

**GCF-1**



GREEN  
CLIMATE  
FUND

# PROGRESS REPORT

GCF's first replenishment period 2020–2023

# Our mandate

The Green Climate Fund (GCF)—a critical element of the historic Paris Agreement—is the world’s largest climate fund mandated to support low-emission, climate-resilient development pathways.

As an operating entity of the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC), GCF contributes to the goal of keeping an average global temperature rise well below two degrees Celsius.

The views expressed in this publication do not necessarily reflect the views and policies of GCF, including those of the GCF Board.

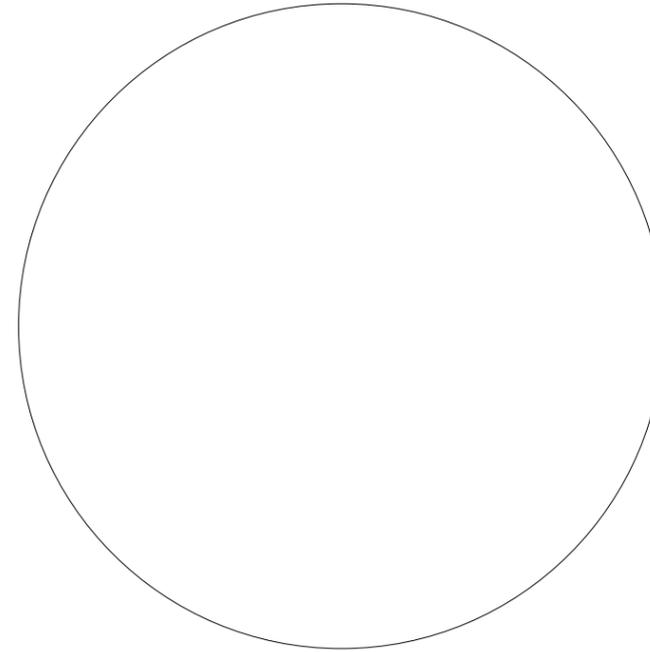
This publication is provided without warranty of any kind, including completeness, fitness for a particular purpose and/or non-infringement. The maps, boundaries, colours, denominations, and other information shown on any map, and the use of any flags, in this document do not imply judgement on the part of GCF concerning the legal status of any territory or any endorsement or acceptance of such boundaries.

The mention of specific entities, including companies, does not necessarily imply that these have been endorsed or recommended by GCF

All rights reserved © Green Climate Fund.  
Published in April 2023.

All photos are © Green Climate Fund unless otherwise stated.

# GCF-1



## ACKNOWLEDGEMENTS

**Editor-in-chief**  
Deborah Hong

**Managing editor and production editor**  
Zeenia Dastur

**Art director and typesetter**  
Juan Luis Salazar

**Web designer**  
Daniel Daeil Moon

**Researcher**  
Brylle James Galang

**Copy editors and proofreaders**  
Scott Craig, Rasmus Foged Nissen, Udgeet Sachdev

We would like to thank all GCF staff across the Secretariat who provided and reviewed material for this report.

## Our core values



### Committed to climate action

We are committed to working together to make a difference on climate change, both through our funded activities and the sustainability of our operations.



### Innovative

We strive to be leaders in the field of climate finance, take risks where we see opportunities to unlock impact, and constantly explore better ways to do things and build knowledge.



### Responsive

We work in collaboration with all our stakeholders and each other, to understand what is needed, build and implement solutions, and communicate what is happening.



### Respectful

We value strength in diversity, feel empowered to present a view and speak up when something is wrong, and treat each other with fairness and equity.



### Trusted

We are trusted to serve the best interests of developing countries with the diligence expected by our contributors, and strive for the highest standards of integrity, accountability, and transparency.

**Raising ambition.  
Empowering action.**

# Contents

4

Letter from the Executive Director

6

The GCF journey

12

A unique fund for humanity's  
greatest challenge

20

Our progress

28

Fostering a paradigm-shifting portfolio

46

Increasing access to GCF resources

48

Catalysing private sector  
mobilisation at scale

50

Strengthening country ownership  
of programming

52

Working smarter and faster

54

Stories of real-life impact

80

Financial highlights

# Letter from the Executive Director



Dear Friends,

As I reach the end of my four-year term as Executive Director of the Green Climate Fund (GCF), I would like to thank all of you for your support in helping GCF to support the transition to a low-emission, climate-resilient world. This GCF-1 Progress Report shows just how far we have come since 2019.

Over the past four years, we have had to face the challenges of COVID-19, of political uncertainty, and of economic crises. In the face of these challenges, though, the need for urgent climate action has become ever clearer with each successive extreme weather event, and with each successive scientific report on the impacts of climate change.

We have a long way still to go, and the challenge remains immense. But I am deeply proud of the contribution that GCF is making to deliver global climate action. And very grateful to all those who make it possible.

