

UN Environment / UNDP / WRI

GCF READINESS PROGRAMME

Building capacity to access the Green Climate Fund



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Lessons learnt in supporting recipient countries to access GCF and climate finance

*In-session Workshop on Long-term Climate Finance
48th session of the Subsidiary Bodies, Bonn, Germany*

Supported by:



Federal Ministry for the
Environment, Nature Conservation,
Building and Nuclear Safety

based on a decision of the German Bundestag

7 May, 2018

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CONTENTS IN PRESENTATION

- Country-driven project design
- Key areas of Support
- Support of Programme to Paris Agreement and NDCs
- Project Results
- Challenges
- Lessons Learned

A country driven project design

- Initiated in December 2013 by **BMUB/IKI** (now BMU/IKI)
- Ending in December 2018
- Jointly implemented by **UN Environment, UNDP, WRI and the 9 beneficiary countries**
- **Country driven design and implementation:**
 - National project coordinator based in NDA office, National Steering Committees chaired by NDA

Countries

- Fiji
- Nepal
- Philippines
- Uzbekistan
- Benin
- Ghana
- Kenya
- El Salvador
- Colombia

Four areas of support

Objective

Institutional strengthening and capacity building for direct access to the GCF and other climate finance

Institutional
capacity
strengthening

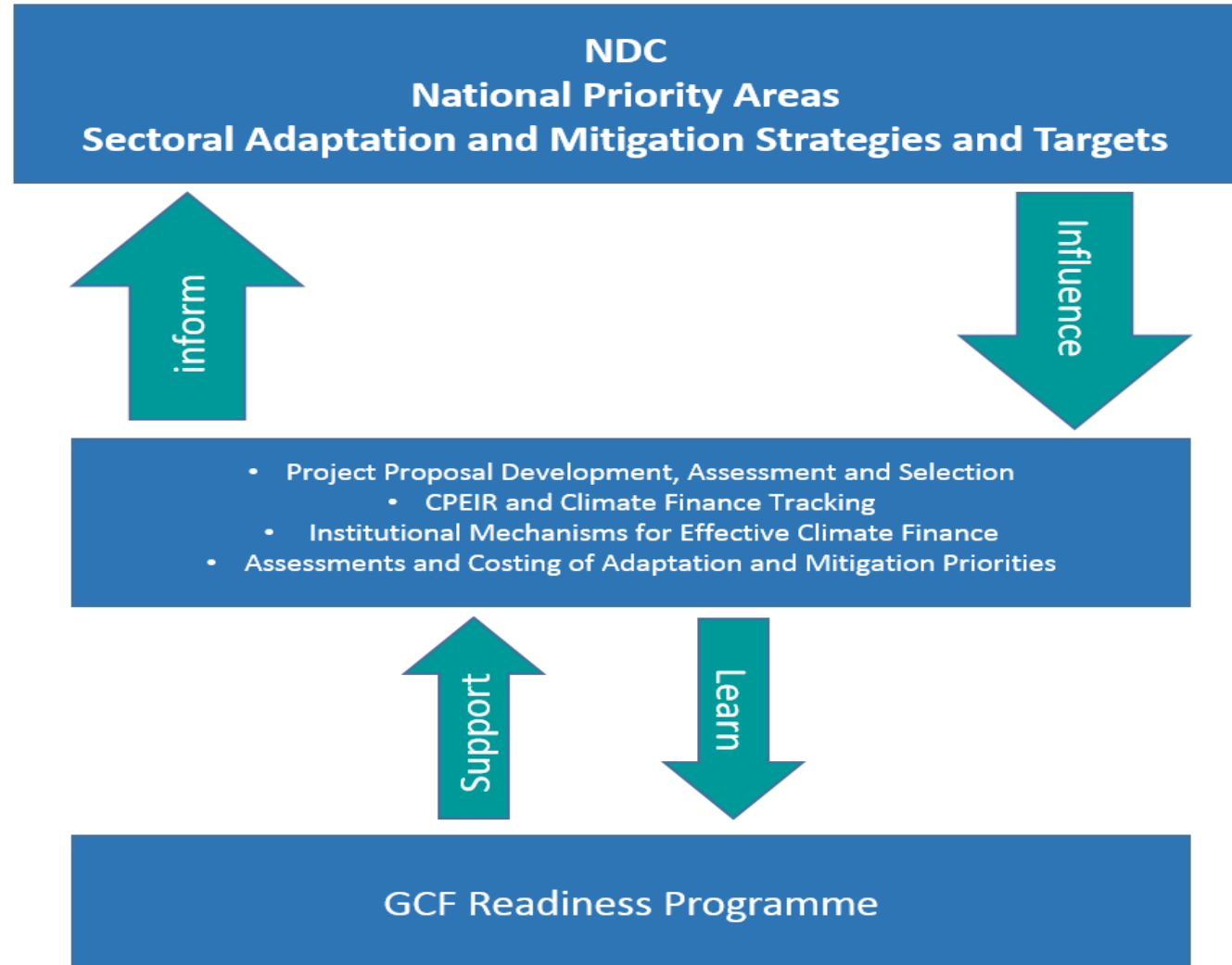
GCF DAE
accreditation

GCF pipelines
and projects

Private sector
engagement

Supporting the Paris Agreement

Key Links
NDCs – GCF
Readiness
Programme



Project results

CAPACITY STRENGTHENING

Stakeholder engagement
Strategies, plans, policies, laws
Climate expenditure reviews
MRV systems

ACCREDITATION

18 candidate DAEs
6 of them are now in stage II
2 got accredited

PIPELINE AND PROPOSAL DEVELOPMENT

Development of over 20 GCF
concept notes and project proposals

PRIVATE SECTOR ENGAGEMENT

Awareness on risks and
opportunities
Pilot climate-friendly financial
mechanisms/products

Challenges

- **High expectations from GCF** in countries
- **Climate change is cross-cutting** but stakeholders used to operating in isolation
- **GCF in its nascent stage** adaptability and flexibility required
- **Lack of conducive policies, laws and regulations** for climate finance
- **High demand on government staff** with new area, new capacities and knowledge
- **High level of commitment, work and resources required** for GCF accreditation applications and GCF proposals

Lessons learnt

Institutional capacity strengthening

- **NDA in a central, or finance-oriented department** is more effective
- **Subnational governmental entities** have a **key role** to play
- **Clear policies, processes, and targets** are key

DAE Accreditation

- **Commitment and support from top level leadership** is key
