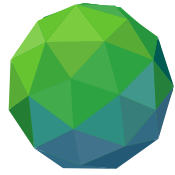


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Green Climate Fund and Readiness Programme

Dr. Binu Parthan
4 April 2016

Sixth Regional Training Workshop on Capacity
Development for Climate Change Negotiations for the
Arab States, League of Arab States, Cairo 3-6 April 2016



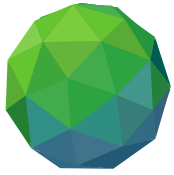
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The Green Climate Fund

- Operating entity of the financial mechanism of the UNFCCC,
- Important element Paris Agreement;
- Secretariat since December 2013 Songdo;
- 50+ Staff, 140 by 2017;



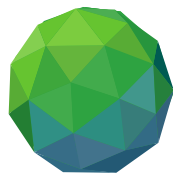
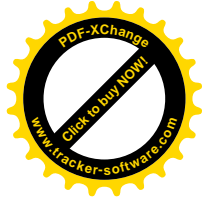
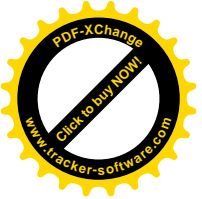


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Our Vision

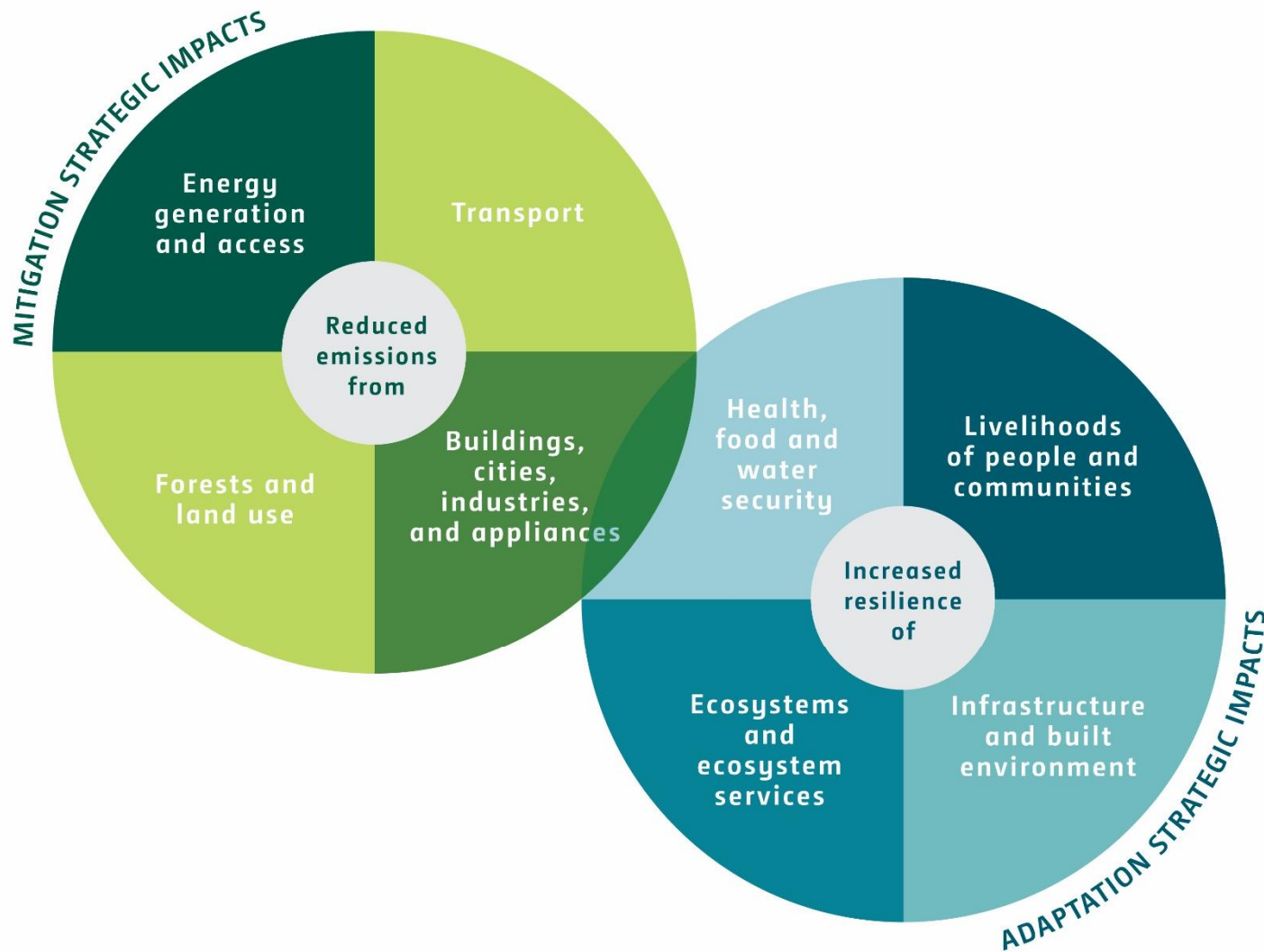


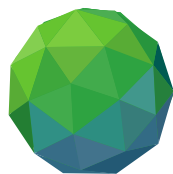
- Promote a paradigm shift towards low-emission and climate-resilient development
- Induce a change in the daily decisions investors and consumers make



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8 Strategic Results Areas

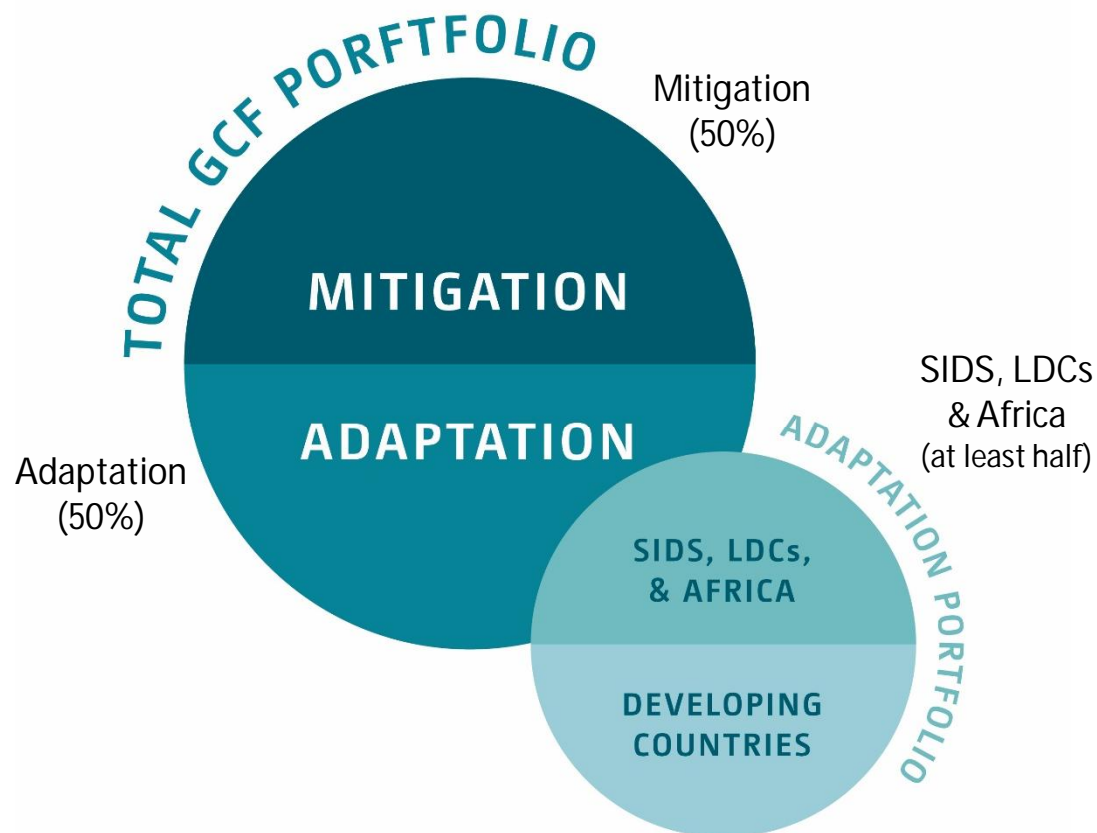


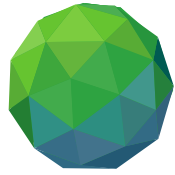


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Resources

- \$10.3 billion in pledges
- \$6.8 billion (66%) in signed contributions (as on 4th April)
- 50/50 split between adaptation & mitigation
- Geographic balance
- 50% of adaptation resources for SIDS, LDCs and African states





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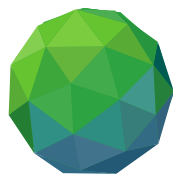


What's New?

