

Green Climate Fund Coordination

UN Environment's engagement with Green Climate Fund: structure, investment criteria, review and approval process.

The Green Climate Fund



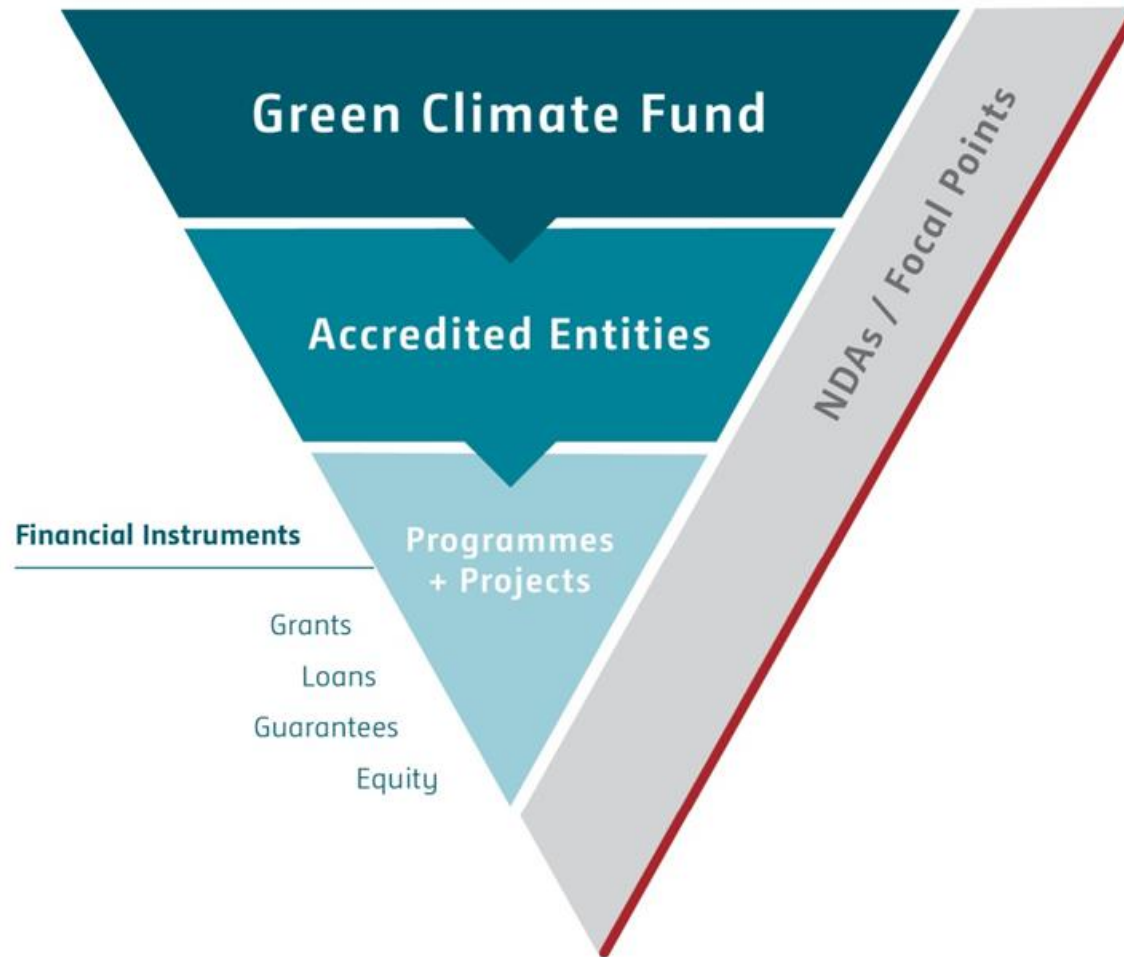
About the Green Climate Fund



- An **operating entity** of the Financial Mechanism of the UNFCCC and Paris Agreement
 - Promotes the **PARADIGM SHIFT** towards low carbon and climate resilient DEVELOPMENT PATHWAYS
 - **Largest fund globally** that is fully dedicated to climate change: USD **10,3 Billion** pledged from 43 Governments
 - Host country: **South Korea**
 - **Board: 24 members of the GCF board** half developed/developing countries and 4 observers (2 from civil society, 2 from private sector)
 - **Trustee: World Bank** interim. Permanent trustee selection is in process
 - **Access modality:** direct and international access (53 accredited entities as at October 2017)
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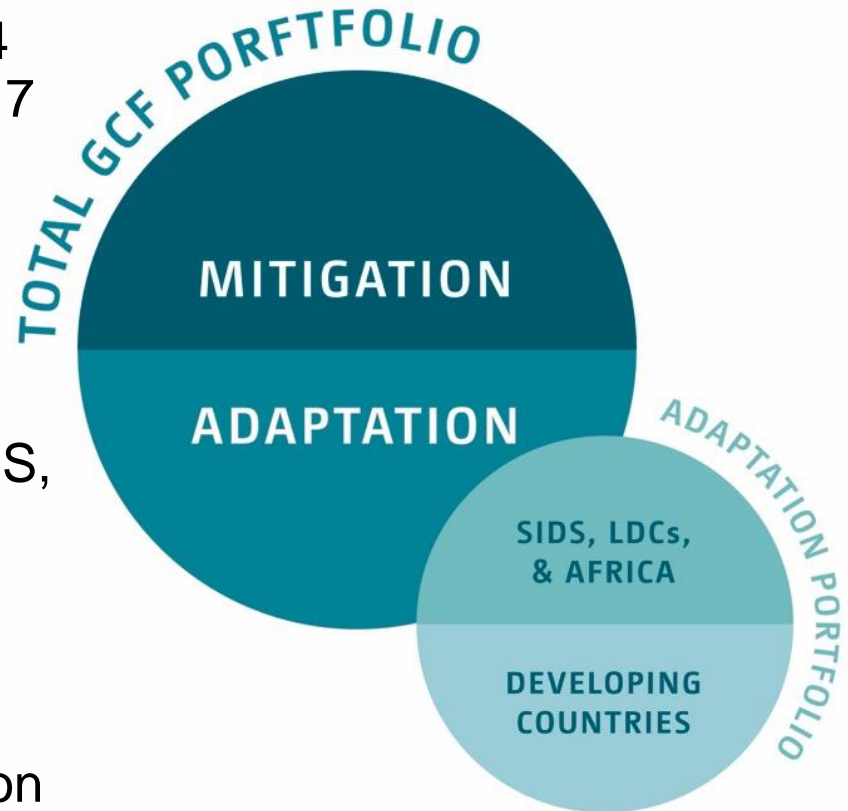
GCF Business model

GCF Architecture



GCF resources

- USD 10.3 billion in pledges
- USD 10.1 billion in signed contributions
- USD 2.59 billion programmed for 54 approved projects as at October 2017
- 50/50 split between adaptation & mitigation
- Geographical balance
- 50% of adaptation resources for SIDS, LDCs and African States
- ~USD 130 million for Readiness support
- USD 40 million for Project Preparation Funds



Investment Criteria

Impact Potential

Potential to the achieve the Fund's objectives and results areas

Paradigm Shift Potential

Potential to catalyse impact beyond a one-off project or programme investment

Sustainable Development

Potential to provide wider benefits and priorities

Potential needs of Recipient

Vulnerability and financing needs of the beneficiary country and target groups

Country Ownership

Beneficiary country ownership of and capacity to implement funded activities

Efficiency & Effectiveness

Economic and financial soundness of programme/project; appropriateness of concessionality

