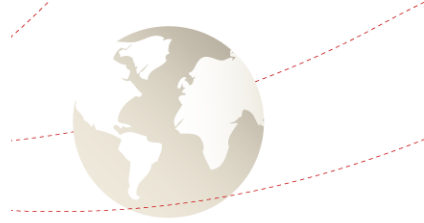




GIZ Climate Finance Readiness (CF Ready) Programme



Ministry of the Environment
of the Czech Republic



Overview



- Introduction to GIZ's Climate Finance Readiness Programme (CF Ready) – Facts and Figures
- Examples and experiences
 - NDA and NIE support in Peru
 - Cooperation with Peruvian Housing Development Bank
- Useful tools





GIZ's Climate Finance Readiness Programme



- **Vision**

Improve the conditions needed to achieve results-oriented, transformational and efficient use of climate financing (– in particular from the GCF)

- **Implementers**

GIZ and KfW (German Development Bank)

- **Volume (GIZ) and Time frame**

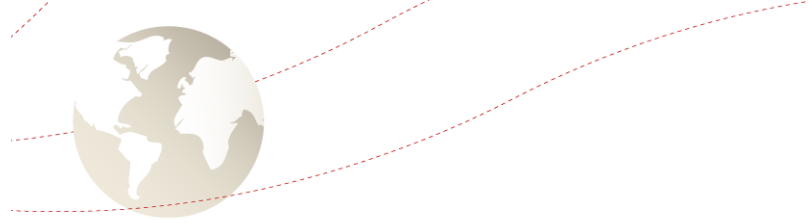
over € 17 million, 2013 – 2018/19

- **Commissioned by:**

- German Federal Ministry of Economic Cooperation and Development
- Co-financed by US Agency for International Development (USAID) and the Czech Ministry of Environment

- Delivery partner for the Readiness Programme of the **Green Climate Fund**





Current partner countries





CF Ready advisory services - I



GIZ's **Ready for Climate Finance** approach



- **Long-term support** with permanent **in-country presence**
- **Tailor-made support** for each country
- Building **national capacities** // building on national capacities
- **Fast implementation** through **tools** for each module and **network of experts**



CF Ready advisory services - II



Support to the accreditation
of national institutions for
direct access to the GCF

Peru, Uganda, Morocco, Tanzania, and
India

Close cooperation with the
**Green Climate Fund
Secretariat** and other
Readiness delivery
partners

Development of
financing strategies /
linking climate change
planning to financing
Financing frameworks for
national adaptation plans etc.

Institutional support for
**strengthening of National
Designated Authorities** in
several countries

Development of no-objections procedures,
Country programmes etc.



Example 1: NDA and NIE support in Peru - I



NDA

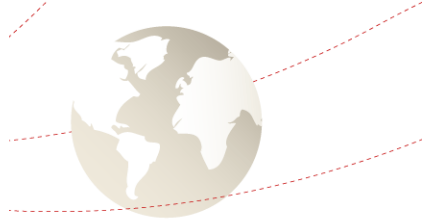
Ministry of Environment
(Focal Point) / Ministry
of Economy and
Finance

- Comparative analysis of national institutions for direct access to the GCF
- Draft for the no-objection procedure („green light“ for GCF proposals)
- Capacity building in climate finance
- Concept note for readiness support through GCF funds (starting 2017/18)

NIE

Peruvian Trust Fund for
National Parks and
Protected Areas
(Profonanpe)

- Updating of fiduciary standards and environmental-social safeguards for more advanced financing instruments, higher risk category and higher financial volumes



