• Less than 10% ground water use
• Future resilience of people, the environment, and economies of Africa, and improved groundwater management
• Realize the sustainable development goals related to food security (2), water security (6), and climate resilience (13).
• Access to finance and inadequate infrastructure as problematic factors for doing business in Sub-Saharan Africa
• Infrastructure funding gap- USD billions
• Public and Private financing
Intro of the Climate and Environment Funds

• AF – established under the Kyoto Protocol of the UNFCCC
  • Operational since 2010 financed in part by government and private donors, and also from a 2% share of proceeds of Certified Emission Reductions issued under the Clean Development Mechanism projects
  • Governed by majority of developing countries

• GCF - created in 2010 by UNFCCC to “promote the paradigm shift towards low-emission and climate-resilient development pathways.”
  - 2015 GCF committed to serve the Paris Agreement
  - Replenishment cycles

• GEF – established in 1972 to serve the Rio Conventions to help tackle our planet’s most pressing environmental problems.
  • Funding to support the projects is contributed by donor countries
  • Financial contributions are replenished every four years
Climate and Environment Finance

**USD 9.78 billion**
Largest Climate Fund
HQ: Songdo, South Korea

**USD 4.1bn**
Environment Facility
GEF 7 cycle
HQ: Washington

**USD 887 mln**
cumulative in 2019
Main Adaptation Fund
HQ: Washington

Accredited Entities or Implementing Agencies
**Mandate:** Established in 2001 to finance concrete adaptation actions in developing country Parties to the Kyoto Protocol;

**Country Eligibility:** Developing countries must be Parties to the Kyoto Protocol and must be particularly vulnerable to the adverse effects of climate change;

**Endorsement:** All projects must be endorsed by National Designated Authority;

**Impact:** Since 2010, the Adaptation Fund has committed US$ 850 million to projects/programmes, including 123 projects. This spans nearly 100 countries, including 19 small island developing states and 33 least developed countries, ~28 million total beneficiaries;

**Funding CAP:** single country project funding of US$ 20M (April 2021) – note conditions!;

**Implementing Entities responsibility (i.a.):** quality assurance of project documents and overall management of the projects and programs financed by the Adaptation Fund in the respective developing country, including the financial, monitoring, and reporting responsibility
Fund-level outcome areas

**Outcome 1:** Reduced exposure to climate-related hazards and threats;

**Outcome 2:** Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic and environmental losses;

**Outcome 3:** Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level;

**Outcome 4:** Increased adaptive capacity within relevant development sector services and infrastructure assets;

**Outcome 5:** Increased ecosystem resilience in response to climate change and variability induced stress;

**Outcome 6:** Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas;

**Outcome 7:** Improved policies and regulations that promote and enforce resilience measures;

**Outcome 8:** Support the development and diffusion of innovative adaptation practices, tools and technologies.
GEF-8 Programming Considerations

• GEF-8 replenishment period: **1 July 2022** to **30 June 2026**
• Potential Replenishment: USD 5 billion and USD 6.5 billion (up from USD 4B in GEF-7) scenarios under consideration

• Increase in STAR allocations for LDCs and SIDs
  • Initial STAR allocations for discussion with countries in January 2022
  • Final STAR allocation figures provided on 1 July 2022

• Encourage use of blended finance/Non Grant Instruments to reduce financing gap to achieving Global Environment Benefits (GEBs); an incentive mechanism to encourage countries to use their STAR resources for NGI is under consideration

• Multi Focal Area (MFA) and Multi Trust Fund (MTF) projects encouraged; collaboration with GCF
- **Scaling up adaptation finance**
  - Reinforcing policy coherence
  - Strengthening institutional capacity
  - Supporting innovative financing mechanisms
  - Developing tools and metrics

- **Strengthening innovation and private sector engagement**
  - Nature-based solutions
  - Advancing technology transfer, deployment and innovation
  - Enabling the conditions for private sector action
  - Incubating and accelerating MSMEs
  - Catalyzing inclusive microfinance
  - Continuing Challenge Programme for Adaptation (to catalyse innovation and private sector engagement)

- **Fostering partnership for inclusion and whole-of-society approach (locally led and inclusive)**
  - Institutional strengthening and capacity-building at all levels
  - Building partnerships with local organizations and systems to address social inequity
  - Exploring innovative financing opportunities
  - Global partnerships and fostering enabling environment
GCF Investment Criteria

Six Investment Criteria
Against which proposals are assessed

1. Impact potential
   - Potential to contribute to achievement of Fund's objectives and result areas

2. Paradigm shift potential
   - Long-term impact beyond a one-off investment

3. Sustainable development potential
   - Wider economic, environmental, social (gender) co-benefits

4. Country ownership
   - Country ownership and capacity to implement (policies, climate strategies and institutions)

5. Efficiency & effectiveness
   - Economic and, if appropriate, financial soundness, as well as cost-effectiveness and co-financing for mitigation

6. Responsive to needs of recipients
   - Vulnerability and financing needs of beneficiary in targeted group
GCF/AF Project Cycle and steps

- **Stakeholder Consultation**
  - Proposal generation
  - Concept Note (voluntary for GCF) - NDA

- **No Objection (NDA)**
  - Proposal submission
  - Review and recommendations

- **GCF/AF Approval**
  - Board decision
  - Legal arrangements
Thank you for your kind attention