



CTCN

CLIMATE TECHNOLOGY CENTRE & NETWORK
UNFCCC Technology Mechanism



Enhancing Linkages between the Technology and Financial Mechanism of the UNFCCC

Green Technology Investments and Access to Sustainable Financing in the Arab Region

4-6 March 2019, Beirut, Lebanon



The GCF Story so far

The Green Climate Fund (GCF) is an operating entity of the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC)

2010: COP16 in Cancun decides to establish the Green Climate Fund

2011: Governing Instrument adopted at COP17

2012: GCF's Board holds its first meetings

2013: Permanent headquarters established in Songdo, Republic of Korea

2014: Initial Resource Mobilisation raises pledges of over USD 10 billion for period up to 2018

2015: First investment decisions taken ahead of Paris COP

2016: GCF makes first disbursements as project portfolio reaches USD 1.5 billion, 48 Accredited Entities

2017: Portfolio tops USD 2.65 billion, with 59 Accredited Entities

2018: 21st GCF Board Meeting invests more than USD 1 billion for projects, bringing total portfolio to 93, amounting to USD 4.6 billion.

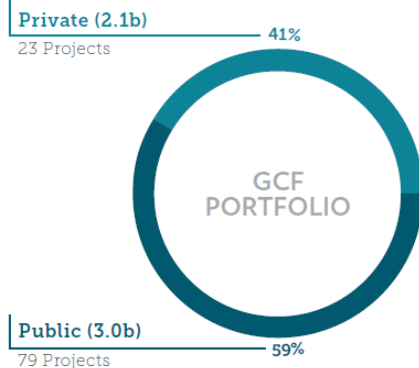
GCF Project Portfolio

+ APPROVED PROJECTS VALUE BY PRIORITY REGIONS (USD)

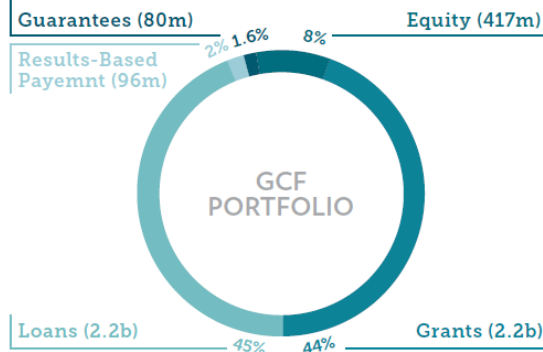


Note: Please note that some countries can exist in more than one category.

+ FUNDING AMOUNT BY SECTOR (USD)



+ FUNDING AMOUNT BY FINANCIAL INSTRUMENTS (USD)



+ READINESS AND PREPARATORY SUPPORT PROGRAMME (READINESS)

GCF funding approved	140m
GCF funding for Readiness grants under implementation (and completed)	106m
Countries targeted	124

GCF Strategic Result Areas

GCF makes investments within **8 strategic result areas**, in line with country priorities.



Energy generation
and access



Transport



Buildings, cities,
industries and appliances



Forests and
land use



Health, food
and water
security



Livelihoods
of people and
communities



Ecosystems
and ecosystem
services



Infrastructure
and the built
environment

Up to USD 1 million per country per year.

Of this amount, NDAs or Focal Points may request up to **USD 300,000 per year** to help establish or strengthen a NDA or Focal Point to deliver on the GCF's requirements.

Up to USD 3 million per country for the formulation of National Adaptation Plans (NAPs) and/ or other adaptation planning processes.

Strengthening the NDA and Focal Points (Indicative Activities)

- Enabling NDA coordination mechanisms with AEs to identify and prioritize national priorities for country programming
- Strengthening institutional capacities so that the NDA or focal point can effectively fulfil its role
- Developing national arrangements for the promotion, consideration and facilitation of funding proposals
- Funding for training of NDA or focal point staff members in areas relevant to the objectives of the GCF such as project and programme development, international procurement, accounting, oversight, planning and monitoring and evaluation processes
- Supporting the ongoing engagement of stakeholders at national and sub-national levels, including government, civil society and private sector actors
- Engaging in and holding dialogues with existing and prospective AEs
- Extracting lessons learned from other countries (including through exchange visits, workshops, etc.)
- Supporting the appropriate oversight of GCF activities at the national level
- Developing and disseminating informational and awareness-raising materials

Strategic frameworks, including the preparation of country programmes (Indicative Activities)

- Developing a country programme that identifies strategic priorities for engagement with the GCF, disseminating information and engaging stakeholders in the country programme
- Identifying strategic investment priorities and taking stock of existing strategies, policies, and needs assessments, including intended nationally determined contributions, low emission development strategies, nationally appropriate mitigation actions, national adaptation plans, and national adaptation programmes of action.
- Identifying programmes and projects that advance national priorities and align with the results management framework of the GCF, including support for ensuring an appropriate enabling environment for projects or programmes.
- Developing tools, methods and templates to scale up successful models through programmatic approaches and across geographies.
- In the context of country programmes, formulating concept notes, drawing on intended nationally determined contributions and other climate strategies and plans.
- Activities that would crowd in private and capital market financing for the implementation of country programmes; including providing institutional support to enhance the efficiency of the procurement and tendering processes.
- Enabling private sector participation, including by supporting the preparation of preliminary studies, tender documents or advisory services for the establishment of public private partnerships.