- *Direct Access – 'Enhancing DA'*
- *Maximum Country ownership;*
- *Private Sector;*
- *Range of Instruments– Grants, Debt, Equity, Guarantee;*
- *Scale – Climate Finance;*
- *Accreditation – diverse partners - private*
- *Balanced Governance;*
- *Balance – Mitigation & Adaptation.*



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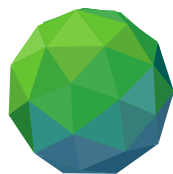
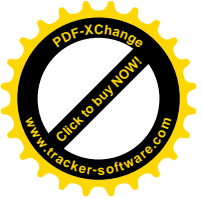
Make Best Investments Viablewith the Least Possible Concessionality

Without the Fund

- High Upfront Capital;
- Insufficient revenues;
- Excessive Risk

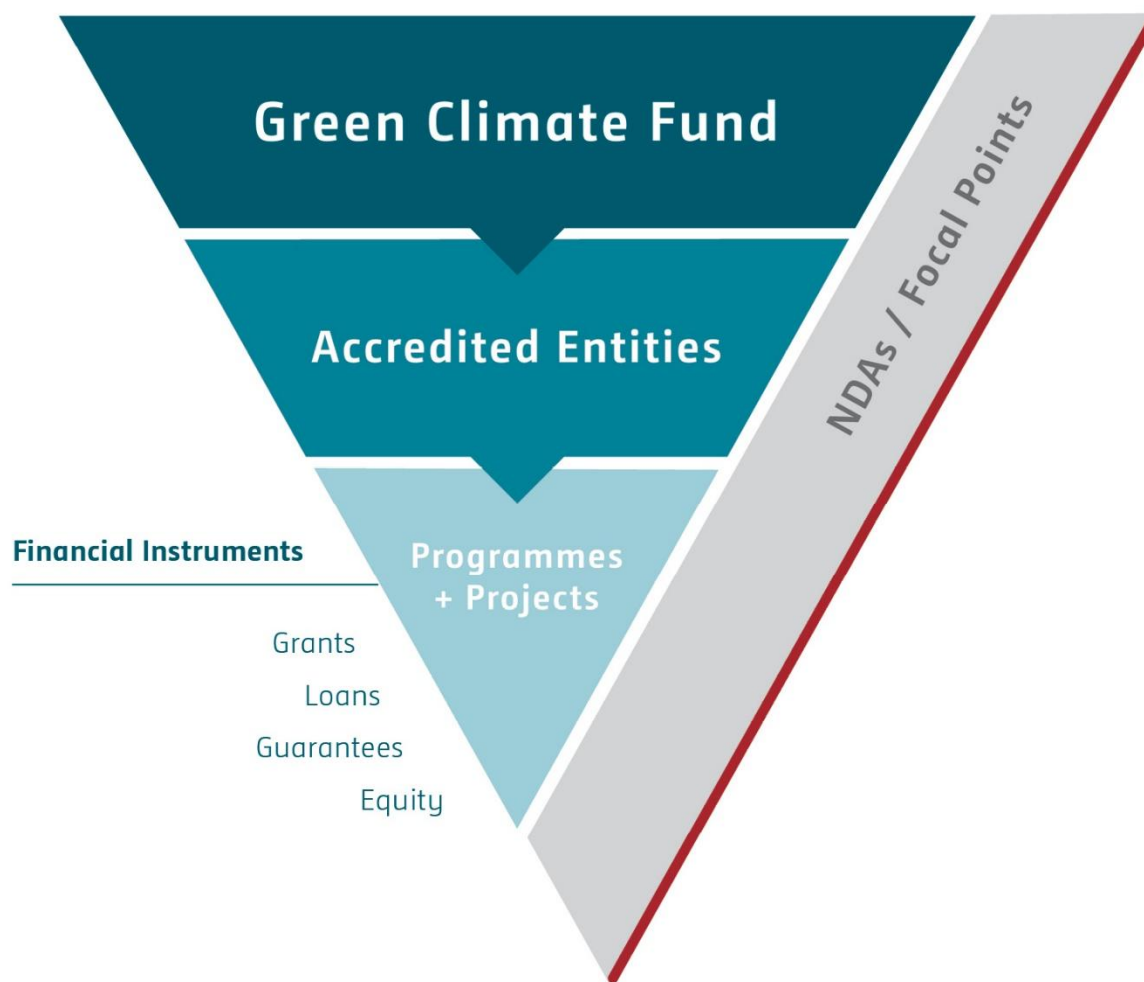
With the Fund

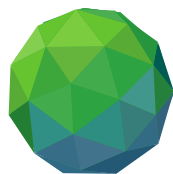
- Buy-down Upfront Cost;
- Cash Flows Eased;
- Higher Risk Tolerance.



