



# Green Climate Fund

*On USP2, Complementarity & Coherence*

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# Introduction to the GCF USP<sub>2</sub>

## Mandate

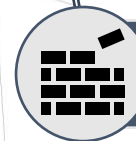
- **GCF's Strategic Plans set out the Board's long-term strategic vision for the Fund**, as well as its objectives, strategic priorities and operational priorities for its current programming period
- **Through decision B.36/13**, Board adopted GCF's Strategic Plan 2024-2027, setting out GCF's major programming directions for GCF-2

## What's New

- How GCF will significantly **enhance its support** to developing countries, **improve access**, and strive to deliver the highest levels of **catalytic impact through its key assets** – financial resources, partnerships, convening power, people and knowledge



Translate **NDCs, NAPs and LTS** into climate investments and programming



GCF's value-add, as a **climate capacity-builder & risk-inclined financier**, in the wider climate finance architecture



Improve **access** to GCF finance.

# USP<sub>2</sub> outcome

## GCF's future programming directions

- **Contribution to 2030 goals** set by the international community
- **Four programming priorities**
- **Associated targets**

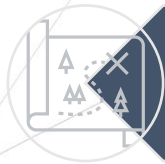
LONG-TERM STRATEGIC VISION (Section 2)					
<b>CONTRIBUTION TO 2030 GOALS</b> (Section 3.1)  <b>Meet or exceed portfolio level mitigation &amp; adaptation results – &gt; 1.5 GT CO<sub>2</sub>-e/ 570 million beneficiaries</b>	<b>2024-2027 PROGRAMMING PRIORITIES (Section 3.2)</b>				<b>2024-2027 TARGETED RESULTS</b> (Section 3.3)  <b>11 targeted results covering capacity, DAEs, sectors, MSMEs, LFIs</b>
	<b>Priority 1: Readiness and Preparatory support:</b> Enhanced focus on climate programming and direct access	<b>Priority 2: Mitigation and Adaptation:</b> Supporting paradigm-shift across sectors	<b>Priority 3: Adaptation:</b> Addressing urgent & immediate resilience needs for particularly vulnerable	<b>Priority 4: Private Sector:</b> Promoting innovation and catalysing green finance	
<b>MODALITIES, ACTIONS, PARTNERSHIPS TO DELIVER PROGRAMMING (Section 4)</b>					

## USP<sub>2</sub>: Implications in supporting the adaptation & NAP

- “**Maintain a floor of at least 50% of the adaptation allocation to [...] including SIDS, LDCs and African States, [...] aiming to meet or exceed GCF-1 outcomes**”
- **Long-term strategic vision** aims to support translating country strategies, NAP, NDC, LTS, into projects and programs, offering tailored interventions to **enhance access to GCF resources**
- Readiness Programme to focus on **climate programming and direct access** in order to foster enabling environments for NAP, NDC, LTS, supporting the development and implementation of NAP.

# USP2: Targets for 2024-2027

## Setting a comprehensive set of targeted results



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



Establish new or improved early warning systems



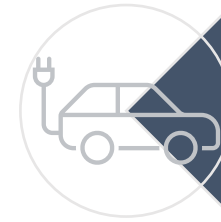
Access to renewable energy



Double the number of Direct Access Entities with approved FPs



Climate agricultural and fisheries practices & reconfiguring food systems



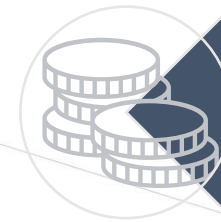
Energy end-use for transport, building and industry sectors



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



Sustainable management terrestrial and marine areas



Seed/early-stage capital for innovative climate solutions



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



low-emission climate resilient infrastructure

# Complementarity and coherence

## Mandate

- **Governing Instrument:** Enhance complementarity and promote coherence in programming at the national level
- **COP calls for** enhancing complementarity and coherence between climate funds
- **Operational Framework on C&C:** Strengthen complementarity and coherence between GCF and other climate finance delivery channels
- GCF Secretariat prepares **Annual Updates on C&C**

## What GCF aims to achieve under C&C

- **Scaling up** projects using various financial instruments & seeking sequencing/parallel/co-finance
- **Optimizing investments** by building on collective experience & lessons learned
- **Aligning projects** with developing country priorities
- Promoting complementarity between **programming efforts**

*“Requests [...] continue to enhance coherence and complementarity of the Green Climate Fund with **other relevant bilateral, regional and global funding mechanisms** and institutions to better mobilize the full range of financial and technical capacities” **COP27 decision***

# Complementarity and coherence: AF-GCF

## Coordinated Scaling Up Approach between GCF and AF

- **Scale up successful AF projects** through resources from the GCF
- **Promote sustainability & and continuation** by up-scaling results achieved by the first interventions
- **Offer facilitated access; reduce transaction costs and improve time efficiency**

## Community of Practice for Direct Access Entities

- Direct Access Modality to **enhance country ownership**
- **CPDAE readiness support** under implementation to help DAEs access climate finance and develop strong projects

## Fast-tracking (re)accreditation with AF

- Expediting (re)accreditation process if an applicant is accredited to AF and vice versa.
- **49 entities have** undergone the fast-track accreditation process & **11 AEs were re-accredited** via fast-track re-accreditation

# Complementarity and coherence: USP<sub>2</sub>

## Updated Strategic Plan 2024 - 2027

- Collaborate with peer funds to identify opportunities for **scaling up success**
- **Complementarity as operational priority:**
  - 1) **programming / process / policy alignment**; 2) managing **data** as a shared asset; 3) further strengthening C&C with **broader climate finance architecture**

## Leveraging programming process

- **GCF institutional arrangement** already offers strong entry points for C&C, including **relevant templates/strategies** e.g., B.32 decision on SAP update
- **Using Country Programmes and Support provisions for relevant national planning** to assist NDAs/AEs in creating opportunities to enhance complementarity and coherence, promoting synergies across the national climate landscapes.

# Conclusion

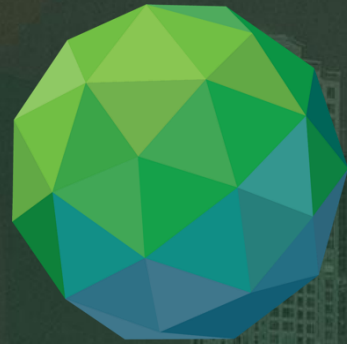
## Country Ownership is key to success

- **Coordination** between the national focal points of the climate funds (+ secretariats of GCF and partner fund/s)
- Identification of **AEs experienced in working with** (*or having a robust understanding of*) **GCF and partner fund/s**
- Creation of a **national investment strategy** conducive to facilitating harmonious portfolio development

## What's on the horizon

- **Joint Climate Funds Pavilion at COP28 & Official COP Side Event** on the C&C
- Board guidance for Secretariat to propose **options to further strengthen complementarity and coherence**





# GREEN CLIMATE FUND

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