Support for accreditation and accredited Direct Access Entities (Indicative Activities)

- Raising awareness of the GCF accreditation process, fiduciary standards and environmental and social safeguards (ESS)
- Understanding the roles of existing institutions and identifying potential AEs
- Conducting an institutional gap analysis of potential applicants against the fiduciary standards and ESS and Gender.
- Developing and implementing a personalized readiness and preparatory support plan that will support Direct Access Entities to address identified gaps to comply with the fiduciary standards and ESS and Gender (may include the development of new policies and procedures).
- Enabling lesson-learning from other institutions that have been through similar accreditation processes

Building the capacity of accredited direct access entities in relation to the GCF activities, in areas such as ESS, the GCF gender policy and action plan, and monitoring, reporting and evaluation.

- Strengthen accredited direct access entities institutional capacities through structured trainings, support in developing their entity work programme and strengthen the capacities of sub-national institutions/executing entities.


Concept note (CN): A document which provides essential information about a proposal to seek feedback on whether the concept is aligned with the objectives, policies and investment criteria of the GCF.

Project Preparation Funds

- A funding window that supports AEs in project and programme preparation.
- It covers pre-feasibility and feasibility studies; project design; environmental, social and gender studies; risk assessments; and other project preparation activities, where necessary, provided that sufficient justification is available.
- The PPF is designed in particular to support Direct Access Entities for projects in the micro-to-small size category.
- **Support can be granted of up to USD 1.5 million per request.**

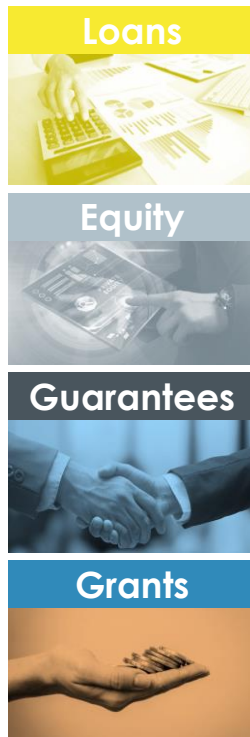
Simplified Application Process (SAP)

The Simplified Approval Process Pilot Scheme (SAP) is a new application process for smaller-scale projects or programmes.

- Do you have a project that is ready for scaling up, and has the potential for transformation to adapt and/or mitigate to climate change?
 - Does it require a GCF contribution of up to USD 10 million?
 - Are the environmental and social risks and impacts minimal?
- 
- **AEs and NDAs submit Concept Notes using the online SAP Concept Note template and ESS checklist. This is a mandatory step.**
 - **The GCF Secretariat validates the risk category and notifies the AE and / or NDA of the project eligibility under the SAP.**
 - **The AE develops a Funding Proposal, using the dedicated SAP Funding Proposal template**

Full Scale Proposal - Financial Instruments

INSTRUMENTS



Loans

- › Flexible pricing & tenor
- › Relatively high-risk tolerance

Equity

- › Assume equity positions
- › Support investment incubators

Guarantees

- › Tailored guarantee instruments

Grants

- › Fit-for purpose grants
- › Encourage innovation
- › Minimum concessionality

1

De-risking climate smart **investments**

2

Offset risks and other impediments to climate investments

3

Encourage high impact climate investments and act as '**market maker**'

4

Support the development of **climate compatible financial systems**

Ongoing discussions within UNFCCC framework

UNFCCC Technology/Financial Mechanism Linkages discussion ongoing since **2015**; strong decisions from COP21&22, resuming at COP24

Country-level guidance (Marrakesh)

- Importance of strong collaboration between national GCF, GEF and technology focal points
- Developing countries invited to submit projects based on TNA + CTCN Technical Assistance to GCF
- NDA invited to use GCF Readiness funds to undertake technology needs assessments and implement technology action plans

GEF + recipient countries urged to explore with CTCN

- Ways to support technology through GEF6
- And new ways to support technical assistance

COP decisions towards stronger linkages

- COP23 Exchange of Letters between UN Environment – GCF identifies additional options:
 - Collaboration on **Technical Assistance**, including through development of **standardized modules** for capacity-building, project formulation trainings
 - Demand-driven GCF – CTC **coordination mechanism**
 - Enhanced **NDE – NDA** collaboration
- COP 24 Further discussion to strengthen cooperation between the Financial (GCF/GEF) and Technology (TEC/CTCN) Mechanisms
 - **Countries** are invited to seek CTCN support to develop and submit technology-related projects to the Financial Mechanism
 - Encourages the CTCN to engage with the GCF/GEF to identify ways to **enhance information-sharing** among country focal points



