

Overview of the Funds under the Convention and the Paris Agreement

Male, Maldives, 05 March 2020



Outline



Green Climate Fund



Global Environment Facility

Least Developed Countries Fund

Special Climate Change Fund



Adaptation Fund



Overview of the funds

Fund	GEF-5 and 6*	LDCF	SCCF	AF	GCF
Founded	1991	2001	2001	2001	2010
Cumulative pledged funding	USD2.95bn	USD1.19bn	USD351m	USD479m	USD10.3bn
Contributor countries (developing in brackets)	39 (13)	25	15	14	43 (9)
Board composition	<u>32 member Council</u> : 16 developing countries, 14 developed countries, 2 economies in transition	Same as GEF	Same as GEF	<u>16 member board</u> , currently 11 developing countries, 5 developed countries	<u>24 member board</u> , 12 developing countries, 12 developed countries



Identifying the right fund

Fund	GEF	LDCF	SCCF	AF	GCF
Institution that can request funding	Normally government entities through one of the GEF's Partner Agencies ²	Normally government entities through one of the GEF's Partner Agencies ³	Normally government entities through one of the GEF's Partner Agencies ⁴	National, regional, and international Accredited Entities from the public, private, and non-profit sectors	National, regional, and international Accredited Entities from the public, private, and non-profit sectors
Use of funds	Mostly mitigation ⁵	Adaptation	Mostly adaptation ⁶	Adaptation	Mitigation and adaptation
Types of funding available	Mostly grants ⁷	Grants	Grants	Grants	Grants, loans, equity, guarantees
Max. amount of funding available for project implementation	Varies by country	Up to USD30 million per country	Varies by country	USD10 million per country	No max. amount for project implementation ⁸
Project location	Most developing countries	Least developed countries	Developing countries. Most vulnerable countries have priority.	Developing countries	Developing countries
Co-financing	Required	Not required	Required for mitigation	Not required	May be required depending on project ⁹



Actors involved

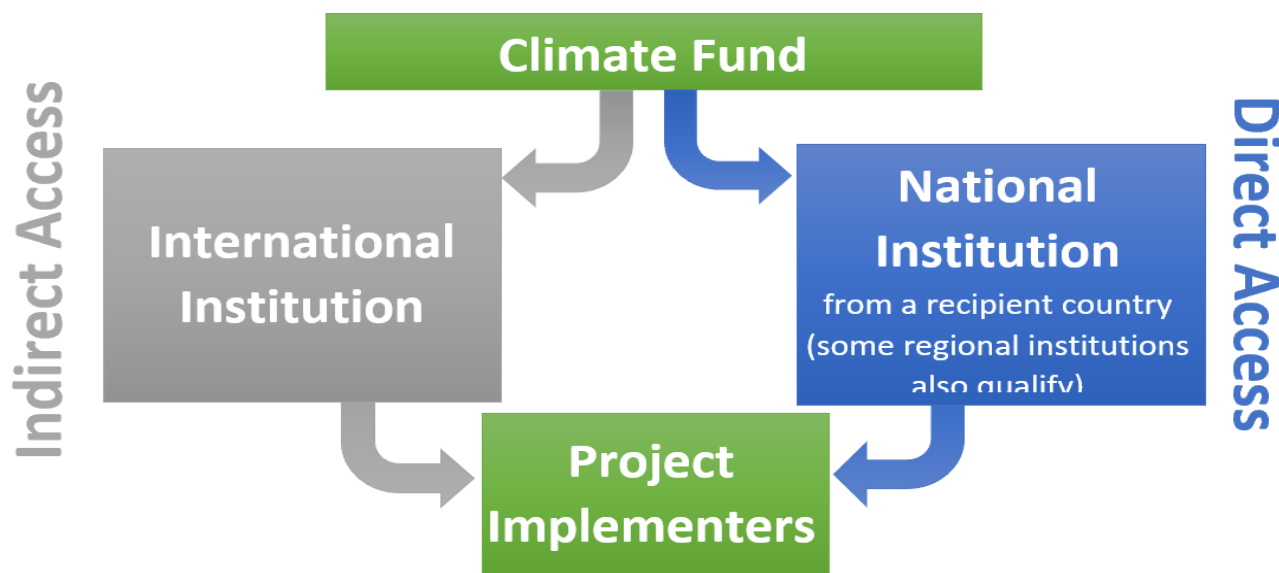
	GEF	LDCF	SCCF	Adaptation Fund	GCF
Country liaison/counterpart	Operational Focal Point (OFP)	Operational Focal Point (OFP)	Operational Focal Point (OFP)	Designated Authority (DA)	National Designated Authority (NDA)
Entity accessing the funds	Partner Agency	Partner Agency	Partner Agency	Implementing Entity	Accredited Entity
Entity executing project	Project Proponent	Project Proponent	Project Proponent	Executing Entity	Executing Entity
Body at the Fund approving project proposals	GEF Secretariat	GEF Secretariat	GEF Secretariat	Adaptation Fund Board	GCF Board



