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# Green Climate Fund

## GCF-2: Accelerating climate innovation and investment in Africa

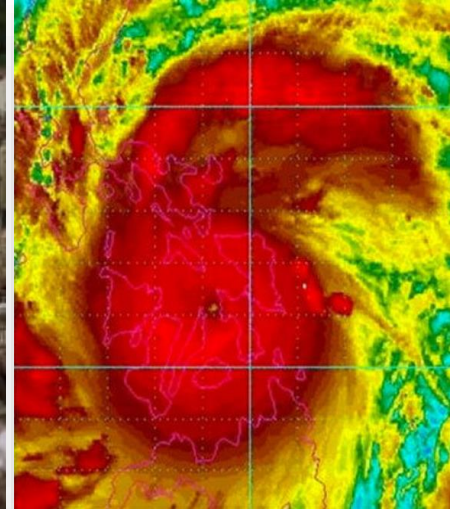
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Lead, GCF support to EW4All initiative

# Challenges on Resilience in Africa



- Africa's adaptation challenge will grow substantially; the region is already heating up twice as fast as the rest of the globe
- The region appreciates the challenge:
  - Established an Agenda 2063 goal (1.7) and set priorities for environmentally sustainable and climate resilient economies and communities
  - up to 84% of UNFCCC party countries have planning instruments (adaptation plans, strategies, laws, and policies) in place; and over 80% have submitted updated NDCs, outlining clear adaptation priorities
- The gap in the financing needed to turn these plans into action continues to widen:
  - Adaptation costs due to past emissions were estimated to be USD 7-15 billion annually by 2020; could reach USD 50 billion per year by 2050.
  - Africa gets only 12% of the financing it needs to adapt to the changing climate; and faces an adaptation finance gap of \$265 billion by 2030 (*after contributing up to \$66 billion from domestic budgets*).
  - Cumulatively, climate finance in the region needs to grow by up to 9-times to meet the region's 2030 climate goals.
- Yet, adaptation investment opportunities are vast and the return on investment of adaptation actions is high:
  - every \$1 invested in adaptation actions in Africa unlocks a return of between \$2 and \$10.



