The Green Climate Fund at a Glance

- Created by the UNFCCC to fund and promote development climate action.
- $10.3 billion in total pledges
- 24 member Board, equally representing developed and developing countries
- Paradigm Shift
Allocation Framework

- Geographic balance
- Significant allocation to Private Sector Facility
- Sufficient resources for readiness activities

Total Fund Portfolio

Mitigation (50%)

Adaptation (50%)

Adaptation Portfolio

SIDS, LDCs & Africa (at least half)

Other Developing countries

Developing countries (at least half)
Strategic Impact Areas

**Mitigation:**
- Low-emission energy access and power generation
- Low-emission modes of transport
- Buildings, cities, industries and appliances
- Land use, deforestation, forest degradation, and through sustainable management of forests and conservation and enhancement of forest carbon stocks

**Adaptation:**
- Livelihoods of people, communities and regions
- Health and well-being of people, food and water security
- Infrastructure and buildings
- Ecosystems and ecosystems services
# Investment Framework

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Impact Potential</td>
<td>Potential to achieve the Fund's objectives and result areas</td>
</tr>
<tr>
<td>Paradigm Shift Potential</td>
<td>Potential to catalyse impact beyond a one-off project or programme investment</td>
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<tr>
<td>Sustainable Development Potential</td>
<td>Potential to provide wider benefits and priorities</td>
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<tr>
<td>Needs of Recipient</td>
<td>Vulnerability and financing needs of the beneficiary country</td>
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<tr>
<td>Country Ownership</td>
<td>Beneficiary country ownership of and capacity to implement funded activities</td>
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<tr>
<td>Efficiency &amp; Effectiveness</td>
<td>Economic and, if appropriate, financial soundness of the programme/project</td>
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The Private Sector Facility

- The GCF’s Private Sector Facility (PSF) was created to catalyze and maximize private sector engagement in climate finance throughout developing countries.

- The GCF will allocate a significant proportion of its resources to the PSF.

- The PSF is not an “add on” within the GCF; it is mainstream component of the GCF, just as the private sector needs to be a mainstream component of climate-sensitive investing throughout developing countries.

**USD 87 TRILLION GLOBAL GDP**

- Private sector makes up 2/3 of global economy.

- Private sector is critical to ensure the mainstreaming of climate-sensitive investing, and achieve the desired global paradigm shift.
Private Sector Facility

Instruments:
- Grants
- Concessional Loans
- Equity Investments
- Guarantees

Addressing Key Challenges:
- Political risk
- Longer tenors
- Large projects