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Fund's Architecture

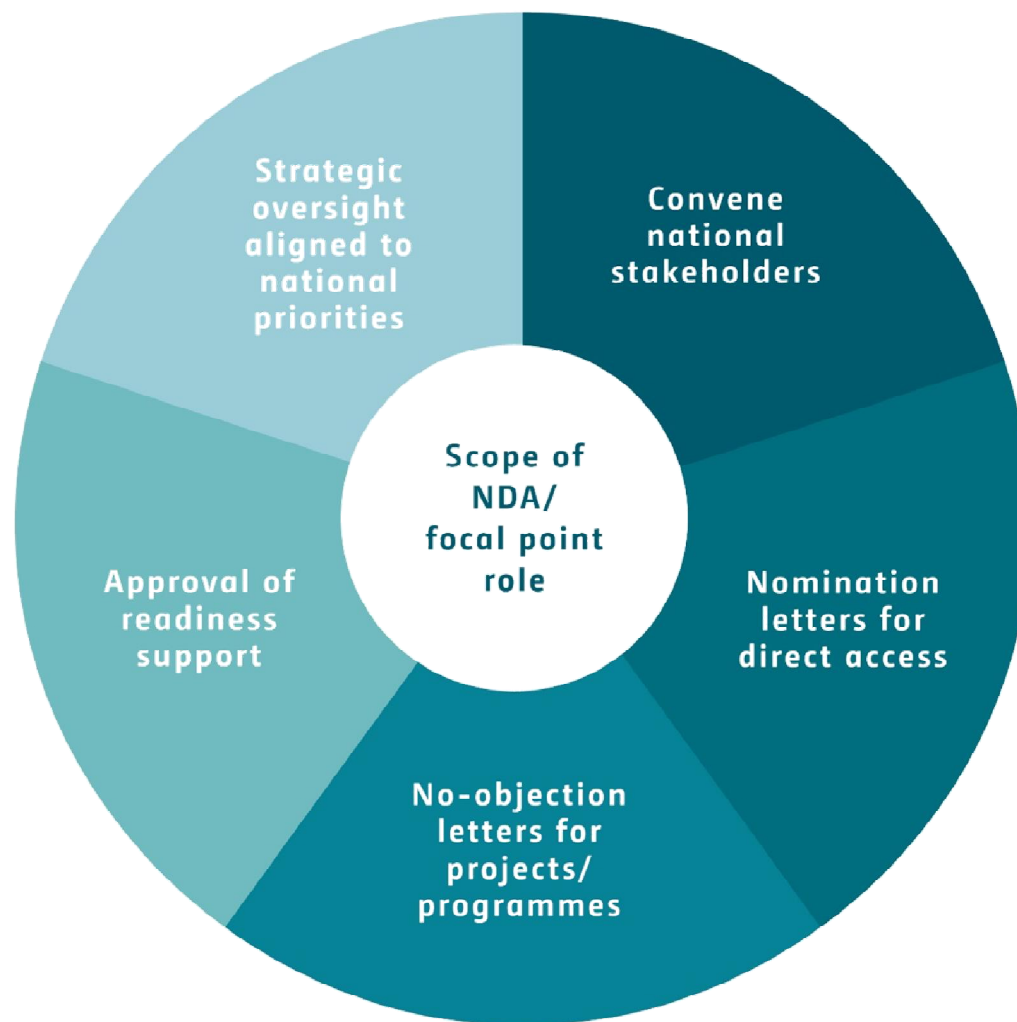


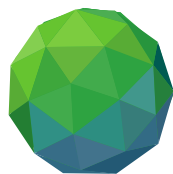


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NDA and Focal Points

Roles & responsibilities





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Capacities needed



Knowledge

- National priorities, strategies, plans
- Adaptation & mitigation efforts/needs



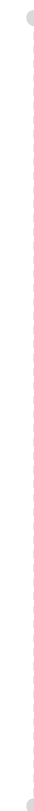
Insight

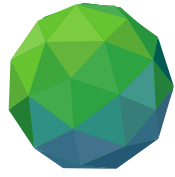
- On institutions & stakeholders relevant for the country's engagement with the Fund
- Activities of other funding mechanisms & institutions



Influence

- Contribute to and drive national development strategies & plans
- Facilitate multi-stakeholder consultations





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League of Arab States and GCF

- Algeria
- Bahrain
- Comoros
- Djibouti
- Egypt
- Iran
- Jordan
- Kuwait
- Lebanon
- Libya
- Mauritania
- Morocco
- Oman
- Palestine
- Qatar
- Saudi Arabia
- Somalia
- Sudan
- Syria
- Tunisia
- UAE
- Yemen