# Supporting Africa's Transition to Low Emission Climate-Resilient Development

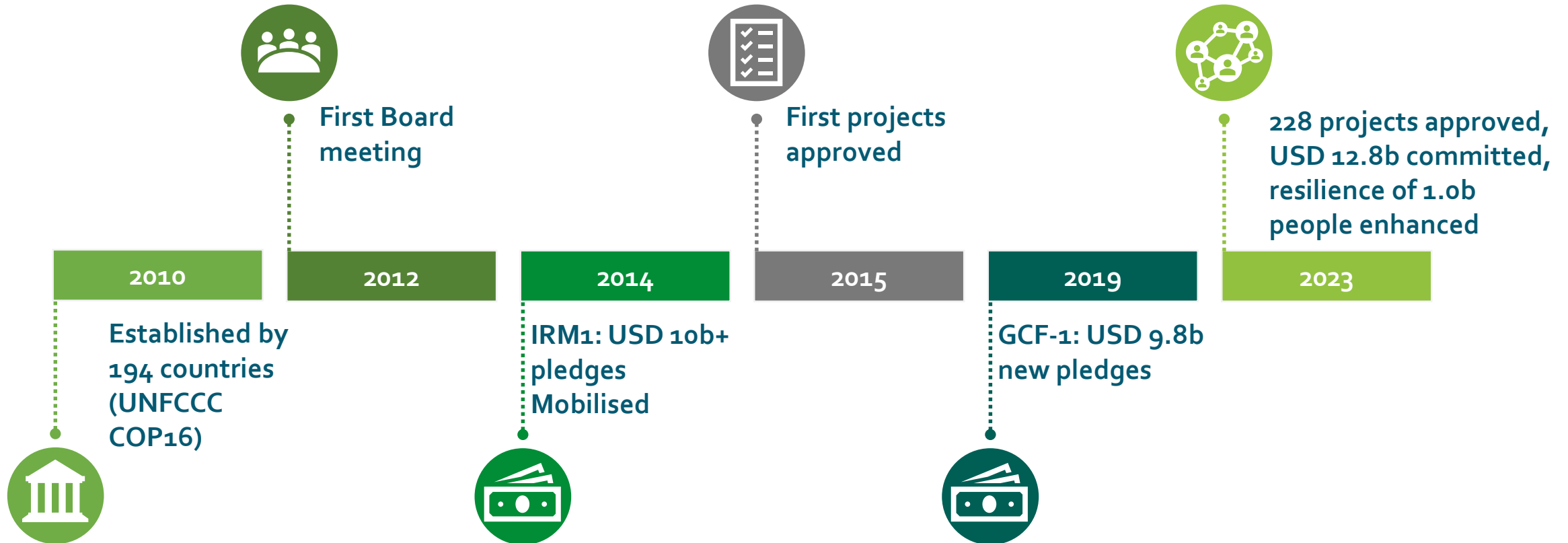


# Outline



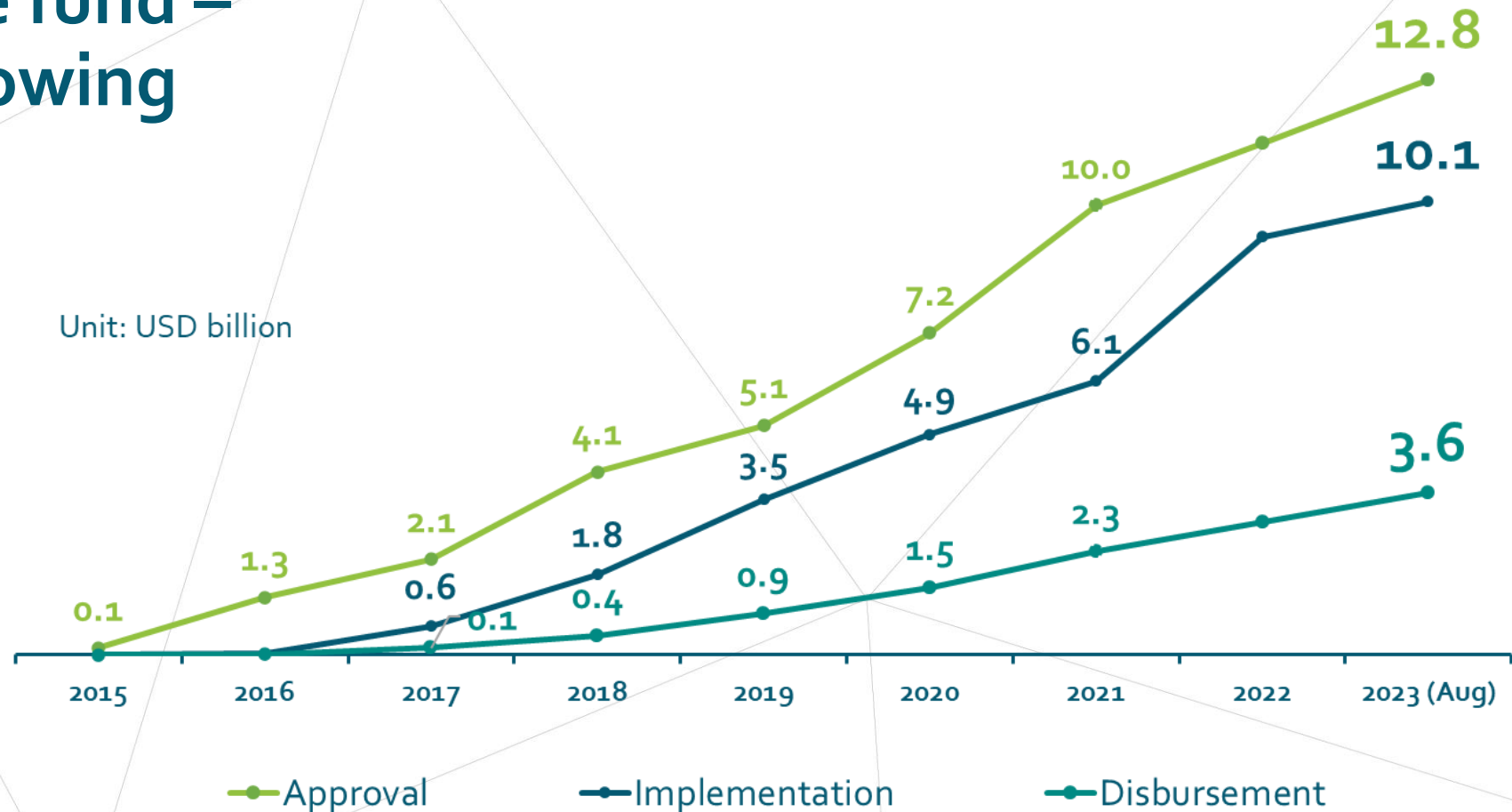
- 1. GCF Overview, Initial Resource Mobilization and GCF-1**
- 2. GCF-2 Strategic Programming for 2024-2027**
- 3. African Climate Resilient Co-Investment Programme**
- 4. Conclusion and Outlook for future Programming**