GCF programming Overview

INDCs
NAPs
TNAs

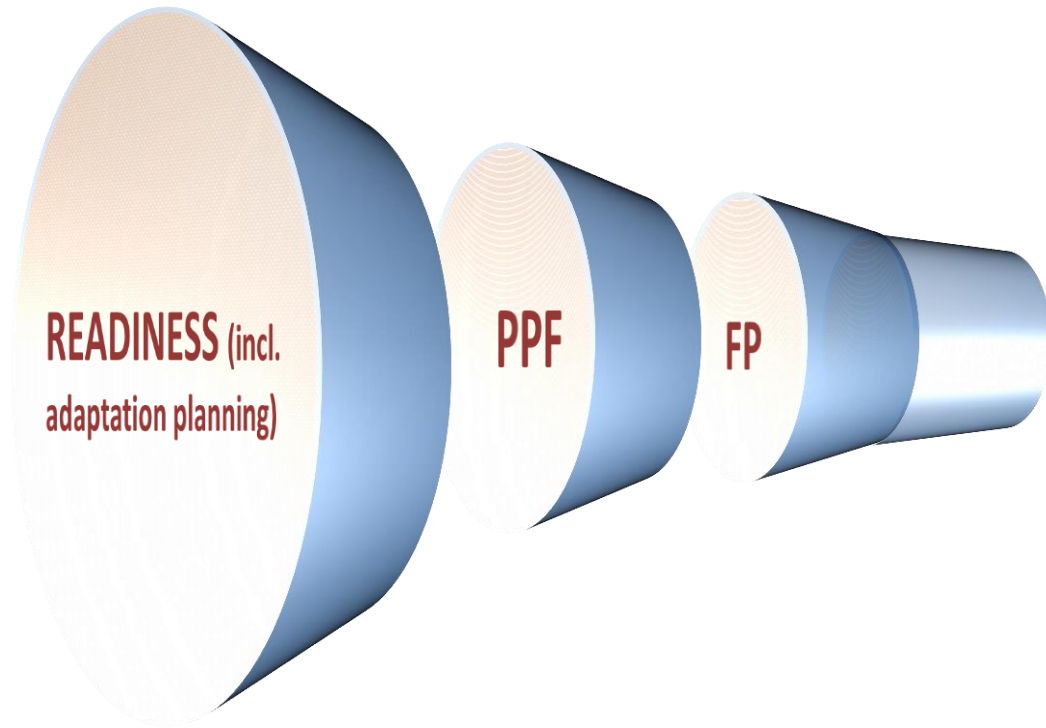
Country and
Entity
Programmes

READINESS (incl.
adaptation planning)