GCF Board decisions on technology

- GCF B.14
 - Decision 2.(c): Encourages NDA and focal points to access readiness support directly, or to collaborate with readiness delivery partners and accredited entities to submit readiness requests, concept notes, funding proposals and Project Preparation Facility proposals that will facilitate access to environmentally sound technologies...
- GCF B.18
 - Proposes a delivery partner work programme for the CTCN under the Readiness and Preparatory Support Programme
 - Decision 3: Outlines support for collaborative RD&D
 - Terms of Reference outlining support for incubators and accelerators to be considered at next Board meeting in July 2018

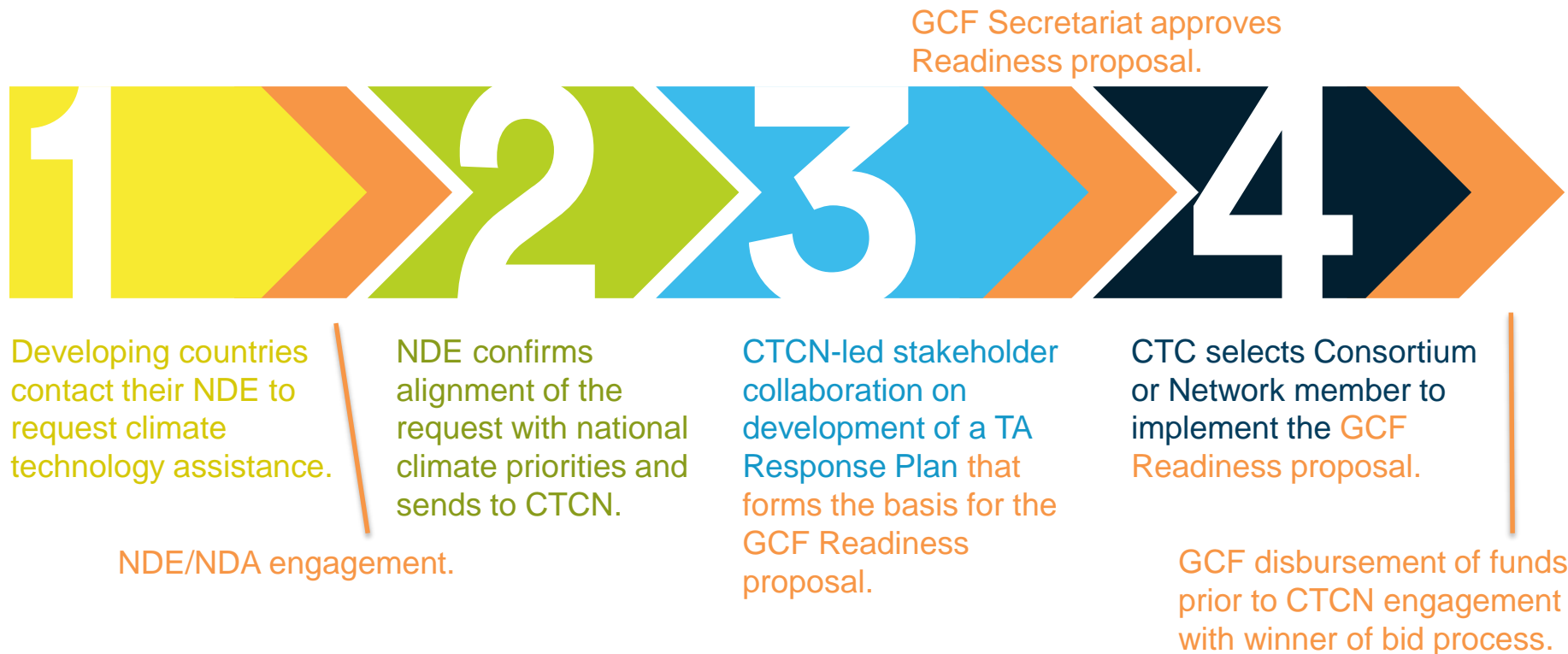
CTCN technical assistance through GCF Readiness

Readiness proposal prepared with CTCN experts in collaboration with the NDE and the NDA

Country	Subject	Budget (USD)
Tonga	Development of an Energy Efficiency Master Plan	200,000
Ghana	Early drought warning and forecasting considering climate change and climate variability	300,000
Myanmar	Promoting data for climate change, drought and flood management	336,520
Mauritius	Climate Change Vulnerability and Adaptation Study for Port of Port Louis	324,764
Palestine	Technology Road Map for the Implementation of Climate Action Plans	254,100
Bahamas	The Bahamas Power System Stability Study for Implementation of a Higher Renewable Energy Penetration Level	369,715

+ Pipeline of proposals submitted or under preparation (Nigeria, Georgia, Lebanon, Iraq, Namibia, Zambia, Zimbabwe, Lesotho, Tanzania, South Sudan, Kenya, Swaziland etc.)

CTCN technical assistance through GCF Readiness



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