# GCF overview



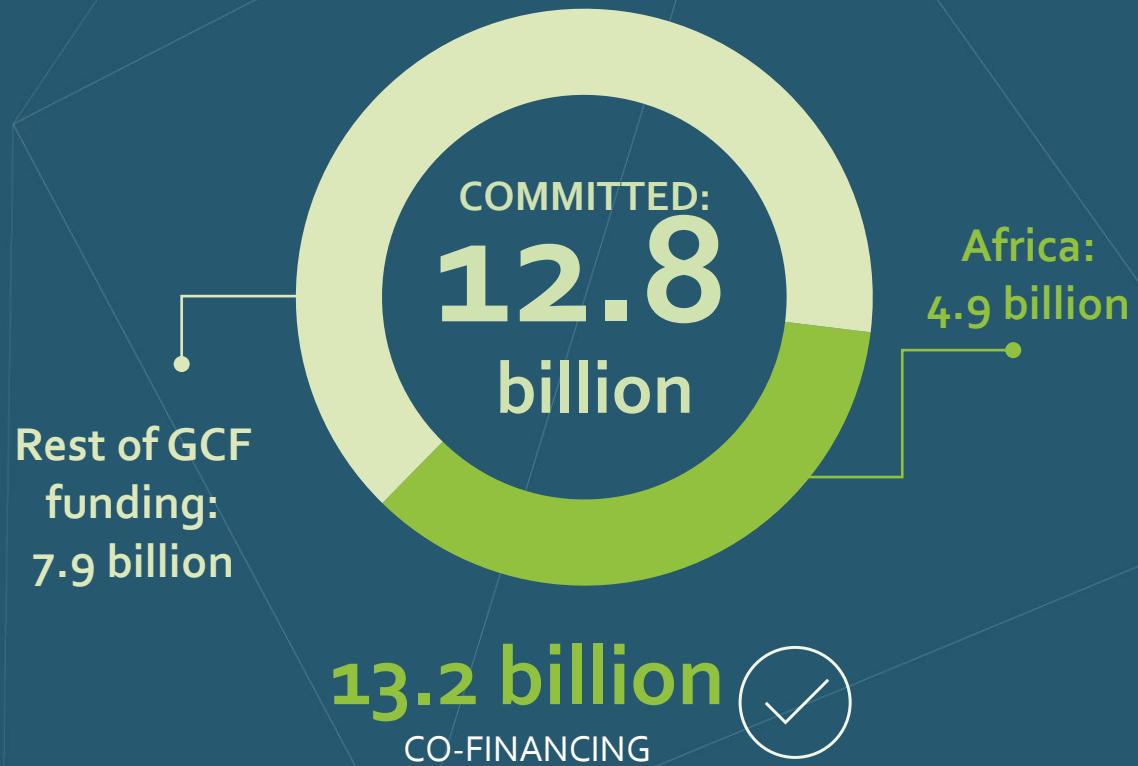
An operating entity of the **UNFCCC** fostering a **paradigm shift** to low-emission and climate-resilient development pathways in developing countries

# The largest climate fund – and growing fast



# GCF Portfolio in Africa (USD)

## Share of Funding



## GCF Funding

**4.9**  
billion

**92**  
projects\*

\***18** MULTI-REGIONAL  
PROJECTS INCLUDED

**79**  
UNDER IMPLEMENTATION



# GCF-2 Programming



# IRM to today: The evolution of GCF

- ❖ Co-financier business model
- ❖ First-come 2DD operating model
- ❖ Emergent policy frameworks and nascent business processes

- Initial Strategic Plan
- Annual work planning, budgeting, and ad hoc capability assessment

IRM (2015-2019)  
Creating the building blocks

- ❖ Co-investor business model
- ❖ Partially prioritised 2DD model: High speed delivery and patient architect
- ❖ Matured policy frameworks & codified/digitized processes

- USP
- 4-year Board Work Plan & policy cycle & USP-aligned work planning

GCF-1 (2020-2023)  
Aligning the building blocks

- ❖ Partnership hub business model, shift to convenor focused on catalytic impact and systems transitions
- ❖ Prioritised 2DD operating model: High speed delivery and patient architect

GCF-2 (2024-2027)  
Integrated strategic planning

# GCF-2/USP2 Programming Targets



1. Directly support **100+** developing countries for climate investment planning
2. **2x DAEs** with approved funding proposals
3. CIEWS: **50-60** developing countries vulnerable to climate change protected by new or improved early warning systems
4. Food: support **190-280 million beneficiaries** in adopting low-emission climate-resilient agricultural and fisheries practices, securing livelihoods while reconfiguring food systems
5. Ecosystems: support **120-190 million hectares** of terrestrial and marine areas conserved, restored or brought under sustainable management
6. Infrastructure: **45-60 developing countries** support to develop or secure low-emission climate resilient infrastructure, through systemic and/or country-driven resilience planning, funding and/or de-risking of investments, including those that draw on NbS or ecosystem-based approaches