Fit-for-purpose accreditation

Mandate & track record

- Alignment with Fund objectives
- At least 3 year of operations

Project size

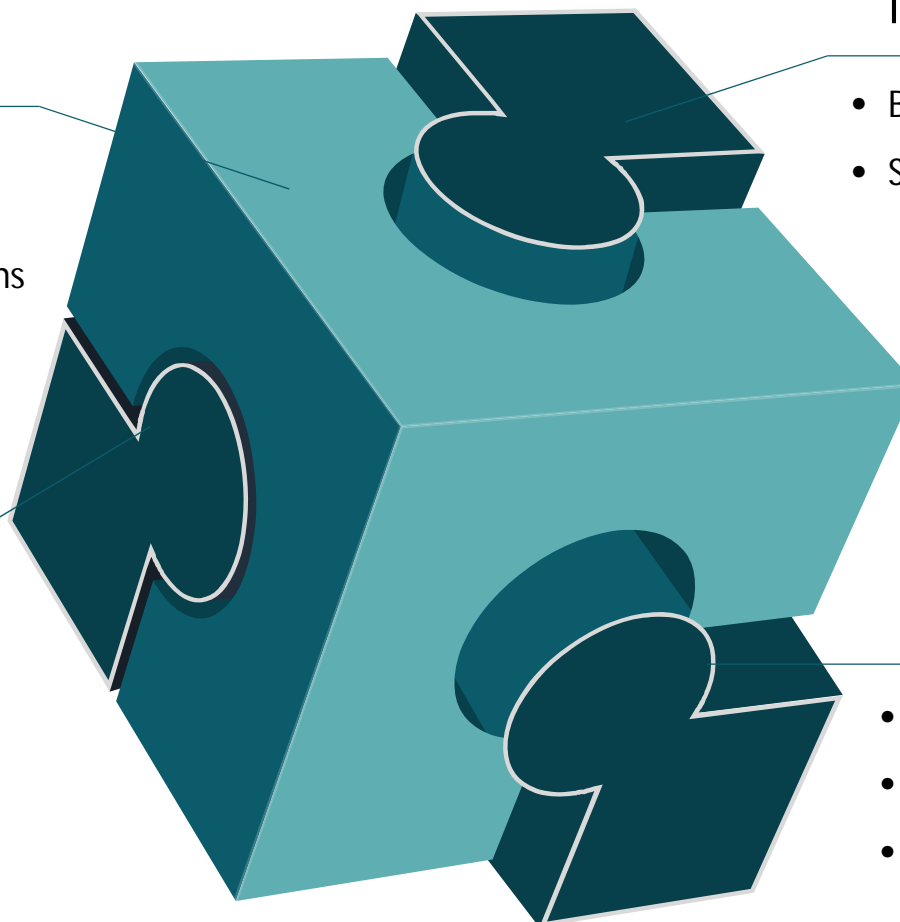
- Micro (>10mn)
- Small (10-50mn)
- Medium (50-250mn)
- Large (>250mn)

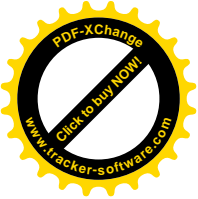
Fiduciary functions

- Basic
- Specialized

Environment & Social risk category

- A (high)
- B (medium)
- C (low)





Accredited Entities



Morocco



Senegal



Namibia



Ministry of Natural Resources of Rwanda



Ethiopia



India



Kenya



Peru



Argentina



DEVELOPMENT BANK OF LATIN AMERICA



Caribbean Community Climate Change Centre



Development Bank of Southern Africa



Secretariat of the Pacific Regional Environment Programme



AFRICA FINANCE CORPORATION



CORPORATE & INVESTMENT BANK



Deutsche Bank



HSBC



Asian Development Bank



AGENCE FRANÇAISE DE DEVELOPPEMENT



AFRICAN DEVELOPMENT BANK



CONSERVATION INTERNATIONAL



European Bank for Reconstruction and Development



European Investment Bank



Inter-American Development Bank



International Finance Corporation

WORLD BANK GROUP



wfp.org



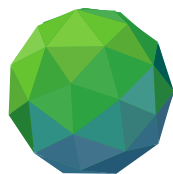
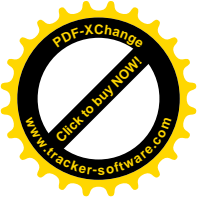
World Meteorological Organisation