- **DAEs must dedicate resources** and document everything
- **Select appropriate accreditation level**

Lessons learnt

Pipeline and proposal development

- **Carefully select AEs**
- **Consider timelines and GCF Board backlog**
- **Accreditation does not guarantee access to funds**

Private sector engagement

- **Identify barriers and develop tailored training programmes**
- **Facilitate options for smaller FIs to respond to market demand**
- **Establish loan guarantees, insurance mechanisms, or blended financing to combat risk-aversion for climate-smart investments**

Lessons learnt

- Lessons learnt report (under development) to be released in July 2018
- Online repository of tools and outputs available soon on <http://www.gcfreadinessprogramme.org/>



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THANK YOU

Ermira Fida, GCF coordinator, UN Environment

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Modules selected by countries

Table 1: Modules and country selections	Ben	Col	ES	Fij	Gha	Ken	Nep	Phi	Uzb
Work package A: Building the institutional capacities of countries with a focus on enabling direct access.									
Module 1: Map the broad institutional context and strengthen capacity of national climate finance institutions for managing adaptation and mitigation finance across various institutions and levels.	X	X	X	X	X		X		X
Module 2: Develop national and/or sectoral financial plans detailing financial needs related to climate change and how climate funds can be allocated.	X	X	X	X	X				X
Module 3: Assist countries in identifying, establishing, and strengthening implementing entities and national designated authorities in order to access climate finance.	X		X	X	X	X	X	X	X
Module 4: Develop systems including tools and methods for national and sub-national monitoring and reporting on climate finance including its results.	X	X	X	X	X				X
Module 5: Establish communication linkages between national and regional readiness activities and ongoing global processes.	X			X					X
Work package B: Preparation of pipeline of bankable projects and programmes.									
Module 6: Facilitate national level climate investment consultations.		X	X	X	X		X	X	X
Module 7: Prepare guidelines and tools for climate related assessments and for identification and formulation of proposals for funding.	X	X	X	X	X	X	X	X	X
Module 8: Support preparation of a pipeline of climate projects and provide them with targeted technical and financial support in order to make them bankable.	X	X	X	X	X	X	X	X	X
Module 9: Train local financial institutions to build up the skills required for climate related investment activity.	X		X	X	X	X			X
Module 10: Provide technical assistance and funding support to local financial institutions to develop new financial products and services for prioritized climate sectors.	X	X	X		X			X	