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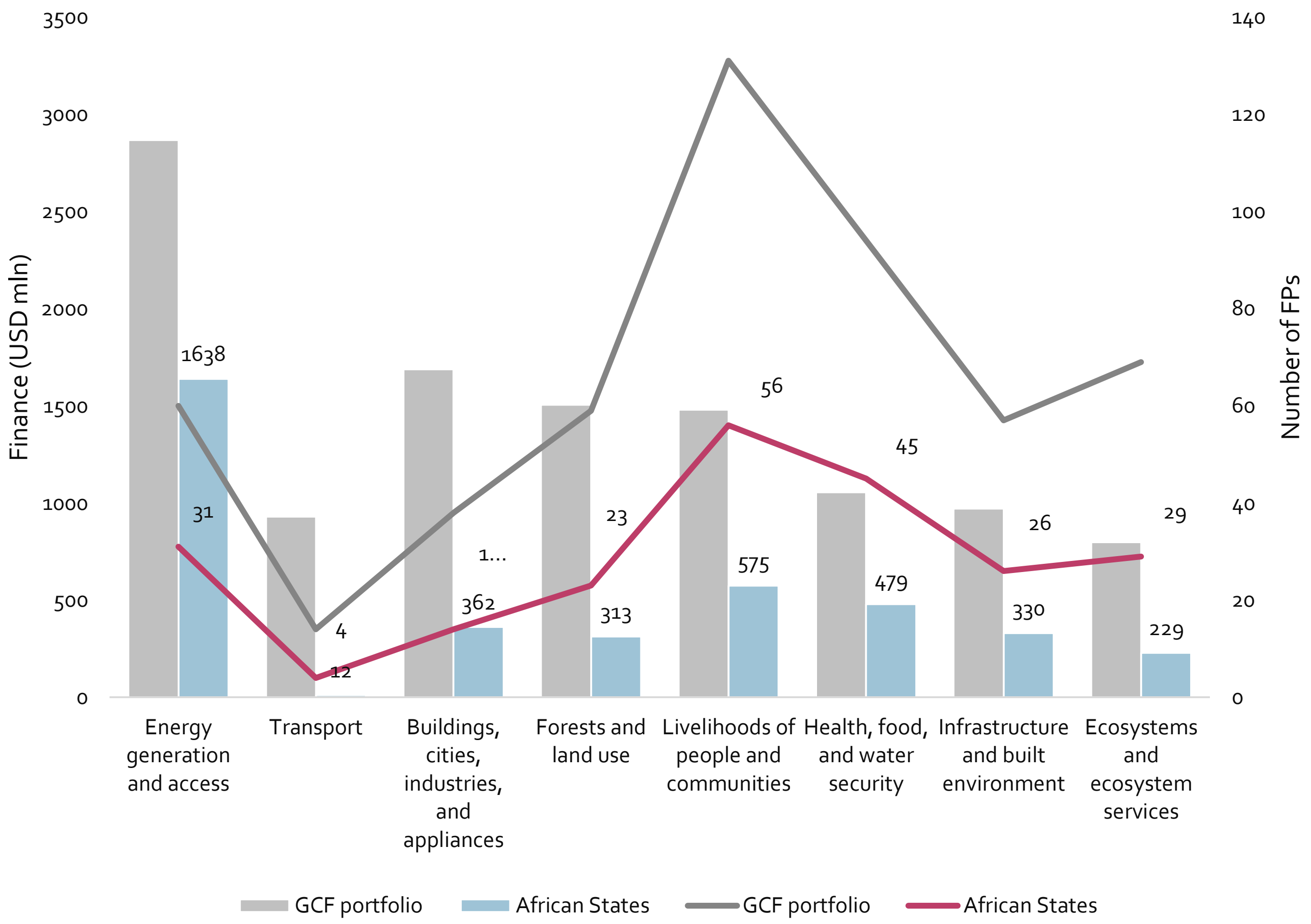
# Independent Evaluation of the relevance and effectiveness of the GCF's Investments in the African States

September 2023

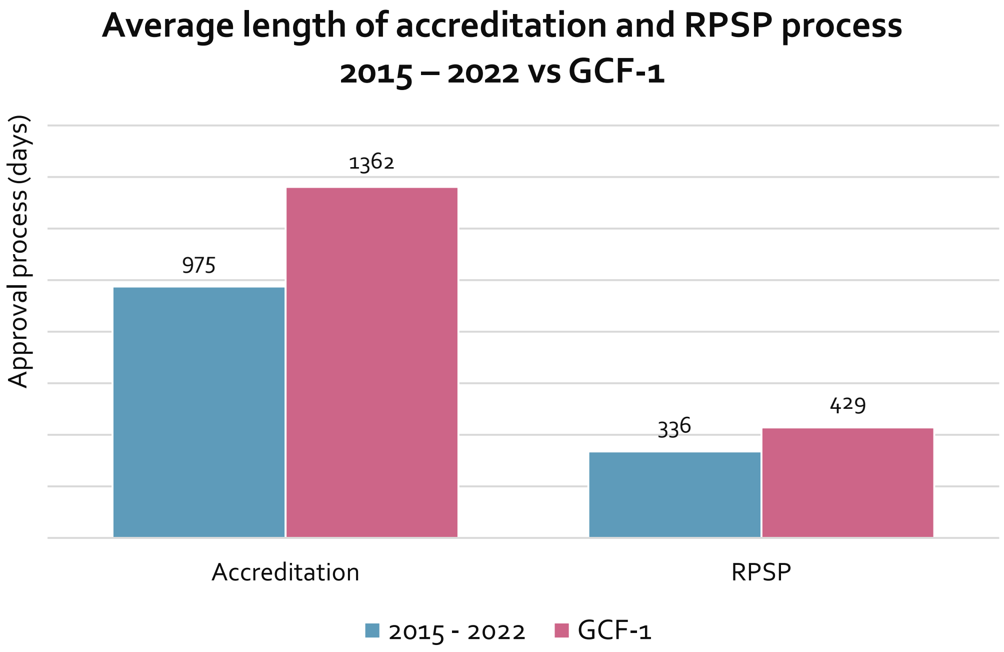
# African Portfolio: STRONG WEIGHT TOWARDS MITIGATION!