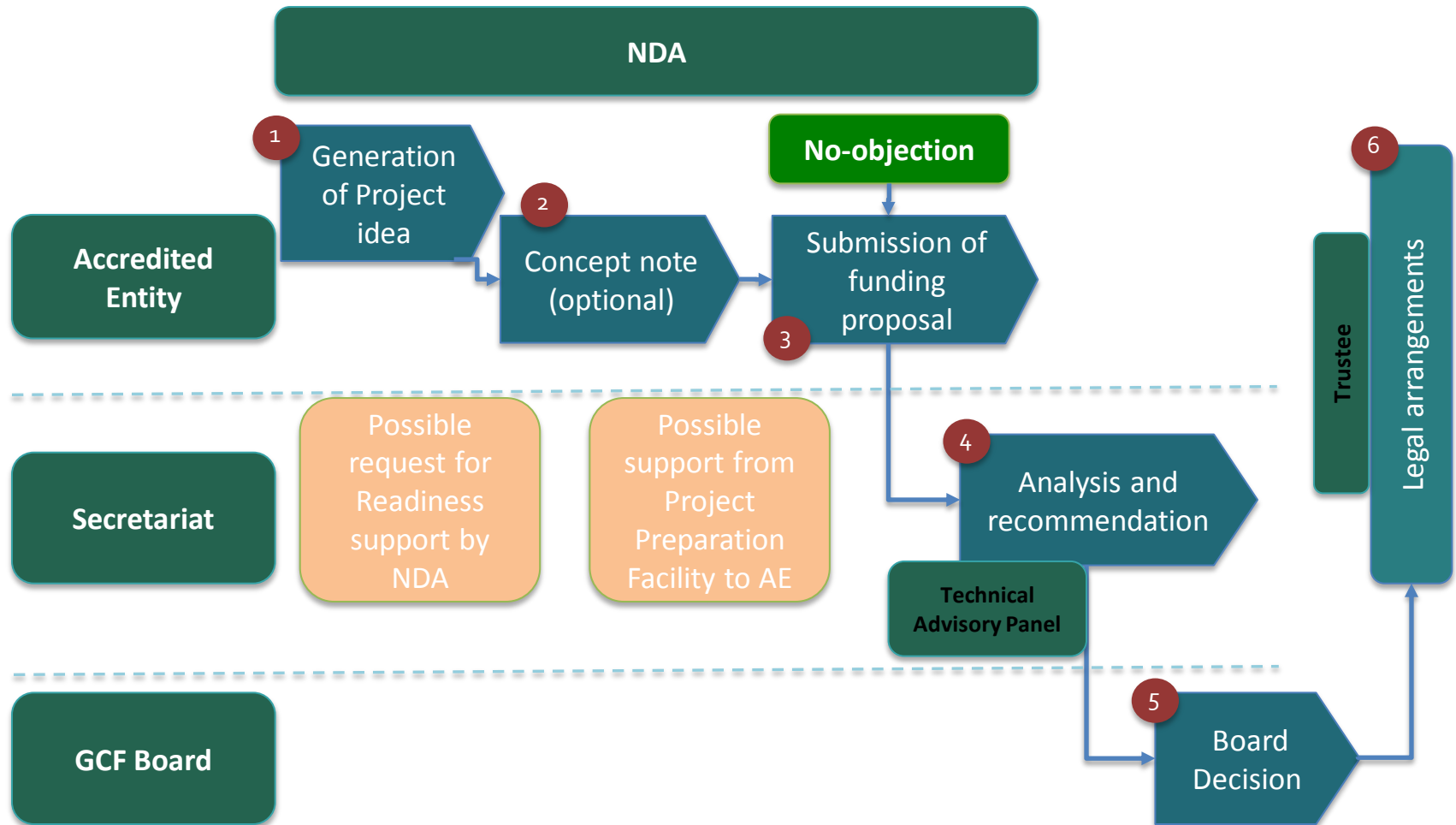
PPF

FP

GCF
pipelines



GCF Project approval process



Based on Board decision B.07/03



**UN Environment engagement
with the Green Climate Fund**

UN Environment accreditation profile

ENTITY PROFILE

Entity Type: DIRECT (NATIONAL) DIRECT (REGIONAL) **INTERNATIONAL**

Size: MICRO **SMALL** MEDIUM LARGE

Fiduciary Standard: **BASIC** **PROJECT MGT** ON GRANTING LENDING

Environmental and
Social Risk Category: CATEGORY A **CATEGORY B** CATEGORY C

GCF strategic impacts



UN Environment and climate change

UN Environment aims to strengthen the ability of countries to move towards **climate-resilient** and **low emission pathways** for sustainable development and human well-being



Climate Resilience:

Ecosystem-based adaptation integrated into development

Low –emission pathways:

Energy efficiency improved;
Renewable energy increased

REDD plus :

REDD plus strategies developed and implemented

Climate Resilience

Ecosystem-based adaptation approaches are implemented and integrated into development plans



Assessment, networks, & tools:

Adaptation Gap Reports, CLICC, PROVIA, Global and regional networks, UN resilience initiative (A2R),

Ecosystem-based Adaptation portfolio:

Mountains, river basins, dry lands, urban areas

Adaptation finance:

Readiness support (GCF, AF), Microfinance for Ecosystem based Adaptation

Adaptation planning and reporting under UNFCCC:

NAPAs, NAPs, NDCs, National Communications, support to Negotiators)

Low emission development

Energy efficiency is improved and the use of **renewable energy** is increased to help **reduce greenhouse gas emissions and other pollutants**



Energy Efficiency & Renewable :

lighting, appliances, equipment, district energy, transport efficiency, geothermal, solar, bioenergy.

Clean energy investments:

GCF readiness support, Seed Capital Assistance Facility (SCAF) , Mediterranean Investment Facility (MIF), Portfolio Decarbonization Coalition (PDC)..etc)

Short Lived Climate Pollutants:

Clean Climate Air Coalition (CCAC):
112 partners , 11 initiatives; addresses CH₄, HFCs , black carbon.

CTCN:

11 Partners;
150+ Network members;
Provides information, capacity building, technical expertise

Reporting under UNFCCC:

National Communications (NCs); Biennial Update Reports (BURs), Technology Needs Assessments (TNAs), National Determined Contributions (NDCs).

