



GCF Strategic Plan 2024-2027

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Today's presentation

1. GCF's role in the climate finance landscape
2. GCF strategic programming directions for 2024-2027
3. How GCF is improving access



GCF's role in the climate finance landscape

A rapidly evolving global landscape

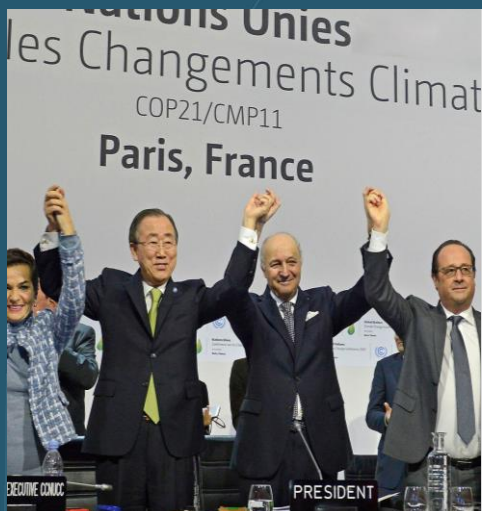


Latest science –
impacts being felt,
narrowing window for
mitigation AND
adaptation requires
systemic responses

Growing ambition
– from a widening set
of actors requires
enhanced finance and
greater coordination
& complementarity

Linked challenges
– imperative to
address economic,
energy, food, debt,
biodiversity crises in
conjunction with the
climate fight

The GCF response: Rising to the climate investment challenge



DEDICATED TO REALIZING NDCs, NAPs AND LONG- TERM STRATEGIES

Translating country priorities into
climate projects and investments



SIGNIFICANTLY IMPROVING ACCESS TO GCF FINANCE

Enhancing predictability, speed,
simplicity, complementarity,
volume, partnerships and
direct access



DRIVING FOR CLIMATE RESULTS

Advancing readiness, mitigation,
adaptation & private sector
outcomes guided by targeted
programming results for 2024-27,
striving for multiple benefits



COLLABORATING TO ACCELERATE & AMPLIFY IMPACT

Delivering distinctive value-add
by working at unique nexus of
risk, scale, instruments and
drawing on partner strengths



GCF strategic programming directions for 2024-2027

The GCF Strategic Plan 2024-2027



UNFCCC & PARIS AGREEMENT

THE PURPOSE OF THE GCF IS TO MAKE SIGNIFICANT & AMBITIOUS CONTRIBUTION to the objective of the UNFCCC & goals of the Paris Agreement through successive cycles

Progress assessed by annual reporting to the COP/CMA

STRATEGIC VISION

GCF PROMOTES PARADIGM SHIFT AND IMPLEMENTATION OF THE UNFCCC AND 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

Progress evaluated through IRMF paradigm shift level

STRATEGIC DIRECTION

GCF AIMS TO DELIVER MILESTONE GOALS toward global pathways for 2030, with targeted results based on resourcing for 2024-2027

- (a) Mitigation of 1.5-2.4 gigatons of CO₂ equivalent
- (b) Enhanced resilience of 570 to 900 million people

Progress measured through RRMF and IRMF mitigation/adaptation & enabling environment impact levels & supplementary tracking

2024-2027 PRIORITIES

GCF WILL DIRECT 2024-2027 PROGRAMMING toward:

- (1) Readiness: 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;
- (4) Private Sector: Promoting innovation and catalysing green financing.

OPERATIONAL & INSTITUTIONAL PRIORITIES

GCF WILL LEARN AND ADAPT ITS OPERATIONS guided by a core goal of enhancing access, & pursue institutional measures to calibrate policies, processes, governance, risk, results management and organizational capacity for successful delivery

Progress tracked through RTT & work programme results framework

Overview of programming directions



LONG-TERM STRATEGIC VISION (Section 2)

CONTRIBUTION TO 2030 GOALS (Section 3.1)

Meet or exceed portfolio level mitigation & adaptation results – > 1.5 GT CO₂-e/ 570 million beneficiaries

2024-2027 PROGRAMMING PRIORITIES (Section 3.2)

Priority 1: Readiness and Preparatory support:
Enhanced focus on climate programming and direct access

Priority 2: Mitigation and Adaptation:
Supporting paradigm-shift across sectors

Priority 3: Adaptation:
Addressing urgent & immediate resilience needs for particularly vulnerable

Priority 4: Private Sector:
Promoting innovation and catalysing green finance

50:50 mitigation:adaptation | Floor 50% adaptation to particularly vulnerable countries, aim to meet or exceed GCF-1 | Increase PSF share (35%)

2024-2027 TARGETED RESULTS (Section 3.3)

11 targeted results covering capacity, DAEs, sectors, MSMEs, LFIs

MODALITIES, ACTIONS, PARTNERSHIPS TO DELIVER PROGRAMMING (Section 4)

4.1 Readiness and preparatory support: Enhanced focus on climate programming and direct access

~USD
600m

Support 100+ countries to advance implementation of NDC/NAP/LTS

Double the number of Direct Access Entities with approved FPs

GCF-2



- ✓ Hone deployment of the world's largest climate capacity building program
- ✓ Respond to key gaps in NDC/NAP/LTS integrated investment planning to mobilize finance, working with UNFCCC, NDC-Partnership, NAP global network
- ✓ Better differentiate GCF support to reach countries and DAEs that have not accessed GCF, and strengthen peer learning (including with Adaptation Fund)
- ✓ Respond to requests for NDC updates/NAP development, climate mainstreaming, green finance tools/methodologies, policy and enabling environment development
- ✓ Collaborating with AE FI partners to deepen local financial markets and access to capital markets, and mainstream climate risk into decision-making