Example 1: NDA and NIE support in Peru - II

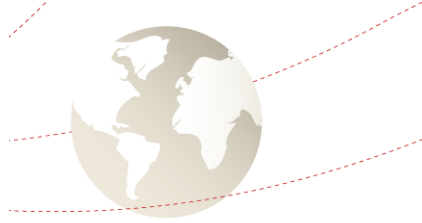


Enabling Access to the Funds

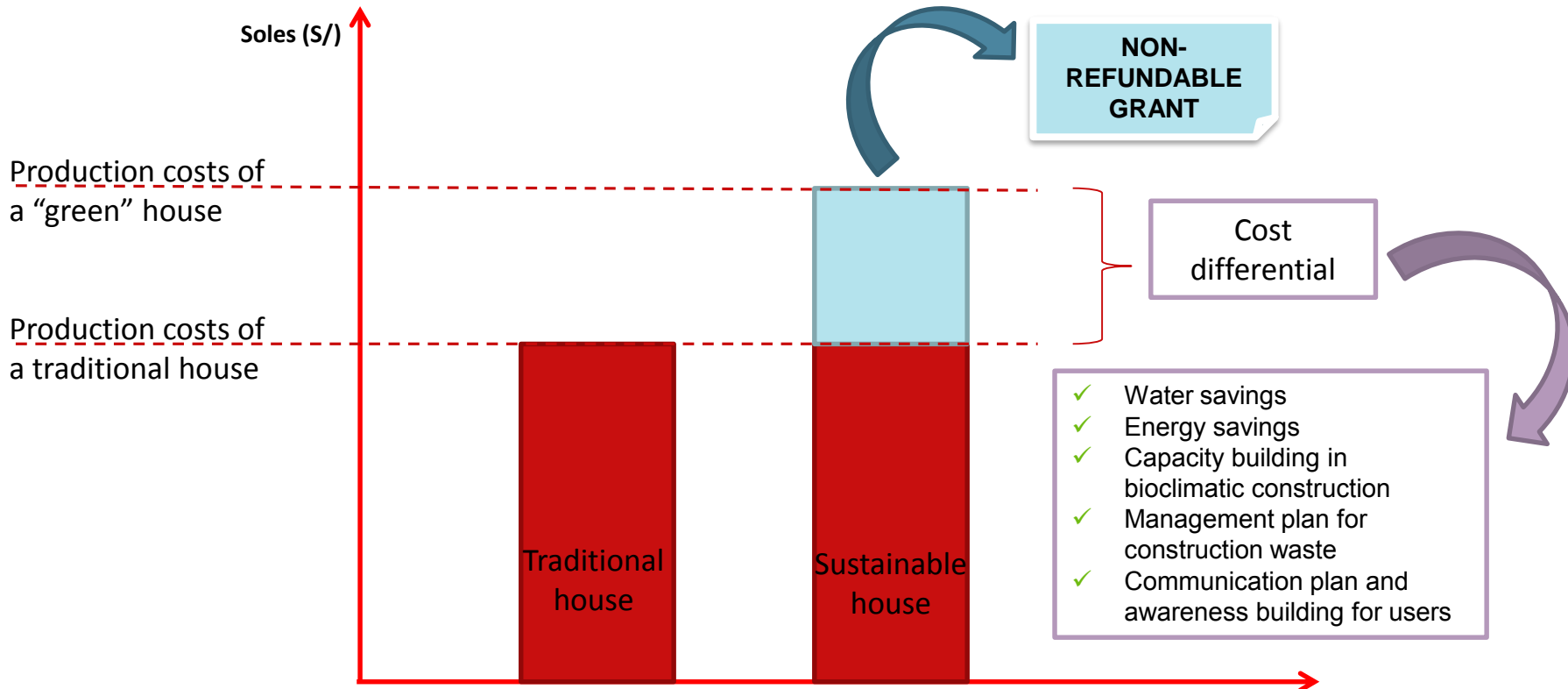
Profonanpe's Adaptation Fund &
Green Climate Fund Accreditation Experience

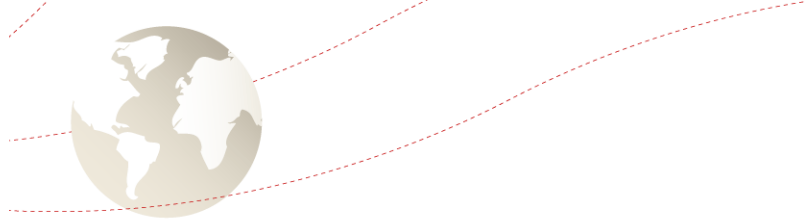
- Study on the rules, requirements and general procedures of accreditation to the Adaptation Fund and Green Climate Fund, based on lessons learned from Profonanpe. Intends to orient and assist regional, national or subnational entities who plan to seek direct access / are in the accreditation process to the AF, GCF or other environmental funds.