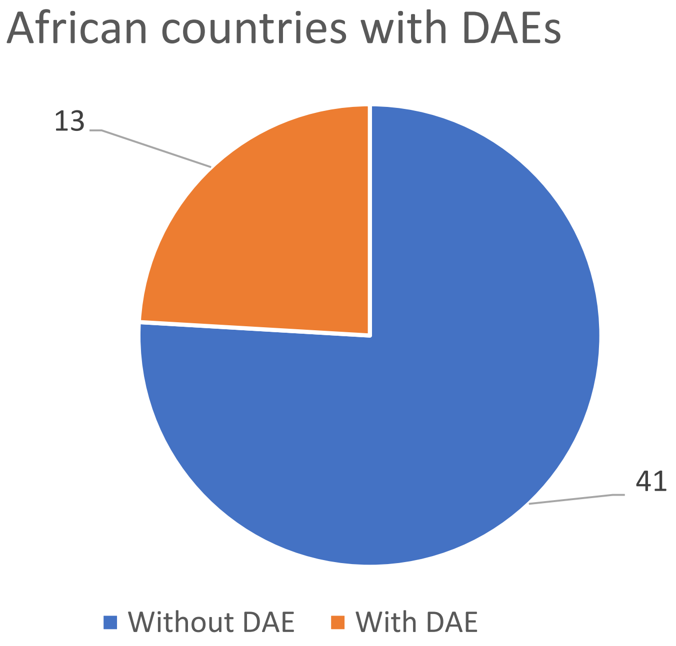
- Nearly 60% financing on mitigation result areas; more than **40% towards Energy Generation and Access (25% in the GCF entire portfolio)**

- Issues around defining adaptation, e.g. for vulnerable groups, energy access shows linkages to adaptation



# ACCESS: ACCREDITATION AND RPSP PROCESS IN AFRICA




Length of accreditation increased in GCF-1

41 out of 54 African countries are without DAEs

# Accessing GCF is still a challenge for the African States

- To date, **six countries are without GCF** funded project
- Perception of **limited quality of access** through **multi-country projects** (limited country engagement)
- 17 countries are without any single-country projects

| Funding Proposals approved (Single and Multi-country) | No. of countries | Percentage (%) |
|---|---|---|
| **No FPs** | **6** | **11%** |
| **Only multi-country FPs** | **17** | **31%** |
| Both single and multi-country FPs | 28 | 52% |
| Only single FPs | 3 | 6% |

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# KEY CHALLENGES IN ACCESSING GCF IN THE AFRICAN STATES BY STEPS IN THE PROGRAMMING CYCLE

| | CHALLENGES AND FACTORS FOR DELAYS |
|---|---|
| Access: Accreditation and RPSP process | • **Lengthy and complicated RPSP/accreditation approval process**<br>• Complicated GCF's policies and standards<br>• Delays in fulfilling accreditation conditions by AEs<br>• Insufficient communication from both the Secretariat and the applicant<br>• **Language-related barriers** |
| Project appraisal and approval stage | • **High operating costs in Africa, in particular in vulnerable African countries**<br>• **Insufficient AE fees to cover costs**<br>• **High upfront cost for proposal preparation**<br>• One-size-fit-all project approval process<br>• **Lack of consideration for the country context**<br>• High turnover of NDA/focal point personnel and GCF dedicated staff members |
| Post-approval and implementation stage | • Currency risks during the project implementation<br>• Inflexibility in project restructuring<br>• Lack of AEs operating in the country in particular, for multi-country projects<br>• **Absence of GCF presence in the country** |

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# Across all stages of GCF Programming: **High operating costs** are a key challenge in Africa!

- The GCF **does not adequately consider** the high operating costs in Africa :
  - **The policy on AE fees** applied uniformly across regions and AE types.
  - **High upfront cost** for proposal preparation for RPSP and FPs, in particular for countries with limited capacity (e.g. African LDCs)
  - **Translation cost** for non-Anglophone counties
  - **High transaction cost** with GCF, particularly for countries with limited capacity

# EFFECTIVENESS OF INVESTMENTS

- Concerns over the extent to which results can be achieved through multi-country, and particularly multi-regional projects. Multi-country projects don't always lead to interventions in all participating countries. This puts African states at a disadvantage as more funds are channeled to regions/countries with lower levels of risk.

- GCF has been particularly effective in leveraging co-financing for mitigation project components, co-financing for adaptation remains low by comparison.

- The GCF has placed modest emphasis on promoting the participation of micro-, small- and medium-sized enterprises (MSMEs) – which are the vast majority of private sector actors in Africa – in GCF activities in African LDCs and SIDS states.

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# Thank you!

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