## GCF-2/USP2 Programming Targets (cont.)



7. Clean Energy: support **20-30 new developing countries** to expand access to sustainable, affordable, resilient, reliable renewable energy
8. Transport, buildings, industry: support **18-25 developing countries** shift toward clean and efficient energy end-use for transport, building and industry sectors, including through electrification, decreasing energy consumption and novel solutions and emerging technologies
9. **40-70 approved proposals** for adaptation projects, including for locally-led adaptation action
10. Support resulting in **900-1,500 local private sector** early-stage ventures and MSMEs provided with broad-based seed and early-stage capital for innovative climate solutions, business models and technologies, with a focus on adaptation, energy access and transport sectors, and removing barriers for home-grown innovation.
11. Support resulting in **90-280 national and regional financial institutions** supported to access GCF resources, and other green finance, particularly for MSMEs

# Improving access to fund resources

## Building the AE network

In GCF-1 period,

**24 new AEs:**

**20 are DAEs (83%)**

Growing re-accreditation  
Pipeline

Updated Accreditation  
Framework; PSAA;  
Accreditation Strategy

(data as of August 2023)

## Working across all access dimensions

**DIRECT ACCESS:** Ensuring programming alignment with priorities set by developing countries

**VOLUME:** Catalysing larger sums of climate finance in public and private sectors

**HARMONISATION:** Connected processes when applying for climate finance

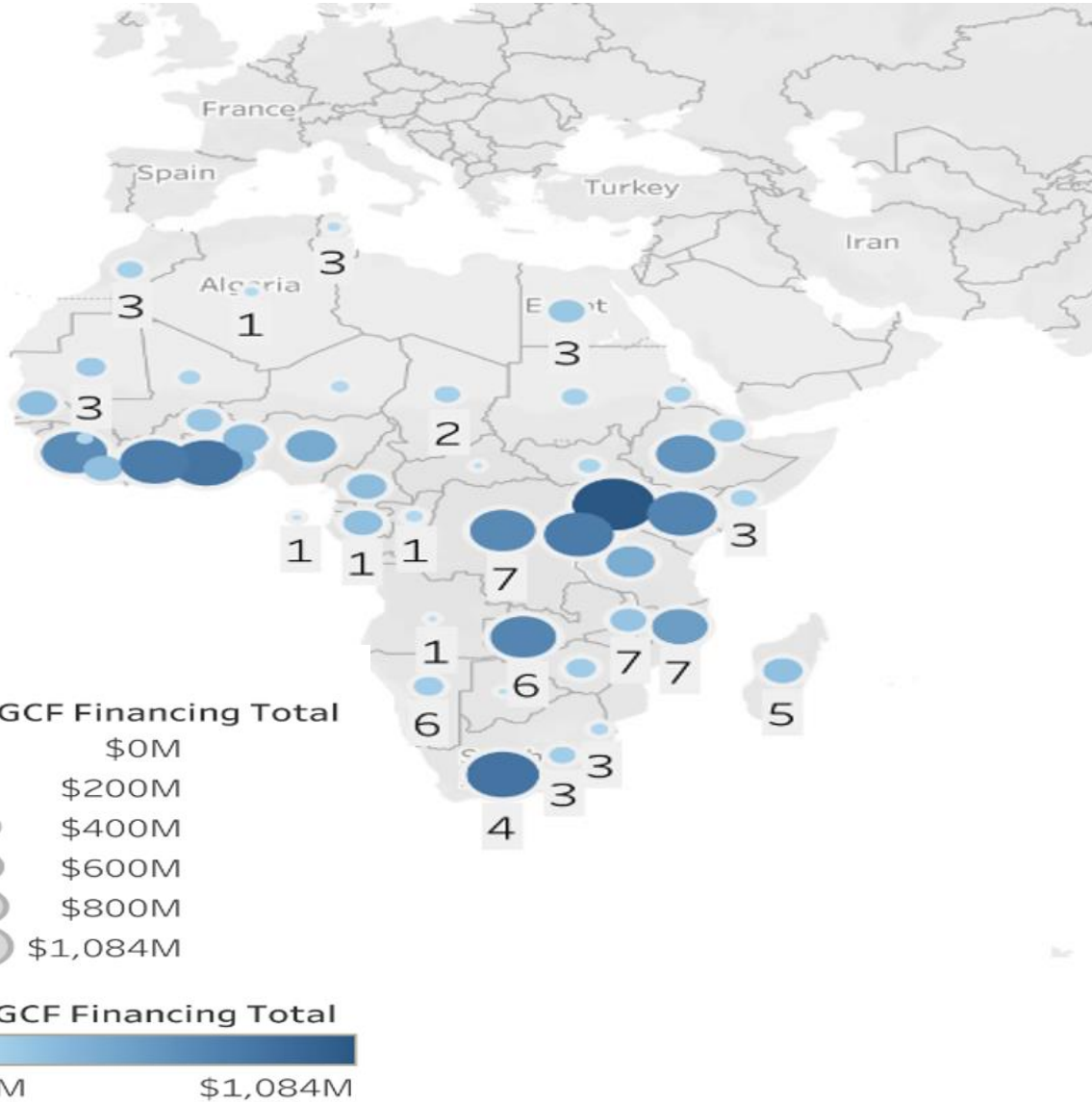
**SIMPLICITY:** Simplified documentation and expedited review