REDD plus

Transformative REDD plus strategies and finance approaches are developed and implemented by developing countries that aim at reducing emissions from deforestation and forest degradation and **bringing multiple benefits** for biodiversity and livelihoods



National REDD plus strategies:

REDD plus Strategies ;
Tools , methods and services (UN REDD+) for multiple benefits and private sector engagement;



Partnerships for transformative land approaches:

Agriculture and other land uses
(Tropical Forest Landscape Facility)

UN Environment's comparative advantage

UN Environment aims to help interested countries build a portfolio of transformational and sustained impact, based on its comparative advantage in the following areas:



**Redirecting
unsustainable
financial flows**



**Promoting ecosystem-
based approaches that
bring adaptation and
mitigation benefits**



**Fostering low emission
development,
particularly in rapidly
growing urban areas,
through the promotion
of energy efficiency and
renewable energy**

← Capacity building of national entities including on data analysis and extraction →

UN Environment support to countries: Projects

Approved

- **Gambia** *Ecosystem based Adaptation: USD 20.5m*

Submitted for Board consideration in 2018

- **Mozambique:** *Coastal Ecosystems based Adaptation: USD 33.7m*
- **Burundi, Lesotho, Malawi, Swaziland, Tanzania, Uganda, Zambia, Zimbabwe:** *Ecosystem based Adaptation: USD 45.7m*

Advanced Development

- **Lao :** *Ecosystem based Adaptation USD 29.7m*
- **Paraguay:** *REDD+ Finance mechanisms: USD 15m*

Private Sector Facility Window

- **Asia and Africa:** *Seed Capital Assistance Facility.*
- **Indonesia:** *scale up of Tropical Forests Finance Facility*

Under Development:

- **Mongolia:** *Holistic Waste Management*
- **Jordan:** *Integrated Landscape Management*
- **Jamaica:** *REDD+ to Reef Landscape*
- **11 Pacific Island Countries:** *Energy Efficiency*
- **Kenya, Uganda, Rwanda** *Electric mobility: electric motorcycles*
- **Chile:** *Electric mobility in Santiago: electric buses*
- **Colombia:** *Micro-finance based Adaptation*
- **Ghana:** *Resilient Landscapes*
- **Antigua and Barbuda:** *Climate Resilience*
- **Kenya:** *Greening Economic systems*
- **Benin(SAP):** *Climate Resilience of rural communities*

UN Environment support to countries: Readiness

Approved

- Albania
- Benin
- Comoros
- Egypt
- Ghana (CTCN)
- Jordan
- Maldives
- Montenegro
- Myanmar
- Myanmar (CTCN)
- Niger
- Palestine (CTCN)
- Serbia
- Tonga (CTCN)
- Zimbabwe

Under review by Secretariat

- Brazil
- Honduras
- Madagascar
- Mauritius (CTCN)
- Mongolia
- Myanmar
- Niger
- South Sudan
- Sri Lanka
- Swaziland

Proposal to mobilize developing country financial institutions to access the Green Climate Fund:

