom of Morocco**  
24–28 June 2024



# GCF Project Preparation Facility

## ACCESS TO FINANCE

Expedite project preparation, help newly accredited DAEs, AEs and countries without approved projects, and PSAA applicants

## IMPACT AND INNOVATION

Support countries in designing projects that maximize climate impact while reducing risk, e.g., maladaptation or unclear sustainability

## INVESTMENT AT SCALE

Enable co-investment at scale and build synergies among investments. Support emerging areas in climate finance, e.g., blue economy, green banking.

## PARTNERSHIPS & KNOWLEDGE

Cultivate and expand partnerships with PPFs, funds, bilateral donors, AEs and amplify impact via knowledge sharing

# PPF Portfolio (Jun 2024)

94

PPF applications approved

(67 via Funding, 14 Service & 12 Technical Assistance modalities)

\$57.1m

PPF resources  
committed

\$41.3m

PPF resources  
disbursed

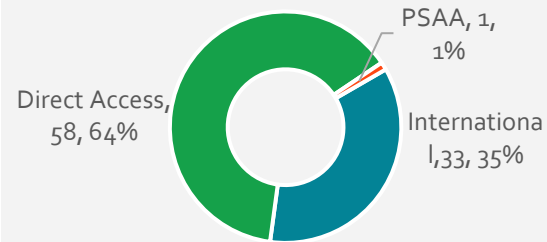
52

accredited entities  
supported

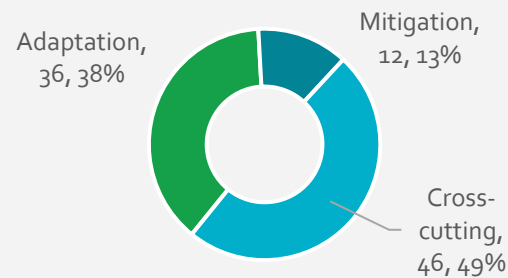
30

PPF supported FPs  
approved by Board

Entity Type



Theme



30

total Board-approved funding  
proposals supported by PPF

\$6.5b

of total climate finance unlocked

5 approved applications in MENA

- UNEP Jordan JILMI (B39 submission)
- ADA Morocco Souss Valley
- Attijariwafa Bank Morocco
- UNDP Health Co-investment (State of Palestine)
- EIB GRDP (incl. Egypt)

1 pipeline application in Oman:

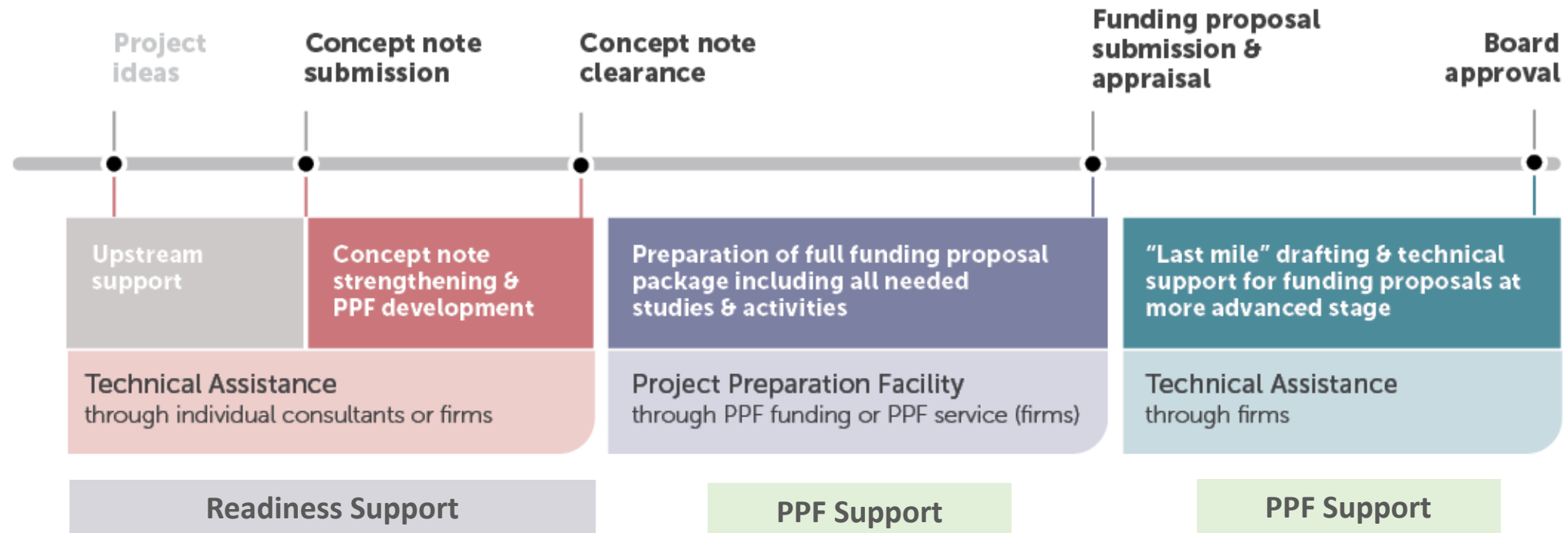
- UNIDO CIEWS Oman

● Committed (disbursed) ● Committed (to be disbursed) ● Remaining



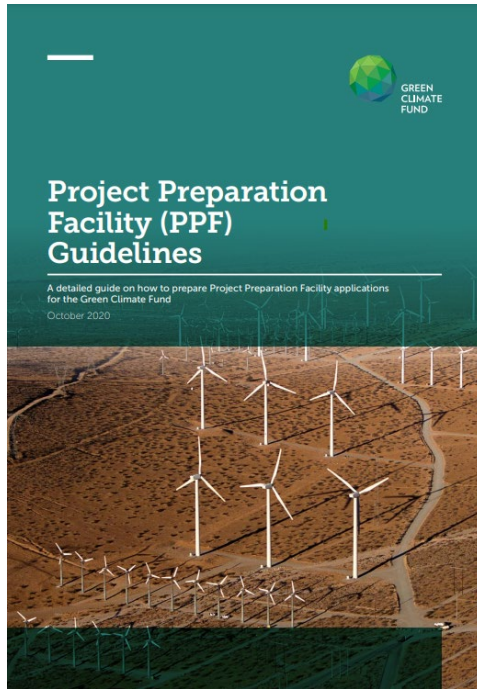
# Readiness & PPF

## Midstream & last mile support for investment projects



# Eligible Activities

GCF Funding Proposal Preparation Costs up to **USD 3 million** per project



1. Feasibility studies and project design
2. Environmental and social, including Indigenous Peoples studies (ESIA, ESMP, GRM)
3. Gender studies (GA, GAAP)
4. Stakeholder engagement plans
5. Risk assessments (risk, EFA, etc.)
6. Assessment of climate impact potential for mitigation and adaptation activities
7. Identification of programme- & project-level indicators, MRV frameworks
8. Pre-contract services, including bidding documents
9. Advisory and other services to financially structure project
10. Other activities

**Ineligible activities or costs:** Non-project specific responsibilities of AE; Start-up costs, **demonstration and pilot projects**; capital goods unrelated to project activities; any activities covered under Readiness Programme; and purchase of vehicles

# Elements GCF Funding Proposals

## Additionality of GCF Funding

- Why GCF?
- Crowd-in additional financing on top of GCF
- Complementarity & coherence of funds

## Strong Climate Rationale

- Climate impact of investment is key
- Robust scientific evidence is crucial
- Low-emission climate resilient development

## 8 Results Areas



Energy



Transport



Buildings, Cities,  
Industries



Ecosystems



Livelihoods of  
people & comm.



Health, food  
and water  
security



Forests and  
land use



Infrastructure

## Compliance with GCF Policies

- Accreditation
- Fiduciary standards
- Risk management
- E&S safeguards
- M&E criteria
- Gender, SEAH, IP
- Legal standards

## Country Driven Approach

- Alignment with NDCs
- Early country (NDA) engagement
- NDA no-objection

## Six Investment Criteria

1. Impact potential
2. Paradigm shift potential
3. Sustainable development potential
4. Recipient needs
5. Country ownership
6. Efficiency & effectiveness

## Completeness of documentation

- Feasibility study
- Financial model
- Project timetable
- Gender analysis
- Environmental studies
- No-objection letter

# 3 PPF Modalities

## 1. PPF Funding

FP preparation through **grants, repayable grants or equity** (convertible at FP stage)

- \$300k 'Simplified PPF'
- Up to \$3m for:
  - i) Resource intensive sectors
  - ii) Multi-country programs

GCF-AE Grant Agg. OR  
UNOPS-AE Grant Agg. OR  
GCF-AE RPS Framework Agg.

## 2. PPF Service

Consulting firm from **GCF roster of firms** works directly with AEs for FP preparation

- 8 Roster firms
- Procured by GCF for AE

GCF-Firm Procurement Contract

## 3. PPF Technical Assistance

Consulting firm from **GCF roster of firms** works directly with AEs for short-term technical assistance

- 3 Roster firms
- Procured by GCF for AE

GCF-Firm Procurement Contract

PPF Service &  
TA Firms



# Requirements

1. Endorsed concept note
2. Signed Accreditation Master Agreement
3. PPF application & terms of references
4. No-objection letter(s) from National Designated Authority

## Additional Considerations

- Co-financing
- For income-generating projects, repayment of grant or conversion to equity during project implementation
- Financial Management Capacity Assessment on executing entity (funds recipient)



# PPF011: Jordan Integrated Landscape Management Initiative (JILMI)



**PPF grant:** \$279k

**UNEP, GoJ, other co-financing:** \$139k

**Total preparation cost:** \$472k

## FP preparation via PPF:

### A. Baseline and feasibility studies:

1. Project baseline, institutional & policy gaps
2. Mitigation potential

### B. Socio-economic analysis

1. Community mapping & gender assessment
2. Environmental and social risk analysis
3. Capacity needs and development strategy