[https://www.giz.de/expertise/downloads/giz2016-en-enabling-access-to-funds-final_\(3\).pdf](https://www.giz.de/expertise/downloads/giz2016-en-enabling-access-to-funds-final_(3).pdf)

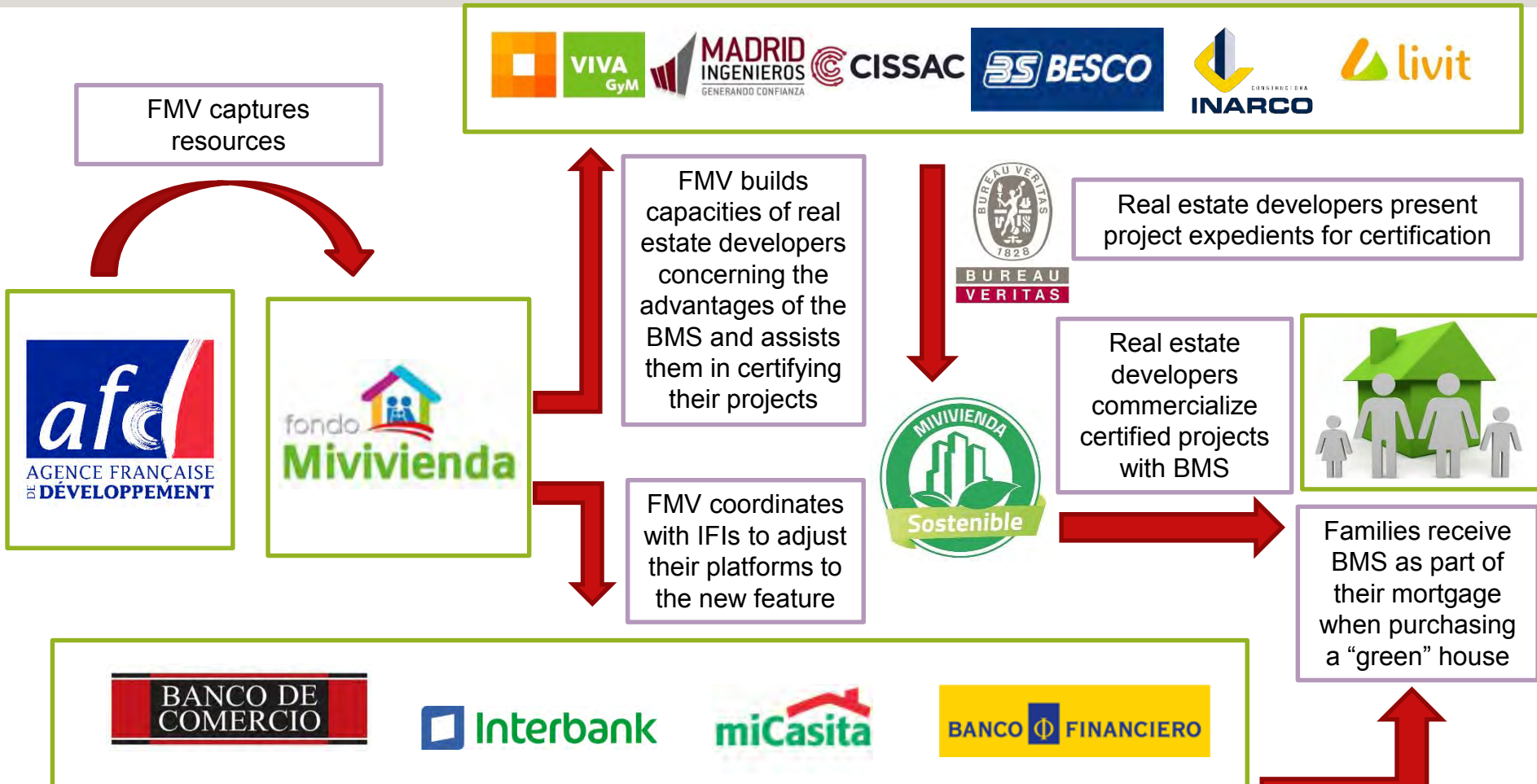


Example 2: Housing Bank FMV in Peru - I





Example 2: Housing Bank FMV in Peru - II



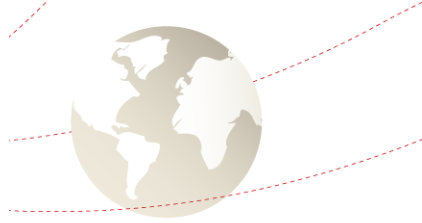


Example 2: Housing Bank FMV in Peru - III



- Number of certified real estate programmes: 9
- Number of available “green” apartments: 2897
- Average ticket of BMS certified apartments: S/. 233,005.33 (USD 71,794.46)
- Average ticket of BMS grant: S/. 5,578.59 (USD 1,718.90)
- Disbursements until July 2017: 69
- Goal until the end of 2017: 500





