The Green Climate Fund: Overview

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Basic Facts on the Fund

NAME
GREEN CLIMATE FUND

TYPE
Financial Mechanism of the Convention - UNFCCC

ESTABLISHED
11 December 2010 in Cancun, Mexico

STAKEHOLDERS
194 Countries Signatories to the UNFCCC

GOVERNANCE
Board + Secretariat + Independent Accountability Units

Equal Board members from developing and developed countries

MANDATE
To promote low-emission and climate-resilient development in developing countries

HEADQUARTERS
Songdo, Republic of Korea
Moving into full operation

Achievements:

2014

- Essential operational policies adopted at 7th Board meeting
- Readiness programme, Accreditation framework approved at 8th Board meeting
- Pledging conference

2015

- 1st group of entities accredited
- >50% of pledge converted to contribution arrangements
- 2nd group of entities accredited
- Funding proposals approved at 11th Board meeting

Milestones:

- Lima COP ($10.2 billion)

Achievements:

- Funding proposals approved at 11th Board meeting
GCF Architecture
NDAs/ Focal Points at the heart of the GCF
NDAs, focal points and readiness overview

GCF Readiness Requests (as of 1 Sep)

- 135 NDAs or focal points
- 80 readiness requests

$4.25 million of total amount of allocations, covering 16 countries.
Accredited Entities

Regional
- ACUMEN
- Caribbean Community Climate Change Centre
- CAF Development Bank of Latin America
- SPREP Secretariat of the Pacific Regional Environment Programme

National
- CSE
- Environmental Investment Fund of Namibia
- Ministry of Natural Resources of Rwanda
- NABARD
- PROFONANPE

International
- AFC Africa Finance Corporation
- Agence Française de Développement
- ADB Asian Development Bank
- Conservation International
- Deutsche Bank
- European Bank for Reconstruction and Development
- IDB Inter-American Development Bank
- The World Bank
- kfw
- UNDP United Nations Development Programme
- UNEP United Nations Environment Programme
Fit-for-Purpose Accreditation

Mandate & track record
- Alignment with Fund objectives
- At least 3 year of operations

Project size
- Micro (>10mn)
- Small (10-50mn)
- Medium (50-250mn)
- Large (>250mn)

Fiduciary functions
- Basic
- Specialized

Environment & Social risk category
- A (high)
- B (medium)
- C (low)
• $10.2 billion in pledges

• $5.8 billion in signed contributions (1 Sep)

• 36 governments, 8 developing countries
Projects & Programmes

With a focus on...
- Impacts
- Paradigm-shift potential
- Crosscutting adaptation-mitigation benefits
- Sustainable development co-benefits
Why the PSF?

- To mainstream climate change mitigation and adaptation actions in the private sector

Interventions possible

- Fund climate risk assessment models and tools
- Long-term debt, credit lines and refinancing
- Equity to develop a project to full bankability
- Guarantees to bear specific risks

Access to the private sector

- Accredited entities with private sector operations
- Present funding proposals spontaneously or in response to calls for proposals
Value Add

Country ownership through NDAs and Focal Points

Balance between adaptation and mitigation

Equal voice for developed and developing countries

Diversity of accredited entities

Diversity of financial instruments

Dedicated Private Sector Facility (PSF)

Largest dedicated climate fund globally