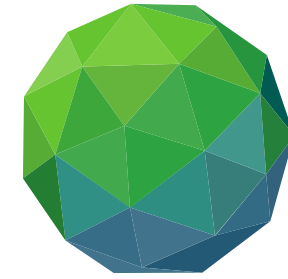


GREEN CLIMATE FUND REQUIREMENTS TO QUALIFY FOR CLIMATE FINANCING



GREEN
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“Integrating climate change and air pollution in Asia:
The role of co-benefits”, 12 October 2020

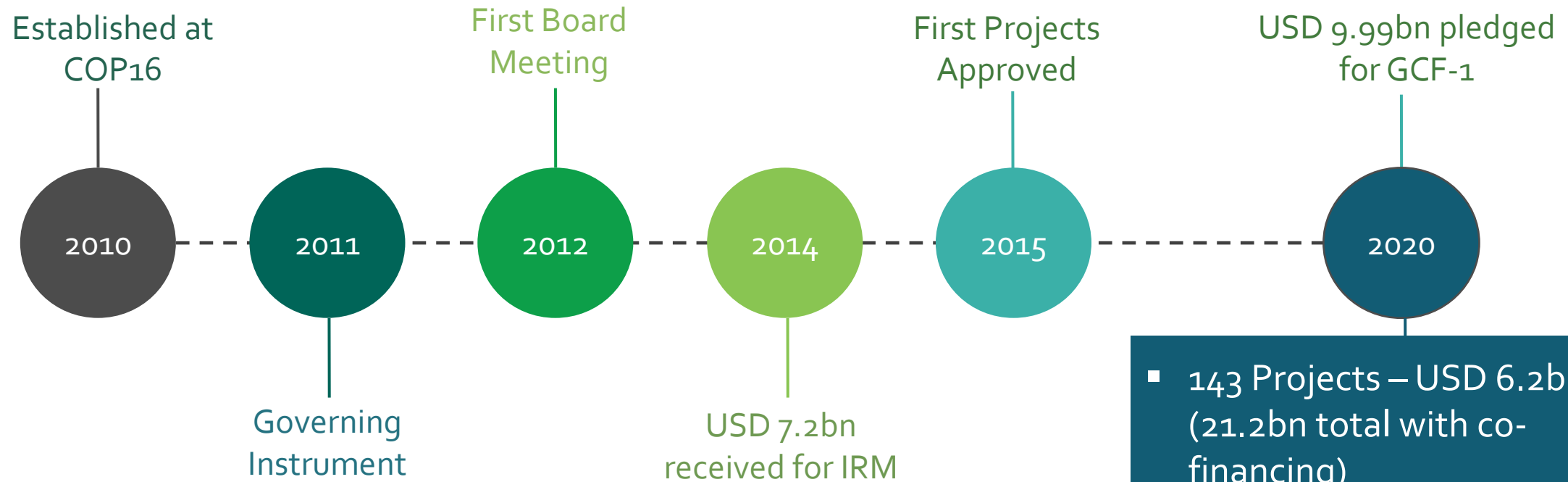
Dr Ania Grobicki
Deputy Director for Communications and Public Relations
Division of External Affairs
Green Climate Fund

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IMPLEMENTING CLIMATE ACTION NOW: A GROWING PORTFOLIO OF PROJECTS



A QUICK HISTORY



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

- 143 Projects – USD 6.2bn (21.2bn total with co-financing)
- 104 under implementation
- 99 Accredited Entities
- 106 countries reached by approved projects

APPROVED PROJECTS IN ASIA-PACIFIC

GCF FUNDING IN ASIA-PACIFIC (USD)