CF Ready Toolbox - I



1

GCF Accreditation
Self-Assessment
Tool

- For institutions interested in accreditation with the GCF
<http://www.greenclimate.fund/how-we-work/getting-accredited/self-assessment-tool>

2

Climate Finance
Reflection Tool (ClIF
Reflect)

- Assessment of country's capacities and identification of development needs
<https://www.giz.de/expertise/downloads/giz2013-en-climate-finance-reflection-tool.pdf>

3

Climate Finance
Training (ClIFit)

- Climate finance training, including Training of Trainers.
- Available on request
www.clifit.org

4

Handbook on GCF
Project
Development

- Currently in development. Please get in touch with CF Ready team



CF Ready Toolbox - II



5

Training in
Environmental and
Social Safeguards
(ESS)

- Please get in touch with the CF Ready team

6

Transformational
Change in
International
Climate Finance

- Publication on frequently asked questions and answers
<https://www.giz.de/expertise/downloads/giz2014-en-climate-finance-navigating-new-agenda.pdf>

7

Publications on
various related
topics

- Financing strategies – a missing link to translate NDCs into action
- Political economy – the biggest stumbling block for national climate finance?
- The potential contribution of Green Bonds to finance the implementation of NDCs



Thank you for your attention!



Als bundeseigenes Unternehmen unterstützt die GIZ die Bundesregierung bei der Erreichung ihrer Ziele auf dem Gebiet der internationalen Zusammenarbeit für eine nachhaltige Entwicklung.

Herausgeber:
Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

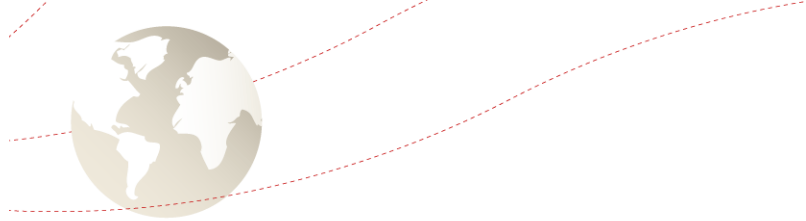
Sitz der Gesellschaft
Bonn und Eschborn

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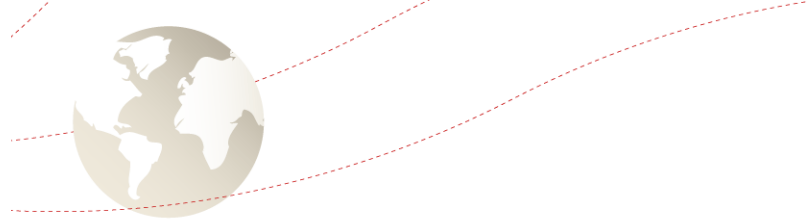
Programme director
Silke Spohn
Speaker
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andrea.staudhammer@giz.de