Direct Access

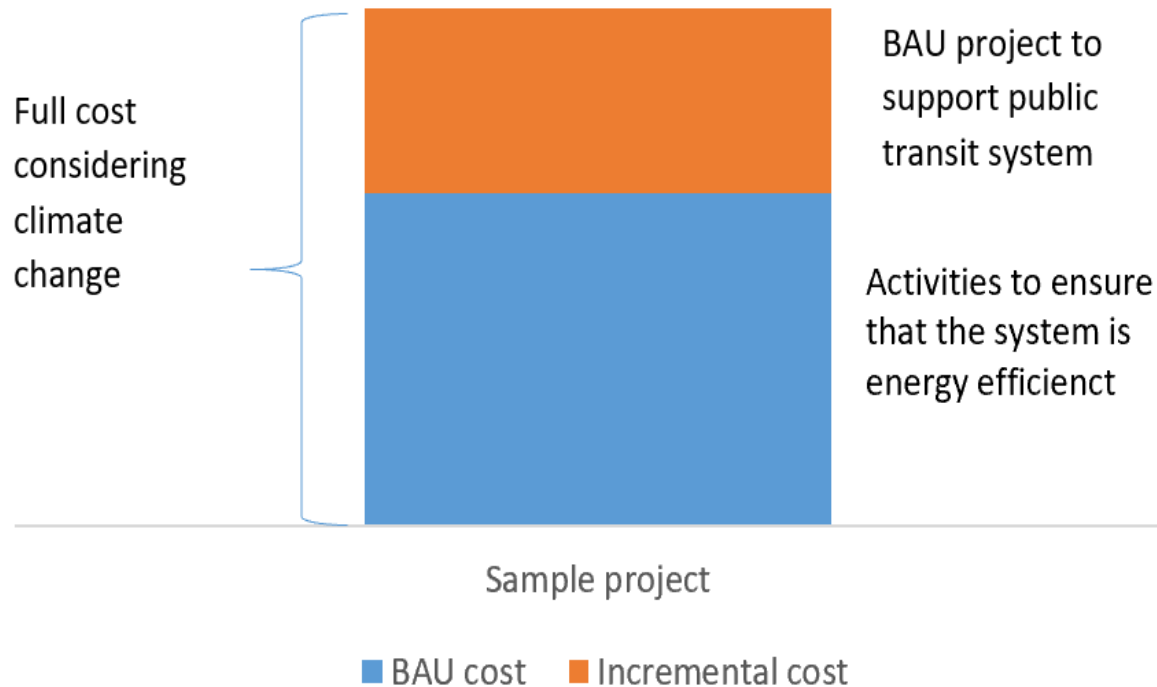
Box 1. The Role of Direct Access

Funds connected to the UNFCCC have established two types of access modalities to channel funds for climate change projects/programs – “direct” and “indirect” access. Under direct access, national institutions can receive finance directly from international funds without going through another institution. The funds have adopted such a modality for a variety of reasons, including an interest in strengthening recipient country ownership over received funding, and in supporting the ability of national institutions to effectively manage finance. Indirect access, in turn, requires recipients of finance to use intermediaries – often multilateral institutions – to manage any funds received.



