



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

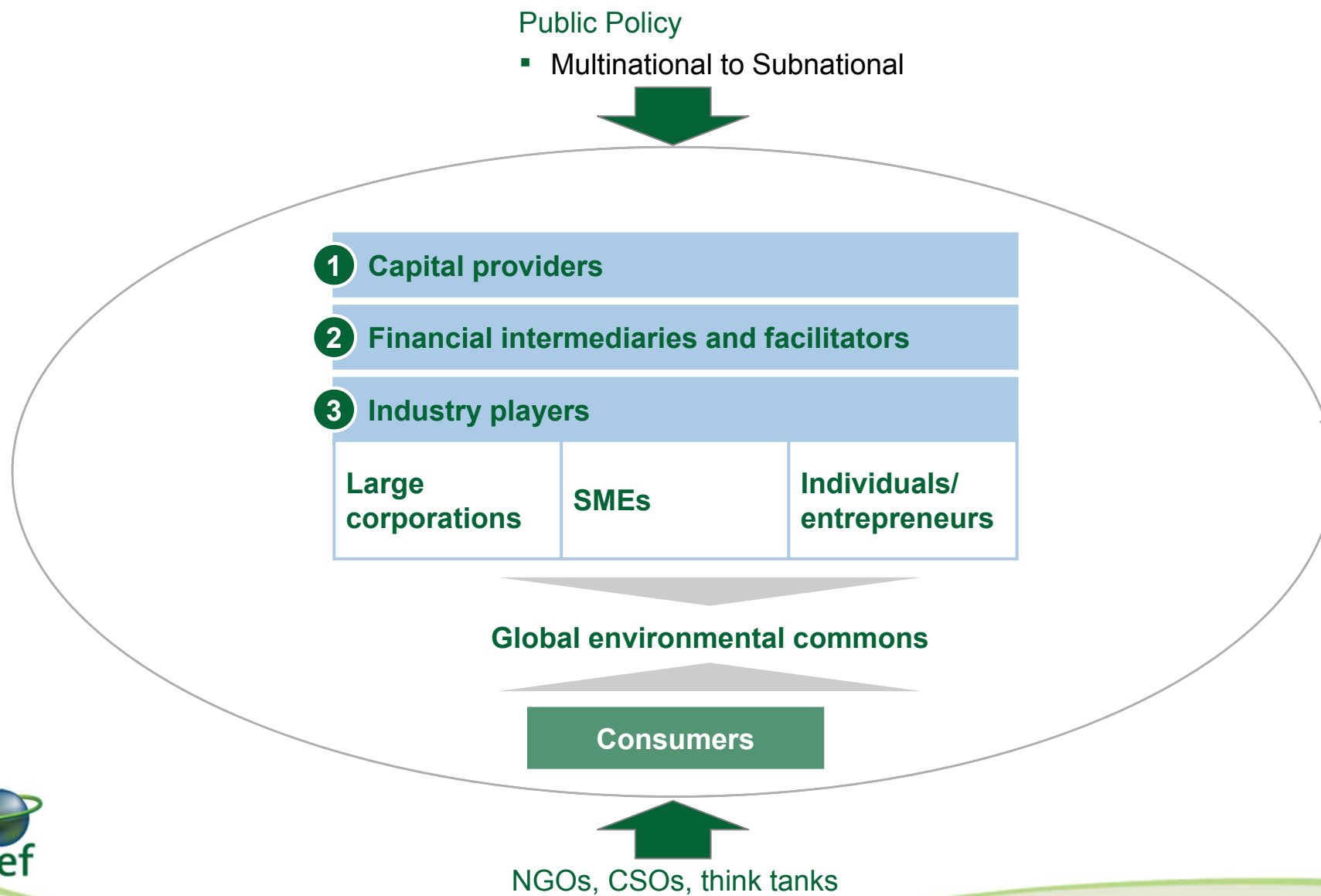
GEF's Intervention Models for Private Sector Engagement

We start by noting the three different types of private sector actors with whom GEF can engage

Type	Description/Examples
1 Capital providers	▪ Pension funds, VCs
2 Financial intermediaries and facilitators	▪ Investment banks, commercial banks, financial advisory services
3a Industry players – large corporations	▪ Large retail, manufacturing companies, project developers, etc.
3b Industry players – SMEs	▪ Full time staff below 250 or less depending on the country
3c Industry players – individuals/ entrepreneurs	▪ Small start-ups with full time staff below 10

In our view, three different types of private sector actors form a complex eco-system, interacting with consumers and the global environment