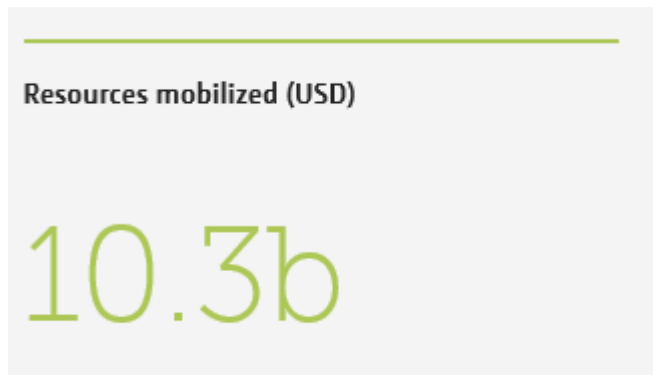
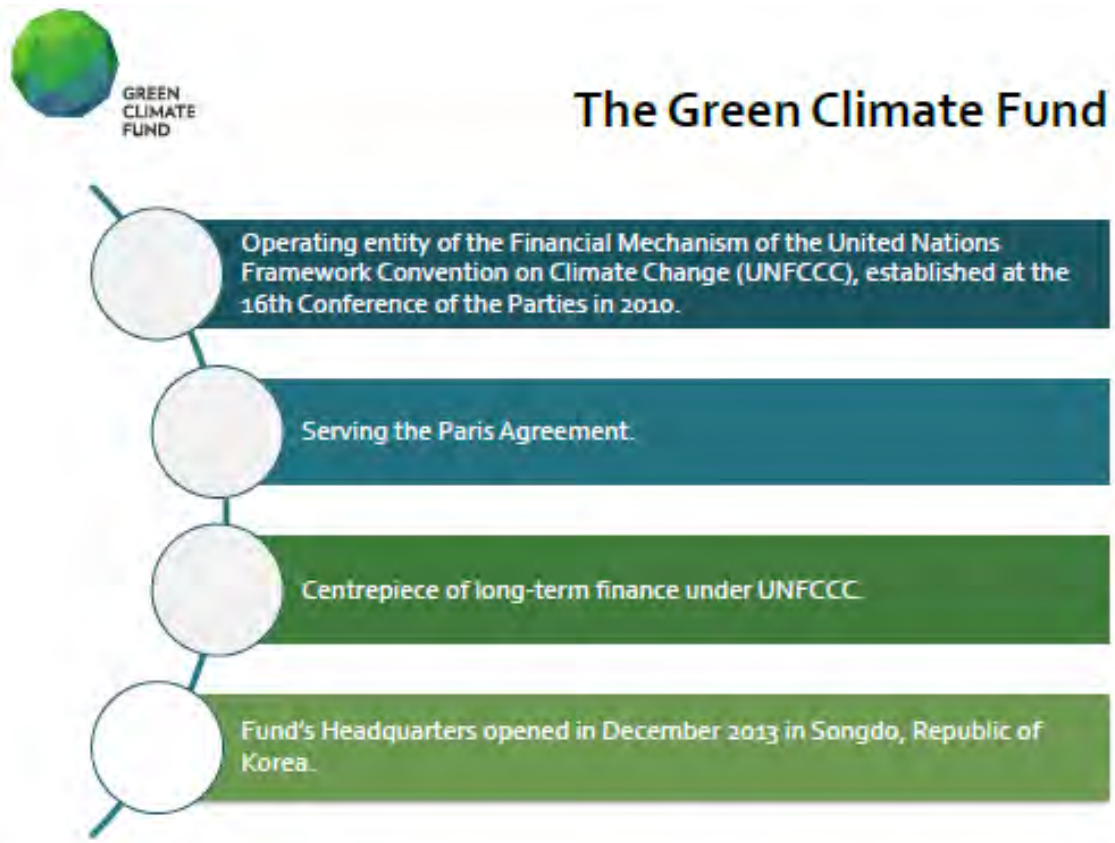
Ministry of the Environment
of the Czech Republic



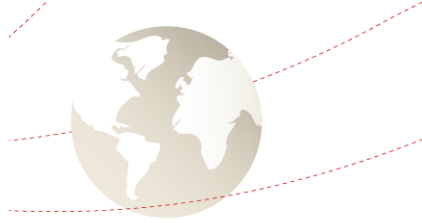
Annex: Information about the GCF



Green Climate Fund – history



→ Goal: 100b / year



Why is the Green Climate Fund different?



1. Scale and Impact

- The **largest** and **fastest-growing** climate fund
- Promote a **paradigm shift** and help developing countries transform their economies and put them on a **low emission and climate-resilient pathway**
- **Country-driven** and in line with countries priorities
- Expected to become the **main global fund for climate finance**

2. Governance

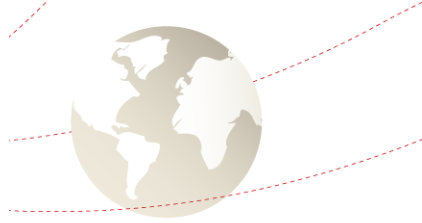
- Board comprised of an **equal** number of members from developed countries and developing countries
- Dedicated seats for SIDS and LDCs