THE WORLD BANK
IBRD • IDA

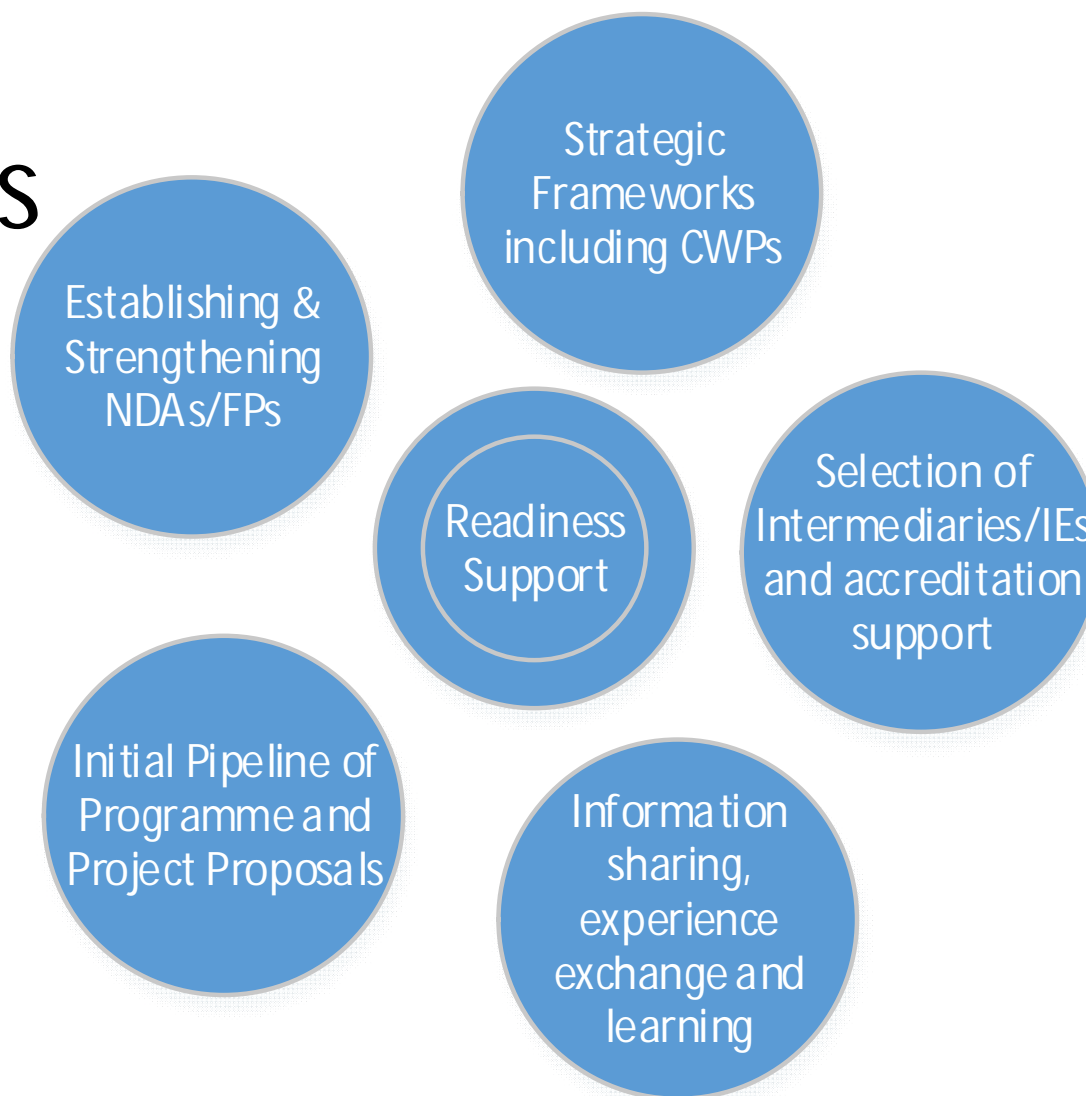
33 entities accredited to date, 70+ in pipeline

As of April 2016



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Five Pillars





Readiness support for NDAs and focal points

Strengthening the capacities of the NDA or focal point
(area 1)

Capacity to fulfil roles & responsibilities

Ongoing engagement of stakeholders

Direct or delivery partner

Up to USD 150,000

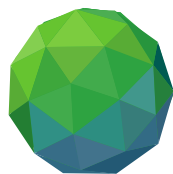
Developing a strategic framework for engagement with the Fund
(area 2)

Development of a country programme

Multi-stakeholder engagement in development of the country programme

Direct or delivery partner

Up to USD 150,000



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Possible elements of a country programme