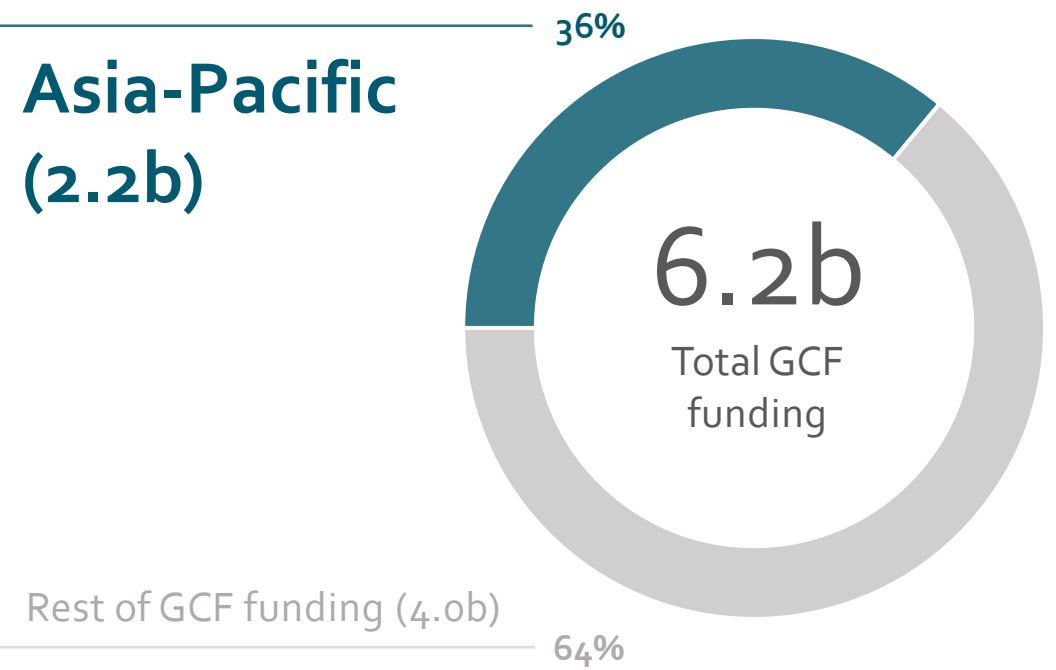
2.2b
GCF funding

6.0b
Co-financing

58
Total approved GCF
projects

45
Projects under
implementation

GCF GLOBAL PORTFOLIO (USD)



WHAT WE LOOK FOR IN PROJECTS

Climate Rationale and Additionality

Additionality of GCF Funding

- Why GCF?
- Projects must crowd-in additional financing on top of GCF

Strong Climate Science basis

- Climate Impact Potential of investment is key
- Scientific evidence to provided in project proposals

8 Results Areas



Energy



Transport



Buildings, Cities, Industries



Ecosystems



Livelihoods of people & comm.



Health, food and water security



Forests and land use



Infrastructure

Compliance with GCF Policies

- Fiduciary standards
- Risk Management
- Environmental and Social Safeguards (ESS)
- M&E Criteria
- Gender Policy
- Legal Standards

Country Driven Approach

- Alignment with NDCs and NAPs
- Early country (NDA) engagement
- No-objection letter

Six Investment Criteria

1. Impact Potential
2. Paradigm Shift Potential
3. Sustainable development potential
4. Recipient needs
5. Country ownership
6. Efficiency & effectiveness

Completeness of documentation

- Feasibility study
- Financial Model
- Project Timetable
- Gender Analysis
- Environmental studies
- No-objection letter

GCF INVESTMENT CRITERIA FOR SCREENING AND APPROVING PROJECTS

Impact potential

Mitigation: expected emission reductions.
Adaptation: social and environmental benefits; no. of beneficiaries.

Paradigm shift potential

Catalytic impact for longer-term change: policy changes; replication and/or scaling up.

Sustainable development potential

Co-benefits: Economic, social, environmental, gender empowerment, and including health co-benefits.

Needs of the recipient

Barriers to climate-related finance: climate vulnerability and financing needs of country and population.

Country ownership

Alignment with NDCs, NAPs and engagement with relevant stakeholders. No objection letter (NOL) required.

Efficiency and effectiveness

Economic and financial viability of project: cost-effectiveness and co-financing; economic and financial soundness.

Complete Funding Proposal Package

Required documentation (annexes to the FP):

- No-objection letter from the country NDA(s)
- Feasibility study, providing rationale for proposed design, structure & costs
- Detailed budget
- Procurement plan
- Environmental and social impact assessment
- Gender assessment and action plan
- Risk assessment
- Logical framework
- Stakeholder consultations
- Implementation schedule

SIMPLIFIED APPROVAL PROCESS (SAP) ELIGIBILITY CRITERIA

- 1 Ready to be scaled-up, with potential for transformational impact
- 2 GCF funding of up to USD 10 million
- 3 Minimal to no environmental & social risks (Category C)

SAP – WHAT HAS BEEN SIMPLIFIED?



SIMPLER DOCUMENTS

Key documents have been simplified, and presented in a single, up-front list



FEWER PAGES

A shorter form with significantly fewer pages. The total length of funding proposals should not exceed 20 pages, or 10,000 words



EASIER FORM-FILLING

Fewer questions and clearer guidance allows more concise responses for each sub-section, avoiding duplication of information

APPROVED PROJECTS IN ASIA-PACIFIC: EXAMPLES

FPo85: Green BRT Karachi

Total project investment: **\$583.5 m**

Estimated completion date: **March 2024**

Tonnes of emissions avoided: **2.6 m**



Mitigation

Pakistan

FP130: Indonesia REDD-plus RBP for results period 2014-2016

Total project investment: **\$103.8 m**

Approval date: **August 2020**

Tonnes of emissions avoided: **20.3 m**



Mitigation

Indonesia

READINESS SUPPORT IN ASIA-PACIFIC : UP TO \$1M PER COUNTRY PER YEAR



Total number of
readiness grants
approved



Total value of
readiness grants
approved



Total number of
readiness grants
disbursed



Total value of
readiness grants
disbursed

BUILDING LONG-TERM CLIMATE RESILIENCE FOR SMALL ISLAND DEVELOPING STATES

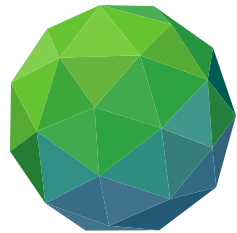
Climate Information Services in Vanuatu



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"The GCF Readiness support was essential in supporting the stakeholder consultation, technical analysis and design that underpins any good project proposal."

Ministry of Climate Change, Vanuatu



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