3. Access

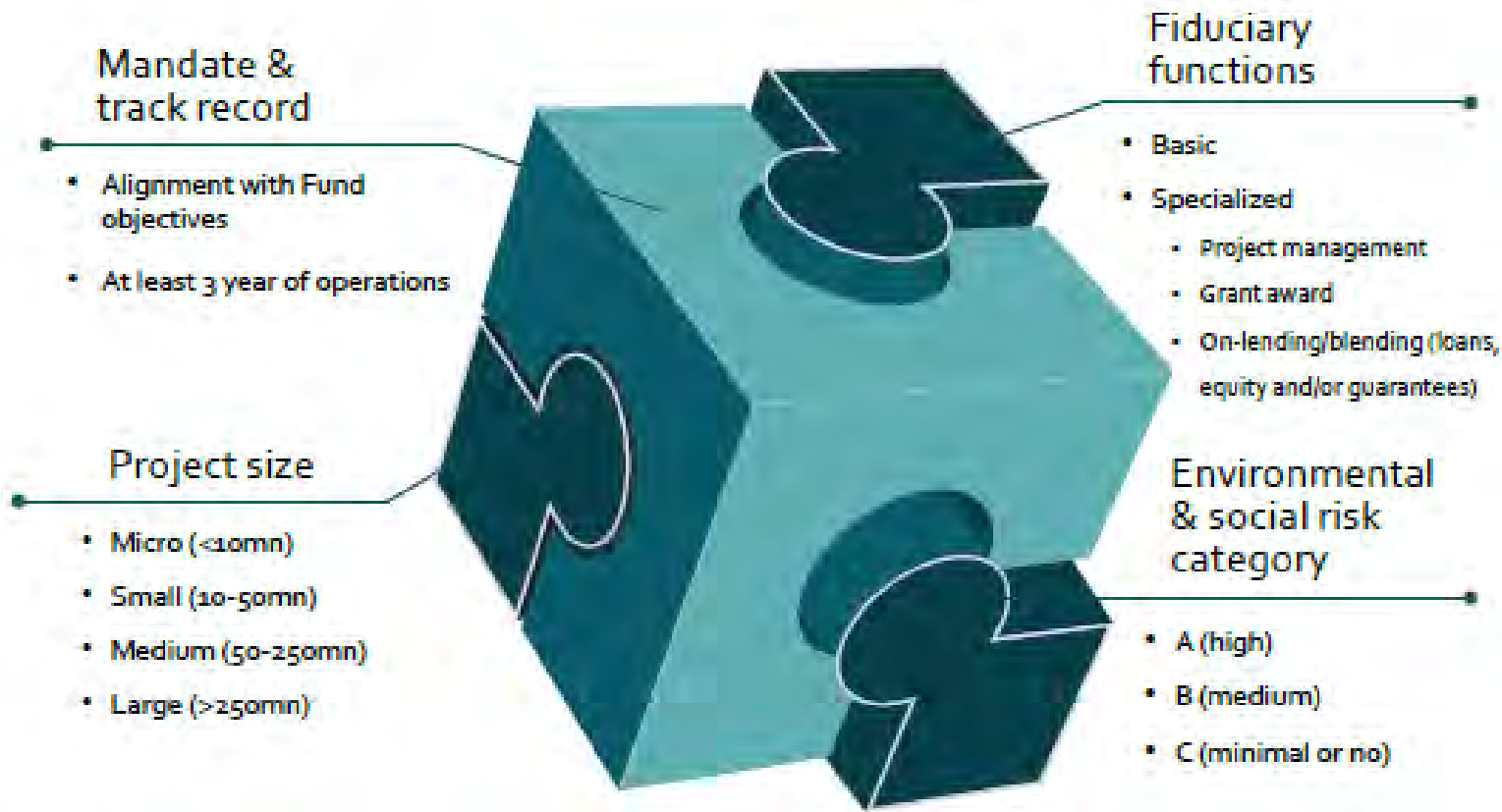
- Recipient countries will be able to utilize **direct access** or access through **international and regional intermediaries** and implementing entities accredited by the Fund

4. Allocation

- Minimum floor for adaptation financing to SIDS, LDCs
- The allocation of resources will be **balanced between adaptation and mitigation** activities
- The allocation of resources will be **based on results**



Fit-for-purpose approach of accreditation





GCF Accredited entities

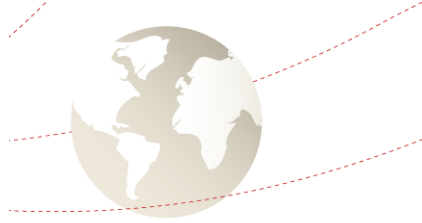


- 54 entities accredited as by July 2017



Board Meeting July 2017:

- Infrastructure Development Company Limited (IDCOL), Bangladesh
- Small Industries Development Bank of India (SIDBI), India
- Micronesia Conservation Trust (MCT), Federated States of Micronesia
- CDG Capital S.A. (CDG Capital), Morocco
- Bank of Tokyo-Mitsubishi UFJ Limited (BTMU), Japan
- Japan International Cooperation Agency (JICA), Japan



Thematic areas of investment



What kind of projects/programmes are we looking for?