- Global
- Antigua & Barbuda
- Cambodia
- Guatemala
- Philipines

National Adaptation Planning

Approved

✓ Nepal

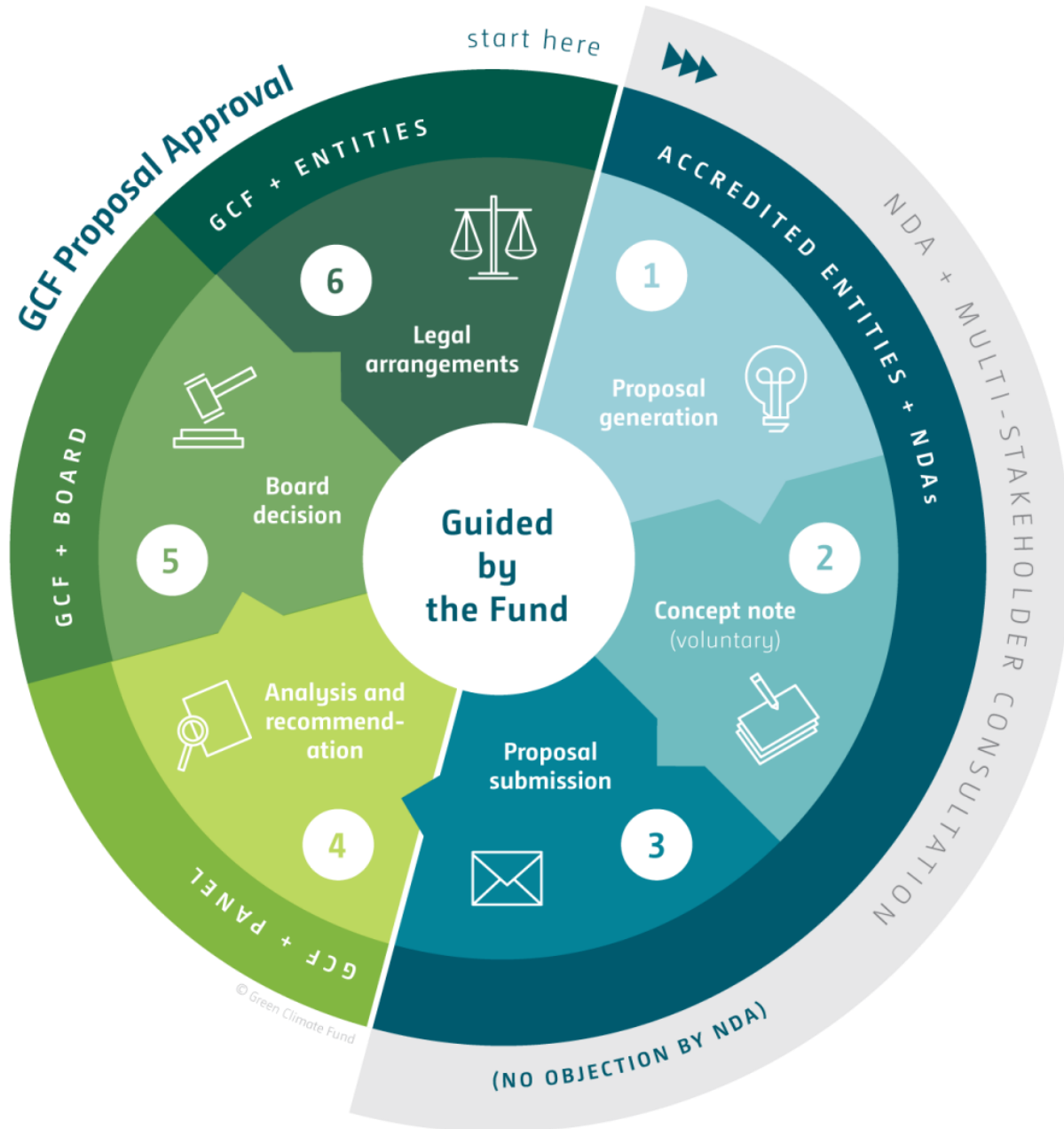
GCF review

- Cameroon
- Costa Rica
- Dominican Republic
- Ghana
- Honduras
- Iraq
- Lesotho
- Malawi
- Mauritania
- Mongolia
- Montenegro (with UNDP)
- Myanmar
- Nigeria
- Pakistan
- Seychelles
- South Sudan
- Swaziland
- Zimbabwe

Planned submission in 2018

- Bahrain
- Central African Republic
- Chad
- Chile
- Eritrea
- Gambia
- Georgia
- Guyana
- Maldives
- Nauru
- Oman
- Panamá
- Sao Tome
- Sierra Leone
- Suriname
- Tajikistan
- Togo
- Uganda
- Vanuatu

GCF proposal approval process



Challenges

Lack of guidance from GCF on:

- What constitutes a transformational project?
- What constitutes sufficient justification in making the case for a mitigation and adaptation project?
- Adaptation vs development projects;
- Co-finance
- Incremental cost vs full cost (adaptation)
- PMC vs AE/ DP fee.



Inconsistency in consideration of :

- Normative components of projects;
- Adaptation versus poverty/ social components;
- Middle income countries seeking grants.

Adaptation vs mitigation:

- Private sector / mitigation activities are proving more challenging
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Thank you

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