**SPEED:** Programming resources as soon as they are available; Decreasing access timelines



# African Climate Resilient Co-Investment Programme

# African CIEWS Sector Pipeline of Projects



Financing by Region and Country Groups

GCF Region	SG LDC Financing	SG SIDs Financing	SG Non-LDC_SIDs Financing	SG GCF Financing Countries
Africa	\$654M	\$5M	\$478M	\$1,132M
<b>Grand Total</b>	<b>\$654M</b>	<b>\$5M</b>	<b>\$478M</b>	<b>\$1,132M</b>

Number of Projects by Region and Country Groups

GCF Region	SG LDC Count	SG SIDs Count	SG Non-LDC_SIDs Count	SG Countries Count
Africa	29	1	16	45
<b>Grand Total</b>	<b>29</b>	<b>1</b>	<b>16</b>	<b>45</b>

# Proposal to develop “African Climate Resilience CoP”



## Challenges

- Need to develop a **financing plan** to accompany the ACR-CoP implementation strategy. What is GCFs role in the financing plan? How do we crowd in other investors?
- Need to support **pipeline generation**, and proposal maturation, in particular, via direct access entities.
- Need to provide funding for **coordination**, fit for purpose prioritization, monitoring, lessons learning, knowledge management, regular meetings
- Need to invest in **pilot early movers and examples** to serve as inspiration

## Develop a GCF project as “incubator”

- **Project preparation grant** to develop the **financing plan**, and prepare the project
- **Component 1 – Pipeline generation** - prioritize support for pipeline development by DAEs, scaling up framework with CREWS used, SOFF support as project components promoted
- **Component 2 – Coordination** – Using existing mechanisms via ACR-CoP pillar, promote coordinated approach nationally, and regionally to promote system optimization. Finance regular meetings to discuss opportunities, pipeline development, sharing good projects and lessons learned. Crowd in co investors including private sector using the financing plan. Will help develop standards, templates, indicators, etc.
- **Component 3 – pilot projects** - to serve as inspiration on what can be done

*Other projects will be developed following this first project*

# African Climate Resilient Co-Investment Programme

First project by the GCF, AfDB and donors with CDSF/ClimDev-Africa as EE to enable coordination, develop pipeline and identify pilots

## ACR-CoP Umbrella Coordination

CN and PPF will be developed for this project that will serve as the Umbrella Program for the Initiative

### Pipeline Acceleration *(funded via donor co financing)*

- Tailored one-on-one technical support is provided to participating countries in accordance with the global action plan
- Gap analysis at regional and national level

### Enabling Condition *(via UNECA, AfDB, AUC, UNDRR, ITU and IFRC)*

- Regional outreach campaigns carried out with partners to ensure synergies
- A regional financing campaigns organized targeting donors, philanthropists, and private sector
- Advancing regional knowledge
- A sustainability strategy established for the regional support architecture

### Country-level Priority Actions *(via AE/DAE- 5 to 8 priority countries)*

- National level advocacy activities carried out
- Capacity building
- Investment activities
- Strengthening governance

***Incubator project*** = Coordination project to get the investment project-development going – feeding into the accelerator series of projects



# ACR-CoP Facility will help accelerate projects over 2024-2027



In total up to 8 resilient **projects** approved covering at least 8 **countries**. To be implemented by various **African DAEs and partners**

## Project Preparation Grant

Up to USD 1.5 million

- Will develop the full funding proposal for GCF consideration, including feasibility studies, consultations, and baselines
- Will help develop the zero draft financing plan to accompany the Early Warning for All implementation strategy

**To be approved by GCF By January 2024 and can be announced at the 2024 AU Summit to build the partnerships and crowd-in donors**