Incremental cost

Figure 1 Incremental cost versus full cost



Global Environment Facility

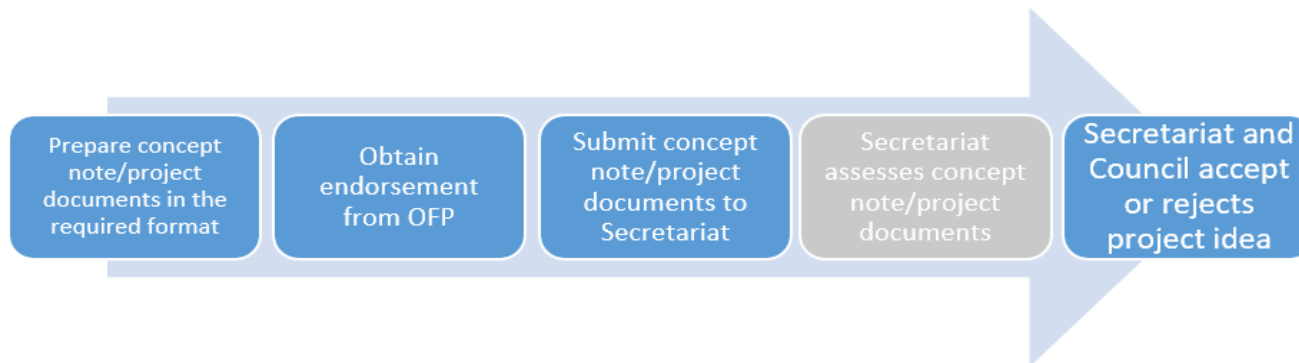
- a. Eligible countries: Most developing countries.
- b. Actors that can propose project ideas: Proponents of project ideas could be public or private sector actors. Funding is deployed through a GEF Partner Agency. Exceptionally, funding can be deployed without a Partner Agency in the case of the Small Grants Program and expedited enabling activities.
- c. Accreditation process: the GEF launched a pilot program in 2011 to increase the number of Partner Agencies. National institutions were eligible to participate. The total number increased to 18 institutions. Reassessment of the pilot program is scheduled for the end of 2018.
- d. Max. amount of funding available and project sizes: maximum amount of funding available depends on country allocations (STAR process). GEF portfolio include full-sized projects (over USD10million), and medium-sized projects (up to USD10million).
- e. Use of the funding: Mitigation to climate change and activities to fulfil UNFCCC commitments. Funding for adaptation is channelled through other funds (i.e. SCCF and LDCF).
- f. Type of funding: Mostly grants. A non-grant pilot program is available at the current funding cycle.
- g. Role of co-financing: not required
- h. Project approval process:



- i. Support for readiness and project preparation activities: Project Preparation Grants support the development of funding proposals. The level of support depends on the size of the development type (e.g. up to USD300,000 for projects above USD10 million).



Global Environment Facility



Box 3: Project Review Criteria

The GEF Secretariat uses the criteria below to assess project concept and/or other project documents.

- Country eligibility and ownership
- Global environment benefits
- GEF focal area strategy
- Agency's comparative advantage
- Resource availability
- Project consistency
- Project design
- Project financing and co-financing
- Monitoring and evaluation plans
- Partner Agency's responses to comments and reviews.



Country Allocations

Country	Allocation
Comoros	1.5M
Maldives	1M
Madagascar	1.5M
Mauritius	1M
Seychelles	1M
Sri Lanka	1M



Least Developed Countries Fund

Box. 4 Summary of LDCF

- a. Eligible countries: Least Developed Countries (LDCs) that are part of the UNFCCC.
- b. Actors that can propose project ideas: proponents of project ideas could be public or private sector actors. Funding is deployed through a GEF Partner Agency
- c. Accreditation process: currently, the accreditation process to the GEF is closed.
- d. Max. amount of funding available and project sizes: max. amount of funding available per country is USD30 million. Project could be full-sized projects (over USD10million) and medium-sized projects (up to USD10million)
- e. Use of the funding: adaptation (i.e. preparation and implementation of National Adaptation Plans of Action)
- f. Type of funding: grants
- g. Role of co-financing: not required
- h. Project approval process:



- i. Support for readiness and project preparation activities: Project Preparation Grant supports the development of funding proposals. The level of support depends on the size of the development type (e.g. up to USD300,000 for projects above USD10million).



Special Climate Change Fund

Box 6. Summary of SCCF

- a. Eligible countries: non-Annex I Parties to the UNFCCC. The Fund gives priority to most vulnerable countries.
- b. Actors that can propose project ideas: Projects proponents can be public or private. Funding is deployed through a GEF Partner Agency.
- c. Accreditation process: currently, the accreditation process to the GEF is closed.
- d. Max. amount of funding available and project sizes: No specific limitation on max. amount of funding available. Projects could be full-sized projects (over USD10million) and medium-sized projects (up to USD10million).
- e. Use of the funding: mitigation and adaptation projects.
- f. Type of funding: grants.
- g. Role of co-financing: co-financing is required only for mitigation activities. However, funding windows for mitigation are not currently active.
- h. Project approval process:



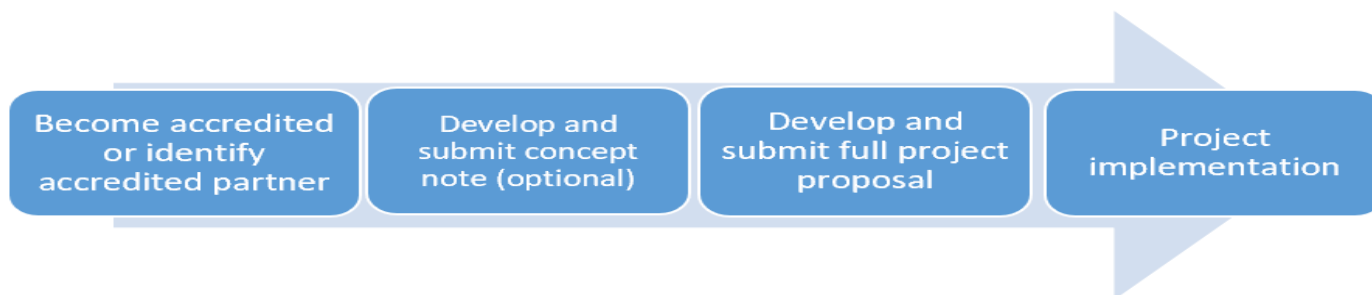
- i. Support for readiness and project preparation activities: Project Preparation Grants supports the development of funding proposals. The level of support depends on the size of the development type (e.g. up to USD300,000 for projects above USD10million).



Adaptation Fund

Box 8. Summary of Adaptation Fund

- a. Eligible countries: any developing country Party to the Kyoto Protocol that is vulnerable to the adverse effects of climate change
- b. Actors that can propose project ideas: proponents of project ideas could be public or private sector actors. Funding is deployed through implementing entities, which could be international (indirect access) or regional, national, and sub-national (direct access).
- c. Accreditation process: the Adaptation Fund currently accepts application for accreditation. As for national institutions that seek accreditation, the Adaptation Fund allows one per country.
- d. Max. amount of funding available and project size: total support is up to USD10million per country and project.
- e. Use of the funding: implementation of concrete adaptation actions.
- f. Type of funding: grants
- g. Role of co-financing: not required
- h. Project approval process:



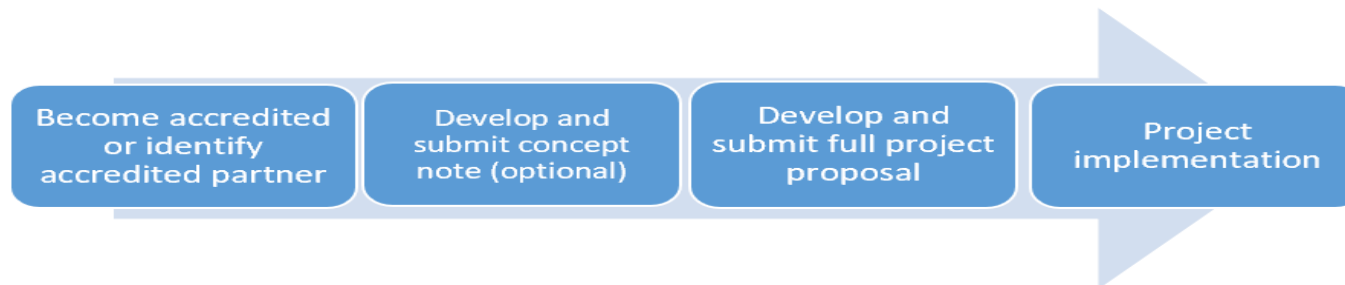
- i. Support for readiness and project preparation activities: project formulation grant (USD30,000 per institution or per project/program), project formulation assistance (USD15,000 per institution or per project/program), technical assistance grant (up to USD25,000), and south-south cooperation grants (USD50,000 per institution).



Green Climate Fund

Box 9 Summary of GCF

- a. Eligible countries: developing country Parties to the UNFCCC.
- b. Actors that can propose project ideas: proponents of project ideas could be public or private sector actors. Funding is deployed through implementing entities, which could be international (indirect access) or regional, national, and sub-national (direct access)
- c. Accreditation process: the GCF currently accepts applications to become an implementing entity. The GCF doesn't put a limit to the number of national entities that seek accreditation.
- d. Max. amount of funding available and project sizes: the GCF has not set limits to the maximum amount of funding available. Projects include micro projects (up to USD10 million), small projects (up to USD50 million), medium projects (up to USD250 million), or large projects (above USD250 million).
- e. Use of the funding: implementation of adaptation and mitigation projects and programs
- f. Type of funding: grant and non-grant (debt, equity, de-risking instruments) support
- g. Role of co-financing: depends on project but is often a key element in determining project approval
- h. Project approval process:



- i. Support for readiness and project preparation activities: Project Preparation Facility for national accredited entities (up to USD1.5 million), and Readiness Support for countries seeking access to the GCF (up to USD1 million) or for the development of national adaptation plans (NAPs) or any adaptation planning process (up to USD3million).



Thank You

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