Context

Development circumstances and climate change response

- Development and climate change strategies | NAMAs, NAPAs, NAPs, TNAs, INDCs, etc. | key data on climate change | summary of national priorities

Stakeholders

Role and contribution of key stakeholders

- Ministries & agencies, including national development banks, environment funds & state-owned enterprises | sub-national institutions & local governments | private sector institutions, including financial institutions & SMEs | civil society and international organizations

Priorities

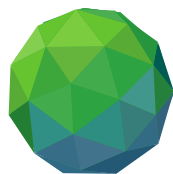
Identification of priorities for the Green Climate Fund

- Adaptation, mitigation & cross-cutting priorities | Concept notes where developed

Action plan

Concrete actions necessary to realise identified priorities

- Priority investment/funding opportunities | project/programme preparation support | policy/regulatory development | monitoring & evaluation capacity needed | potential entities for accreditation | readiness needs



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Readiness support for entities and pipelines

Enabling sub-national, national & regional entities to meet Fund's standards (area 3)

Gap analysis of potential entities

Capacity building support to close gaps

Delivery partner or accredited entity

Subject to country cap (USD 1 million)

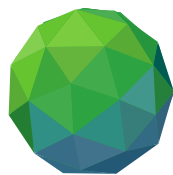
Developing project/ programme pipelines aligned with Fund's investment framework (area 4)

Project preparation, including technical, financial, operational & legal assessments

Monitoring & evaluation of impacts

Delivery partner or accredited entity

Subject to country cap (USD 1 million)



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Project Preparation Facility

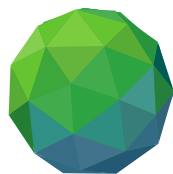
Support for
Project
Preparation

Technical Project Development and
Transaction Advisory

Requires concept note of underlying project
and Board approval

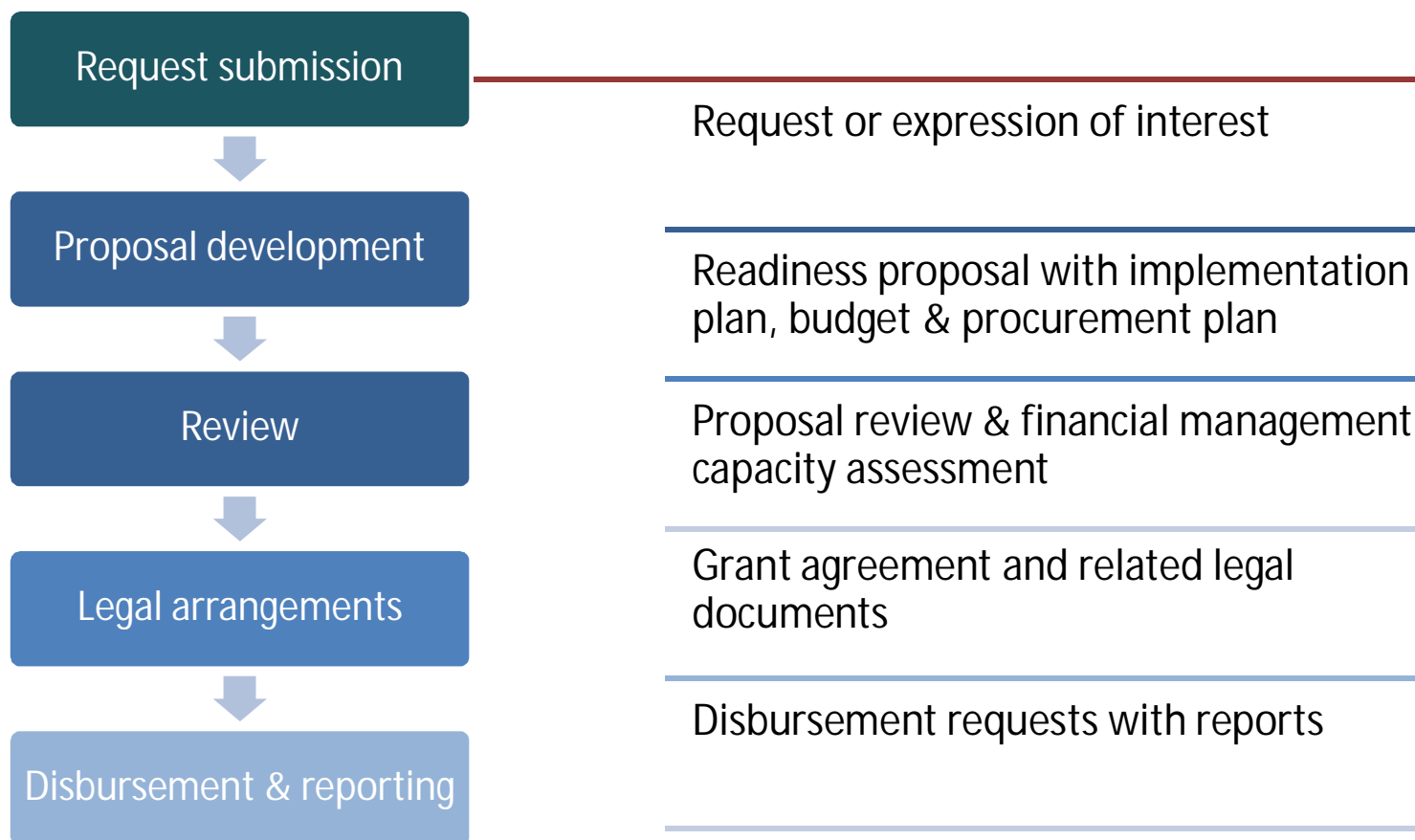
Intended to support small-scale activities and
Accredited Direct Access Entities