## ACR-CoP Facility Project incubation

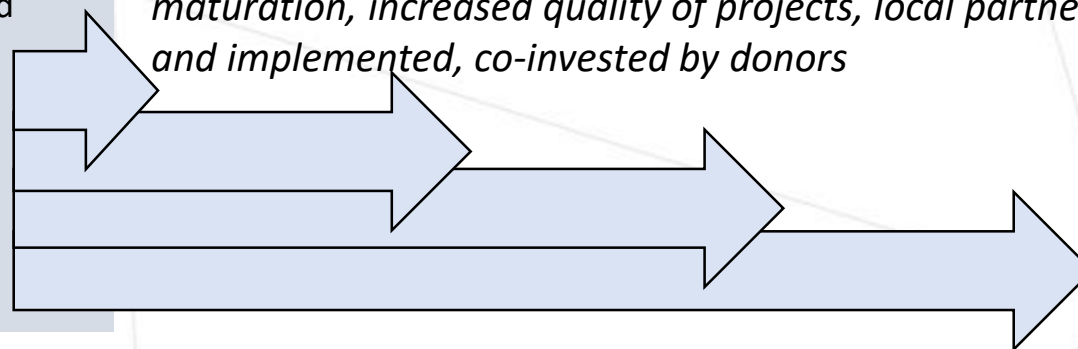
- Yearly or twice-yearly meetings among countries and potential partners
- Guidance and support to interested countries and partners to develop project proposals for GCF or other donors
- Crowd in co-investors
- Support in prioritization, coordination and optimization
- Overall monitoring
- Build on lessons learned, good practices

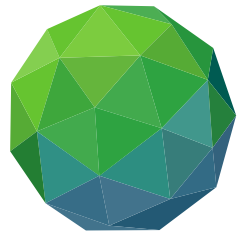
**To be approved by GCF in early 2024. Implementation to follow immediately**

## GCF project acceleration

2024	2025	2026	2027
<ul style="list-style-type: none"> <li>• ACR-COP Facility</li> <li>• 2 projects (including multi-country programmes) for GCF Board approval</li> </ul>	<ul style="list-style-type: none"> <li>• 2 projects (including multi-country programmes) for GCF Board approval</li> </ul>	<ul style="list-style-type: none"> <li>• 2 projects (including multi-country programmes) for GCF Board approval</li> </ul>	<ul style="list-style-type: none"> <li>• 2 projects (including multi-country programmes) for GCF Board approval</li> </ul>

**Result = Systematic and technically sound, predictable project maturation, increased quality of projects, local partner owned and implemented, co-invested by donors**





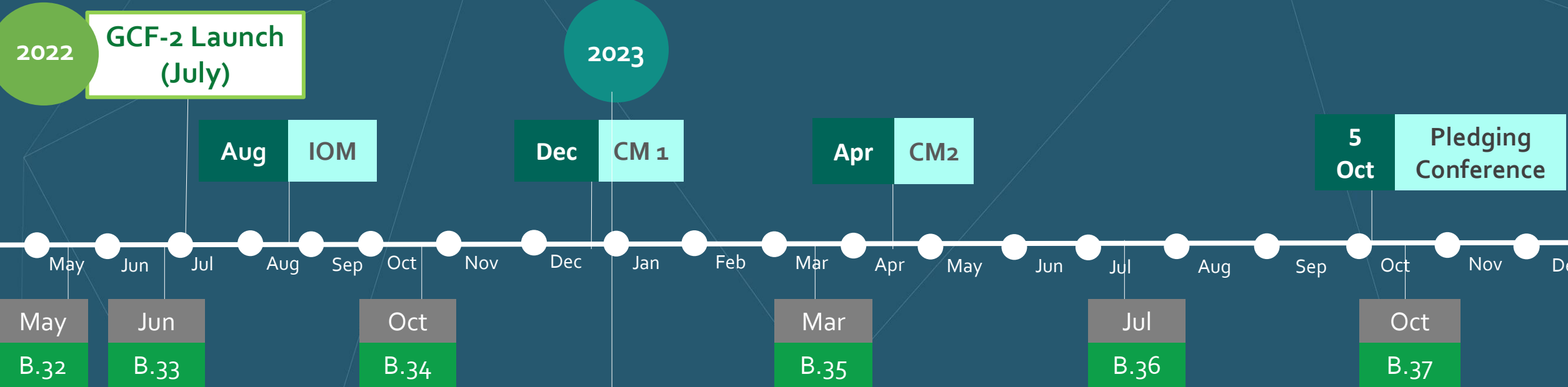
GREEN  
CLIMATE  
FUND

**Raising  
ambition.**  
**Empowering  
action.**

# GCF-2 TIMELINE



GCF-2 PROCESS (Jul 2022 – Dec 2023)



IOM: Initial Organizational Meeting  
CM1: First Consultation Meeting  
CM2: Second Consultation Meeting