Public and/or private sector projects/programmes that have one or more impacts in these areas

MITIGATION:

- Energy generation and access
- Transport
- Forests and land use
- **Buildings, cities, industries, and appliances**

ADAPTATION:

- Health, food and water security
- Livelihoods of people and communities
- Ecosystems and ecosystem services
- **Infrastructure and built environment**

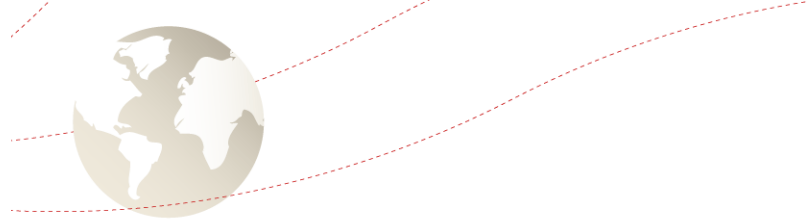


GCF investment criteria



The Fund's Six High-level Investment Criteria*





Approved projects so far



GCF PORTFOLIO

43

PROJECTS

125m

BENEFICIARIES

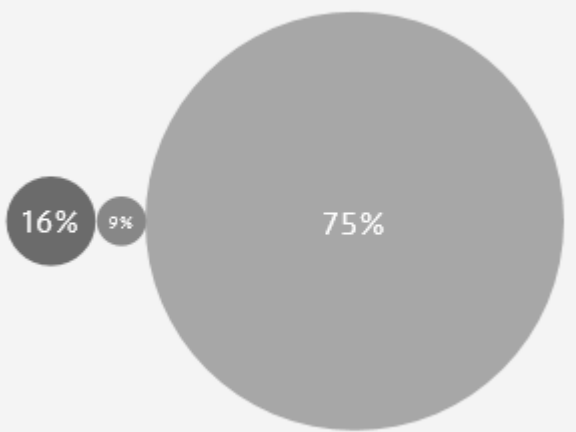
Anticipated number of people with increased resilience