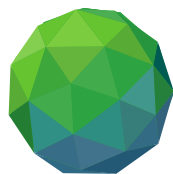
Up to 10% of requested GCF funding capped
at USD 1,5 million for any single proposal.



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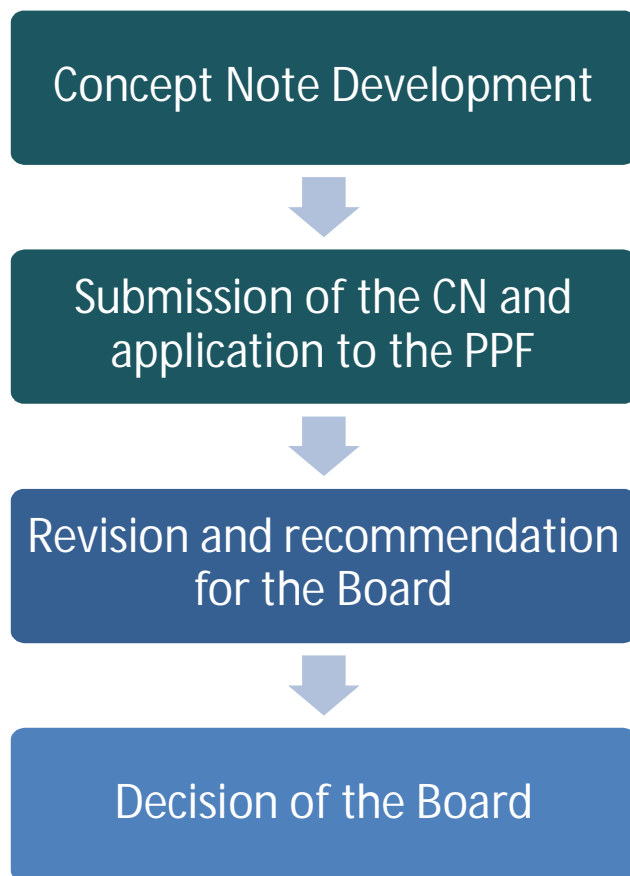
Readiness steps & documentation





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PPF steps and documentation

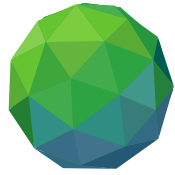


Accredited Entities develop a concept note aligned with national priorities through consultation with the NDA/FP.

Accredited Entities present a concept note and an application to the Secretariat of the GCF.

Revision followed by recommendation of the request to the Board for approval

Decision of the Board

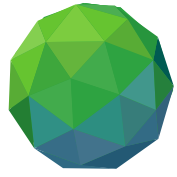


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Readiness Support

- Readiness is a strategic priority of the Fund: - help maximise effectiveness and reduce risks, good delivery;
- 139 designations; 101 readiness requests – 45 approved ~ US\$ 12.5 million;
- 50 direct access entities supported, 15 accreditation gap assessment;
- 3 pipeline development support – 1 PPF – \$ 1.5 million;
- 110 countries covered – info-sharing/exchange;



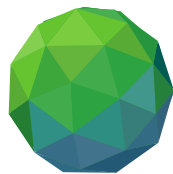
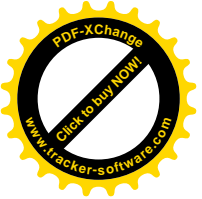


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Your Fund..

- Any outstanding designations
- Seek readiness support;
- Partners or Direct;
- Nominate strong entities;
- Talk to us;





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Thank You