4.2 Mitigation and Adaptation: Supporting paradigm-shift across sectors

~65-70%,
80FPs

FOOD: 190M+ adopting LECD agriculture & fisheries

ECOSYSTEMS :
120+ Mha conserved, restored, sust. managed

INFRASTRUCTURE
: 45+ countries develop or secure LECD infrastructure

CLEAN ENERGY:
20+ countries expand RE access / share in energy mix

ENERGY DEMAND:
18+ countries shift to clean/efficient transport, building, industry sectors

GCF-2



- ✓ Build public and public-private programming collaborations & act as a convenor for developing countries to realize country-led sector/system initiatives
- ✓ Leverage opportunities for integrated, cross-cutting, inclusive interventions with a focus on just transitions in the energy, building, industry and transport systems harnessing potential of nature-based solutions/ecosystem-based approaches
- ✓ Enhance deployment of SAP for rapid replication & RfPs for under-served areas
- ✓ Pursue collaborative engagement with UNFCCC & peer funds to scale up successes
- ✓ Keep gender and equity dimensions at forefront and pursue collaborative stakeholder & IPAG engagement to source inclusive, locally-led solutions

4.3 Adaptation: Addressing urgent & immediate resilience needs for particularly vulnerable countries

~12-15%,
40FPs

50+ countries protected by new or improved early CIEWS

40+ approved proposals for adaptation, including for locally-led action

GCF-2



- ✓ Curate easy to access resources on climate risks, impacts and vulnerability assessments, with WMO, IPAG and global experts
- ✓ Support immediate & systemic adaptation responses through GCF's planning and investment windows based on the GCF adaptation approach
- ✓ SAP fast-tracking to contribute to UNSG EWS4ALL goal
- ✓ Significantly expand deployment of EDA and devolved financing approaches for more rapid access to finance for locally led action
- ✓ Continue supporting activities relevant to avert, minimize & address loss and damage in complementarity to other funds, via integrated risk management

4.4 Private Sector: Promoting innovation and catalyzing green financing

~15-18%,
25 FPs

900+ local private sector early stage ventures & MSME with seed/early-stage capital for innovation

90+ national and regional financial institutions accessing GCF resources and other green finance

GCF-2



- ✓ Support development of innovation ecosystems, and increase access to early stage seed and risk capital for local private sector ventures & MSMEs
- ✓ Seeking novel project ideas through requests for proposals & active pipeline programming & partners to scale-up innovations (AF, GEF, TEC/CTCN)
- ✓ Make full use of GCF's risk appetite and fit-for-purpose blended-finance instruments for proof of concept, market creation, crowding in private sector
- ✓ Support establishment of greenfield financial institutions or facilities and collaborating with AE FI partners to deepen financial & capital markets
- ✓ Work with AEs to attract co-investors to GCF-funded projects



How GCF is improving access

GCF is committed to improving access



Predictability



Speed



Simplicity



Complementarity



Volume



Partnerships &
Direct Access



Clear resource
planning, processes,
timeframes



High rates of
approval,
implementation,
disbursement



Multi-lingualism,
PSAA, SAP &
performance
monitoring



Improved
alignment with
other funds & AEs,
data sharing



Annual
programming
targets, measuring
catalyzed finance



On-ground
engagement,
AE network,
access strategy

PSAA

Project-specific assessment approach to GCF accreditation



What is it? A capacity assessment of the entity to meet GCF accreditation standards to implement the proposed project/programme

- **Update to the Accreditation Framework**
- **Priorities** during the 1st year upon launch
 1. Applications from subnational, national and regional entities based in developing countries, particularly countries that have yet to access GCF funding, and
 2. Entities responding to GCF Requests for Proposal
- Secretariat and iTAP reviews estimated for **up to 10 PSAA capacity assessments & project/programme proposals per year**, of which those that meet the requirements may be submitted for Board consideration

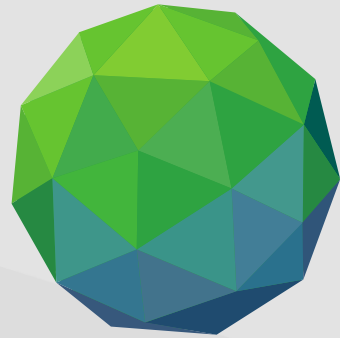
- **3-year pilot** (April 2023 – March 2026)
- **Maximum of 1 funding proposal**, aligned with country programming and the GCF updated Strategic Plan and sector guides
- PAP, SAP & RFPs
- **Only E&S risk category B/I-2 or C/I-3**
- **All financing sizes** suitable for the proposed project/programme
- **All financial instruments**, including equity, guarantees and loans
- Single PSAA legal agreement combining AMA & FAA
- Annual PSAA entity & project reporting

<https://www.greenclimate.fund/projects/psaa>

Summary



1. GCF is addressing the current climate finance landscape and putting NDCs/NAPs/LTS at the heart of GCF programming
2. GCF's four strategic programming directions for 2024-2027:
 1. Readiness and preparatory support
 2. Supporting paradigm shift across mitigation & adaptation sectors
 3. Addressing urgent and immediate needs of the particularly vulnerable
 4. Promoting innovation and catalyzing green financing
3. GCF is improving access through greater predictability, speed, simplicity, complementarity, volume, partnerships & direct access



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