981m

TONNES of CO2

Anticipated tonnes of CO2 equivalent avoided

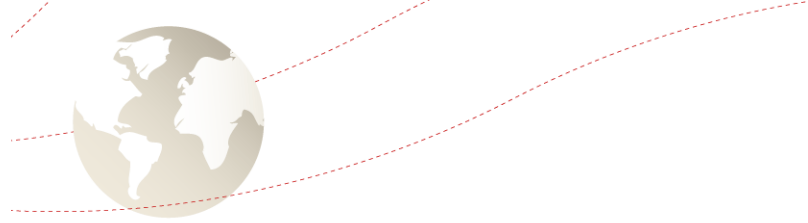
BY ACCESS MODALITY



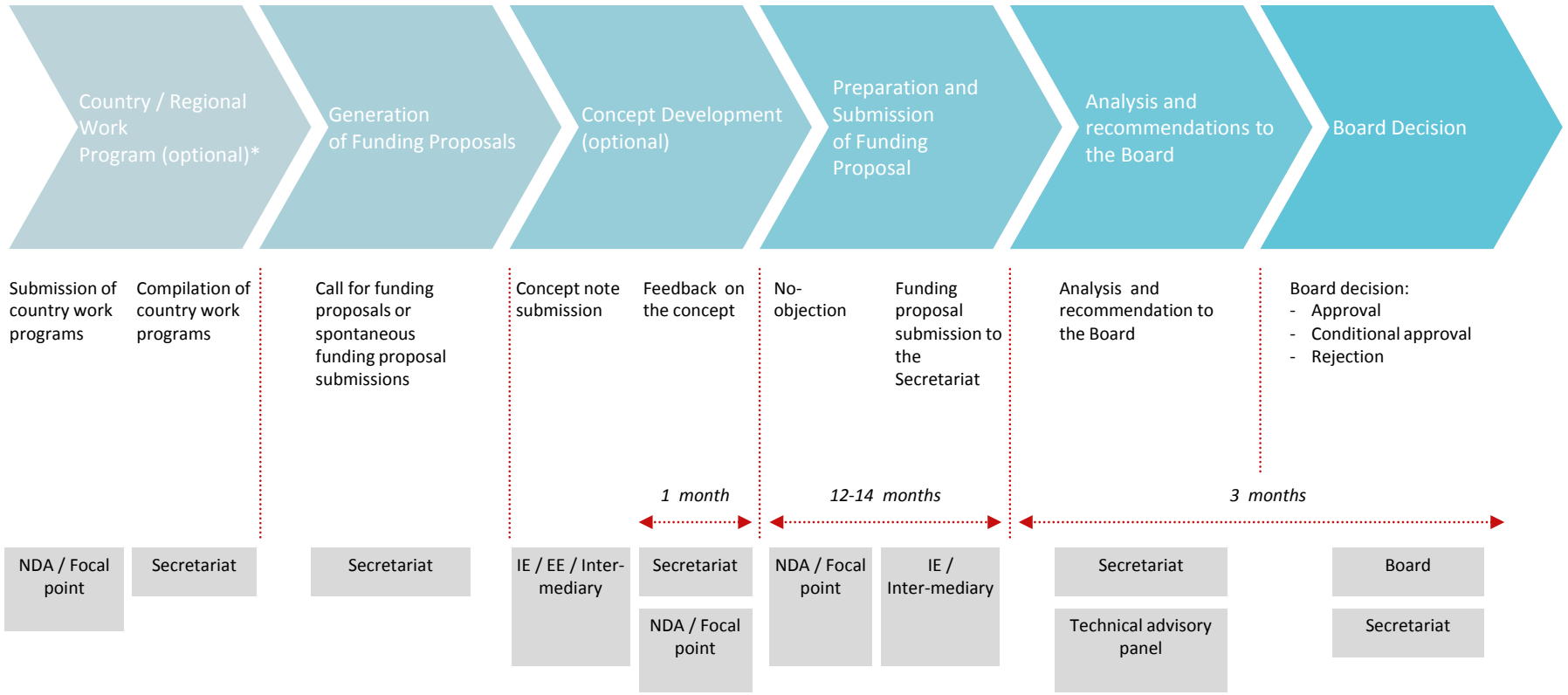
National Regional International

GEOGRAPHIC DISTRIBUTION





Project approval process



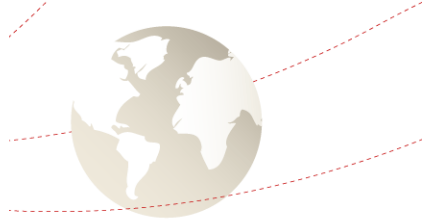


The Project Preparation Facility



The Project Preparation Facility (PPF) supports Accredited Entities (AEs) in project and programme preparation. It is especially targeted to support direct access entities, and micro-to-small size category projects.

- Each request subject to a cap of USD 1.5 million.
- Support is granted in the form of grants and repayable grants, while equity may be considered for private sector projects. Funding proposals developed with the PPF should be submitted to the GCF Board within two years of the approval of a PPF request.
- Possible **areas of support**: Pre-feasibility and feasibility studies, as well as project design; Environmental, social and gender studies; Risk assessments; Identification of programme/project-level indicators; Pre-contract services, including the revision of tender documents; Advisory services and/or other services to financially structure a proposed activity; Other project preparation activities, where necessary, provided that sufficient justification is available.



The Private Sector Facility



- GCF has set up the Private Sector Facility (PSF) to fund and mobilize institutional investors and leverage GCF's funds. PSF is actively engaging with pension funds, insurance companies, corporations, local and regional financial intermediaries, and the capital markets.
- **GCF uses flexible financial instruments (including debt, equity, and guarantees).** It can combine these instruments with concessional funding to promote private sector investing by:
 - *De-risking investments*
 - *Bundling small projects into portfolios*
 - *Supporting capacity building*
 - *Helping develop public-private partnerships*
- Call for proposals: <http://www.greenclimate.fund/500m>