BOARD PROCESS

# GCF Pipeline for African CIEWS priority countries

– Analysis of the African resilience Pipeline



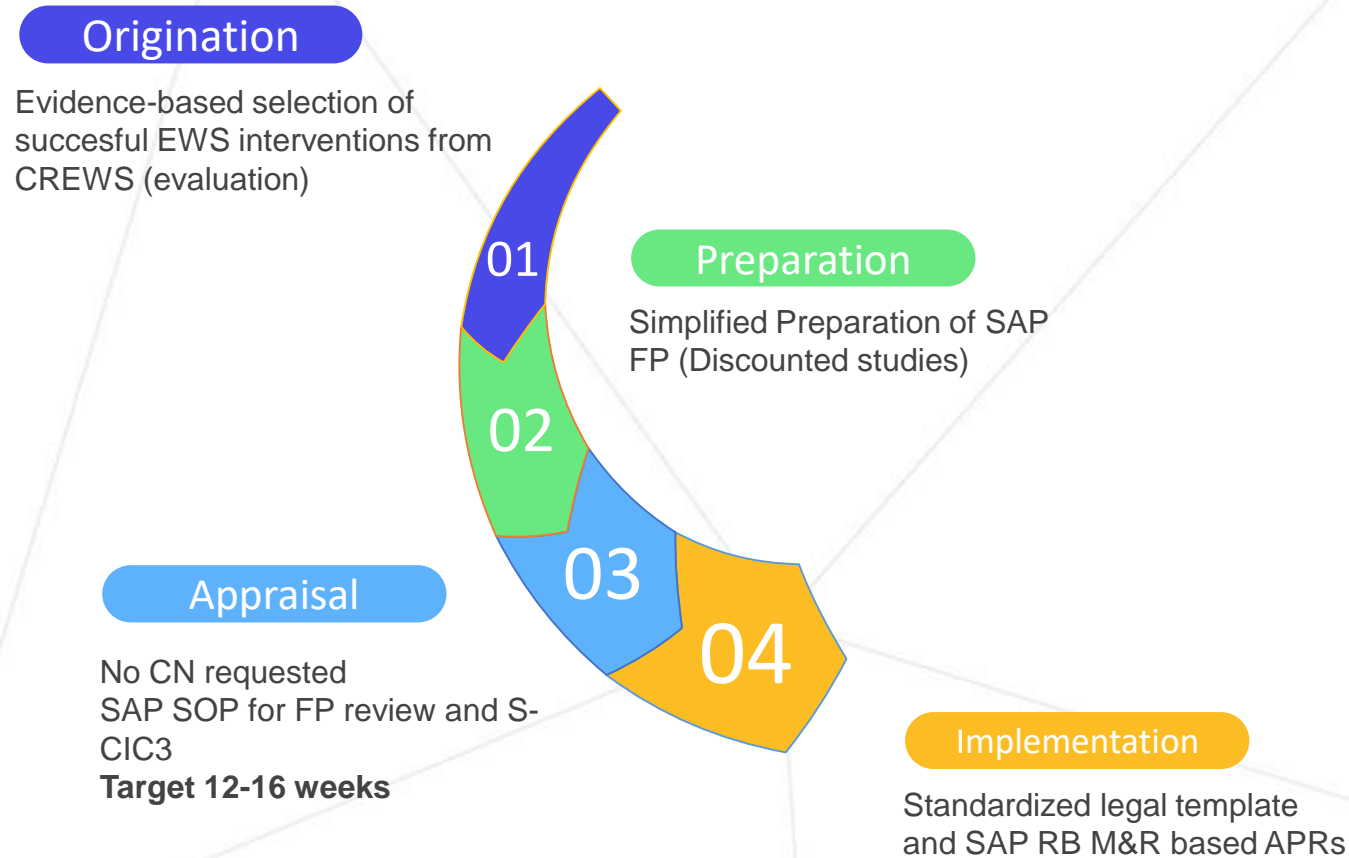
Region	SG Priority in pipeline	Others (SOFF/CREWS) in pipeline	Status	Budget (USD)
<b>Africa</b>	Chad, Comoros, Djibouti, Ethiopia, Liberia, Madagascar, Mauritius, Mozambique, Niger, Somalia, Sudan, South Sudan, Uganda (need scaling up)	Burkina Faso, Chad, Ethiopia, Cabo Verde, Democratic Republic of the Congo, Liberia, Madagascar, Malawi, Mozambique, Rwanda, Senegal, South Sudan, Tanzania	B37 – B43	10-25 mill per country