### C. Project Implementation

1. Risk assessment, M&E strategy
2. Financial & operational planning

**FP GCF finance:** \$44.9m grant

**FP GoJ MoENV, UNEP, other co-financing:** \$15.6m grant/other

## FP Components:

**Enhanced resilience of Jordanian ecosystems and vulnerable communities in the Jordan Rift Valley through integrated landscape management:**

1. Strengthened capacity for climate responsive adaptation governance in Jordan
2. Integrated landscape and water resource management
3. Improved protection, supply and use of water resources
4. Knowledge and awareness of climate-resilient ILM

**Beneficiaries:** 247k direct, \$756k indirect

**Households supported:** 32.8k with improved water access

**Restoration:** 12,800k ha of watersheds



# Unlocking Climate Finance

## IDCOL Energy Savings in Textile Industry

**Accredited Entity:** Infrastructure Development Co. Ltd.

**GCF funding:** USD 256.48 million

**Total project funding:** USD 340.5 million

**PPFo14:** \$301,562 (2018) 5 mo., **PPFo21:** 363,533 (2019) 8 mo.

**Country:** Bangladesh

**FP150:** Promoting private sector investment through large scale adoption of energy saving technologies and equipment for textile and readymade garment sectors of Bangladesh

### PPF Activities:

1. Feasibility study and market analysis
2. ESMS and gender studies
3. Identify programme level indicators, log frame and M&E framework
4. Risk assessments
5. Develop Funding Proposal and annexes

Rabat, Kingdom of Morocco | 24–28 June 2024

## Mongolia Green Finance Corp.

**Accredited Entity:** XacBank

**GCF funding:** USD 26.65 million

**Total project funding:** USD 50 million

**PPFo16 Funding:** USD 350k (2018) 9 mo.

**Country:** Mongolia

**FP153** Operationalize new institution to support FIs to borrow through local financial institutions for thermal insulation of housing, energy efficiency for businesses and mortgages for green affordable housing. MGFC will attract capital and target other direct investment.

### PPF Activities:

1. Stakeholder engagement (MoE, MSFA, Steering Committee, DBM, partner FIs)
2. Socialize institutional and governance structure
3. Analyze capitalization and market size
4. Business model based on sectoral opportunities
5. Legal due diligence



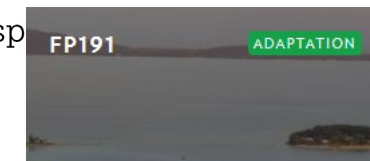
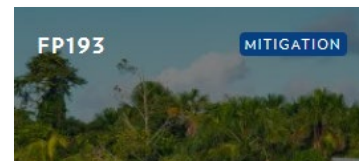
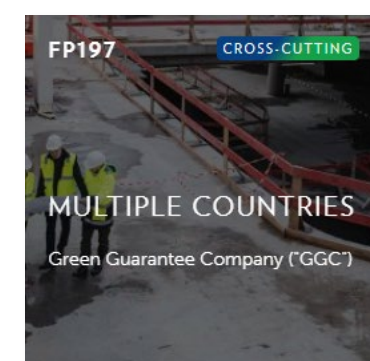
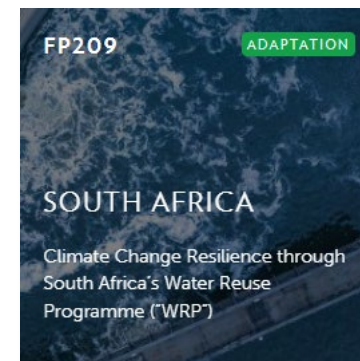
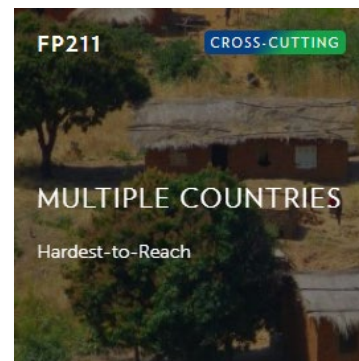
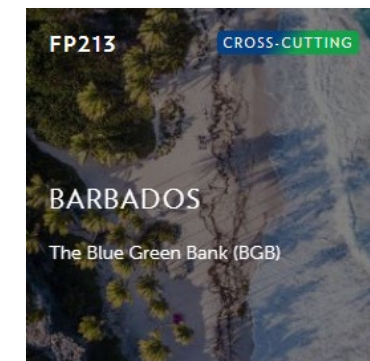


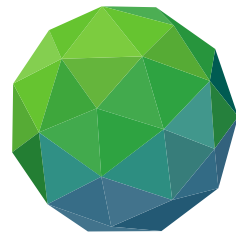
# 30

total Board-approved funding proposals

# \$6.5b

of total climate finance unlocked





GREEN  
CLIMATE  
FUND

Raising  
ambition.  
Empowering  
action.