PRELIMINARY
FOR DISCUSSION



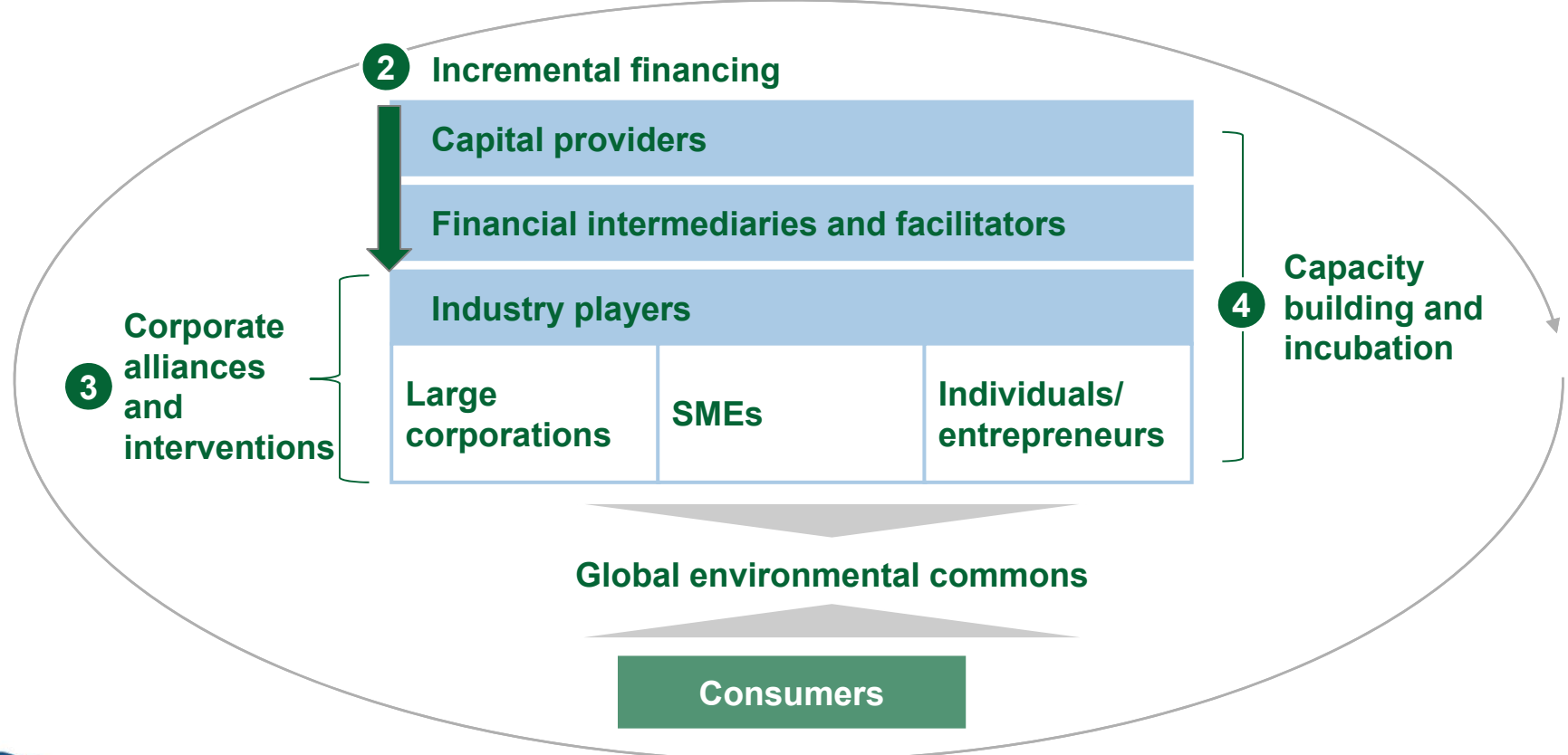
In this eco-system, GEF regularly uses four different intervention models

Type	Description
1 Enabling policy environments	<ul style="list-style-type: none"> ▪ Policy and regulatory development (e.g. feed-in tariffs for renewable energy, regulatory incentives that guarantee markets for new sustainability innovations and encourage business to make long-term investments) ▪ Consistency and standardization
2 Incremental financing (Concessional / risk reduction)	<ul style="list-style-type: none"> ▪ Loans, equity, and performance based funding/guarantees (e.g. co-investing in research for more environmental and cost-effective products and/or processes?) ▪ Risk-sharing facilities ▪ Policy risk insurance ▪ Structured financing
3 Corporate alliances and interventions	<ul style="list-style-type: none"> ▪ Collaborative goal setting for transformational targets (e.g. 80% cocoa certified sustainable by 2020) ▪ Certification and supply chain management (e.g. Forest Stewardship Council, Marine Stewardship Council) ▪ MRV and risk- valuation methodologies (Risk reduction tools ?)
4 Capacity building and incubation	<ul style="list-style-type: none"> ▪ Advisory services (e.g. for SMEs) ▪ Technical assistance and innovation? (e.g. R& D to co-develop products/services?) ▪ Aggregation ▪ Information and communications technology applications

With these four intervention models, GEF can fine-tune its approach and partnerships to achieve targeted results

PRELIMINARY
FOR DISCUSSION

- 1 Enabling public policy environments
 - Multinational to Subnational



Framework by invention and type of private sector actor: GEF snapshot of best projects

IN PROGRESS

Types of private sector actors	Financial players		Industry players		
	Capital providers	Financial intermediaries and market facilitators	Large corps	SMEs	Individuals/ entrepreneurs
Intervention models	Renewable Feed-in-Tariffs in 60 countries				Strategic program for West Africa
1 Enabling policy environments	ESCO Reform in Eastern Europe, China, Turkey.			Nagoya Protocol sharing agreements	
2 Concessional financing/ risk reduction	Russia Energy Efficiency Fund	Earth Fund GEF-5 PPPs GEF Crew-wastewater	Chile ESCO Risk Fund	Risk-sharing Facilities in 12 countries SCAF	Global Ballast
3 Corporate alliances and interventions		Carbon Index	en.Lighten		Save the Source
4 Capacity building and incubation		China Utility Energy Efficiency (CHUEE)	Soft Commodities	Best practices for Energy Management	GEF-UNIDO Cleantech Programme



BIODIVERSITY

CLIMATE CHANGE MITIGATION

INTERNATIONAL WATERS

SUSTAINABLE FORESTRY