-  Approved project
-  In pipeline
-  Idea stage to be submitted to pipeline

# Acceleration of EWS projects via SAP



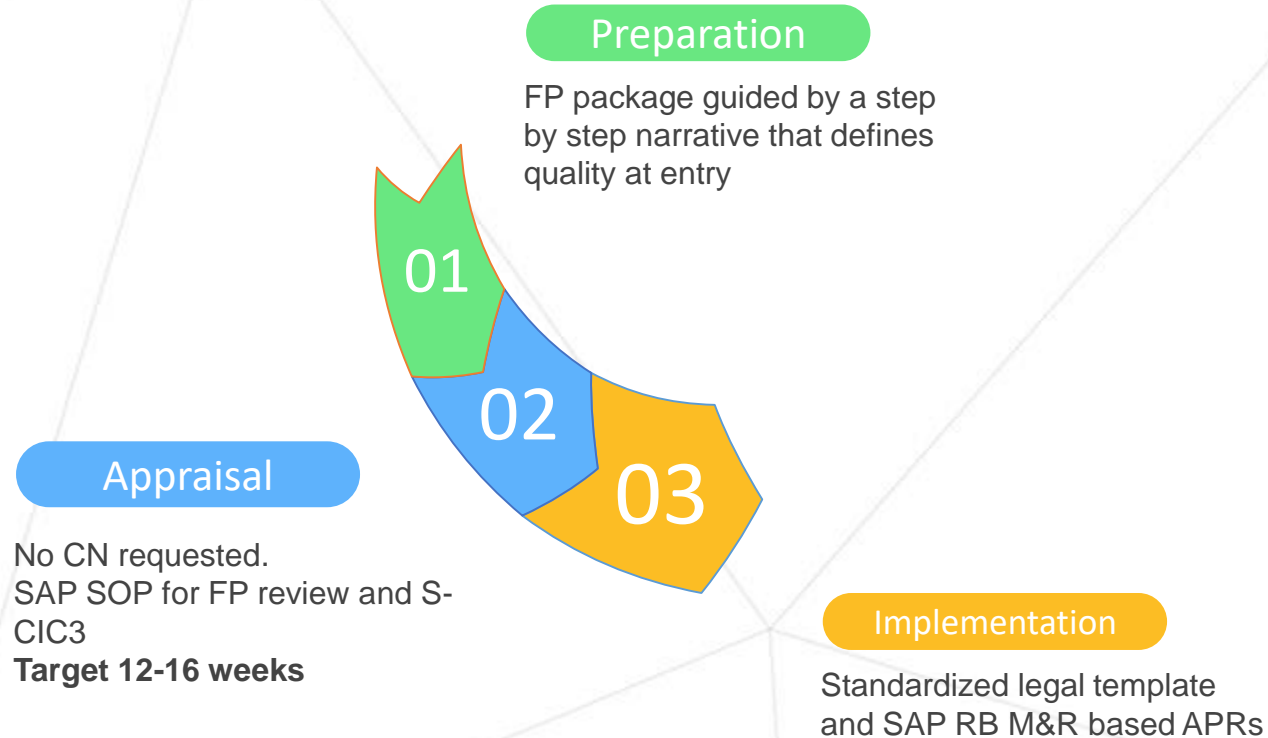
## SAP-CREWS Scaling-Up Framework



# Acceleration of Resilience projects via SAP



## SAP EWS guided template





@GCFOfficial



green-climate-fund



greencimatefund



@theGCF



# GCF-1 PROGRESS REPORT

GCF first replenishment period 2020-2023

*Scan this QR code  
to access/download  
the report*



# GCF Strategic Plan 2024-2027



UNFCCC & Paris Agreement	THE PURPOSE OF THE GCF IS TO MAKE A SIGNIFICANT AND AMBITIOUS CONTRIBUTION to the objective of the UNFCCC and the goals of the Paris Agreement through successive cycles
Long-term vision	GCF PROMOTES PARADIGM SHIFT AND IMPLEMENTATION OF THE UNFCCC AND THE PARIS AGREEMENT (a) Promote the paradigm shift towards low-emission and climate resilient development pathways in the context of sustainable development; and (b) Support developing countries in the implementation of the UNFCCC and Paris Agreement within the evolving climate finance landscape
Strategic Direction	GCF AIMS TO ACHIEVE MILESTONE GOALS towards global pathways for 2030, with targeted results based on resourcing for 2024-27: a. Mitigation of 1.5 to 2.4 gigatonnes of CO2 equivalent b. Enhanced resilience of 570 to 900 million people
Programming Priorities	GCF WILL DIRECT 2024-27 PROGRAMMING toward (1) Readiness and Preparatory Support: Enhanced focus on climate programming and direct access; (2) Mitigation and Adaptation: Supporting paradigm shifts across sectors; (3) Adaptation: Addressing urgent and immediate adaptation and resilience needs; and (4) Private Sector: Promoting innovation and catalysing green financing.
Modalities to deliver	GCF WILL LEARN AND ADAPT ITS OPERATIONS guided by a core goal of enhancing access, and pursue institutional measures to calibrate its policies, processes, governance, risk management, results management and reporting and organisational capacity for successful delivery



# 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



# GCF TOP 20 CONTRIBUTORS

By confirmed amount (IRM plus GCF-1)

USD Millions (\* countries doubled or more for GCF-1)