## LETTER FROM THE EXECUTIVE DIRECTOR

GCF is now the world's largest climate fund. Our USD 12 billion portfolio of climate projects is supporting adaptation and mitigation projects in 129 countries. Those funds are accelerating green market transformations, catalysing the far greater flows of climate finance that are needed to deliver a climate transformation and to support the climate ambition of developing countries.

GCF has grown in maturity. We have become more efficient, delivering faster climate finance to those most in need with codified and streamlined processes and increased transparency. We have become more effective, building a portfolio of truly transformational projects that are delivering new climate solutions to new markets. And we have become the hub of the climate finance architecture, convening partners to catalyse climate finance for developing countries. From small-scale community-based projects in Small Island Developing States through to multinational programmes overcoming barriers to investment in Least Developed Countries, GCF is delivering.

Now GCF is preparing for the next programming period, when climate action needs to be urgently scaled up to strengthen the resilience and meet the green technology needs of developing

countries to achieve the Sustainable Development Goals. We need a successful replenishment of GCF to enable the Fund to fulfill its promise. This has been my priority in recent months.

This is a challenging time for any replenishment, but GCF's strong track record, and compelling vision for the next four years as set out in our draft strategic plan, has laid the groundwork for a strong recapitalisation of the Fund. As I have met with contributors, partners, and supporters I have been hugely encouraged by the support for GCF and the recognition of its key role. I urge the international community to continue to support an ambitious replenishment for GCF so that it can continue to grow.

I have reached the end of my term, and we need a dynamic new leadership to take GCF into the next phase of its development. That is why I am delighted that the GCF Board has selected Mafalda Duarte as my successor. Mafalda is a proven climate leader, with a strong track record in delivering climate solutions to developing countries who are on the frontlines of the climate crisis. She has the experience and the drive GCF needs, and I am confident that Mafalda will lead GCF into its next phase to deliver a successful programming period. Mafalda will take office

in July 2023, and in the meantime Henry Gonzalez, Deputy Executive Director, has been appointed Executive Director ad interim and will ensure a smooth transition.

It remains for me to thank all of our partners for your support and partnership during my time at GCF. In particular, I would like to pay tribute to all my colleagues in the GCF Secretariat, headquartered in the Republic of Korea, for their amazing work and their dedication to the Fund. My proudest legacy is the team that we have built together, who are ready to continue the journey towards a low-emission, climate-resilient future.

Thank you all.  
Yours,

**Yannick Glemarec**  
GCF Executive Director (2019–2023)

A handwritten signature in black ink, appearing to read 'Yannick Glemarec'. The signature is stylized and written over a white background.

**Mafalda Duarte**, GCF Executive Director-Elect, will lead the Fund effective 17 July 2023. She has been the Chief Executive Officer of the Climate Investment Funds (CIF) since 2014 and has previously held senior positions at the African Development Bank (AfDB) and the World Bank. She has spent her career working on climate finance and brings extensive experience of working in more than 30 developing countries, designing, and implementing programmes to support low emission, climate-resilient development.

"I look forward to working with the Board, Secretariat, and all our partners to strengthen GCF and accelerate its delivery of critically needed climate investments. Developing countries are on the frontlines of the climate crisis. They can count on my resolve to support their aspirations in pursuit of a better future for all."



# The GCF journey

The first replenishment period (GCF-1) saw significant growth of the GCF portfolio with more than 200 projects and USD 12 billion in GCF resources at the time of publication.

It saw the continued growth and maturation of GCF with increased operational and institutional capacity, clearer articulation of the Fund's role as a climate finance catalyser and emergence as the hub of the climate finance architecture.

This report provides an overview on progress made in the first replenishment period (GCF-1), with a focus on 2022 up until 31 December 2022.

*For information on previous years, please see the [GCF Annual Results Report 2020](#) and [GCF Annual Results Report 2021](#). For information on GCF's initial resource mobilisation (IRM) period, please see the [GCF Initial Resource Mobilisation Progress Report \(2015–2019\)](#).*

## Catalysing finance for climate solutions



**The Conference of the Parties [COP] urges developed country Parties to provide resources for the second replenishment of the Green Climate Fund while demonstrating progression over previous replenishments.**

Sharm el-Sheikh Implementation Plan 2023  
United Nations Framework Convention on Climate Change

Established in 2010 under the Cancún Agreements as a dedicated financing vehicle for developing countries, GCF serves the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC) and the historic Paris Agreement. From 2015 to 2019, during its initial resource mobilisation (IRM) period, GCF rapidly grew, building a portfolio and establishing the Secretariat at its headquarters in Incheon, Republic of Korea.

GCF-1 saw significant growth in the Fund with an expanding portfolio of more than 200 projects and USD 12 billion in GCF resources to date. The period also

saw the continued growth and maturation of GCF with increased operational and institutional capacity.

More importantly, GCF-1 saw the evolution of GCF's role from a funding channeler to a climate finance catalyser. Recognising the various barriers developing countries face in accessing climate finance, GCF is using its funds in a catalytic manner to accelerate green market creation and to unlock the financial flows needed by developing countries to achieve their climate ambitions. Through its 200+ strong global network of public- and private-sector partners, GCF has become

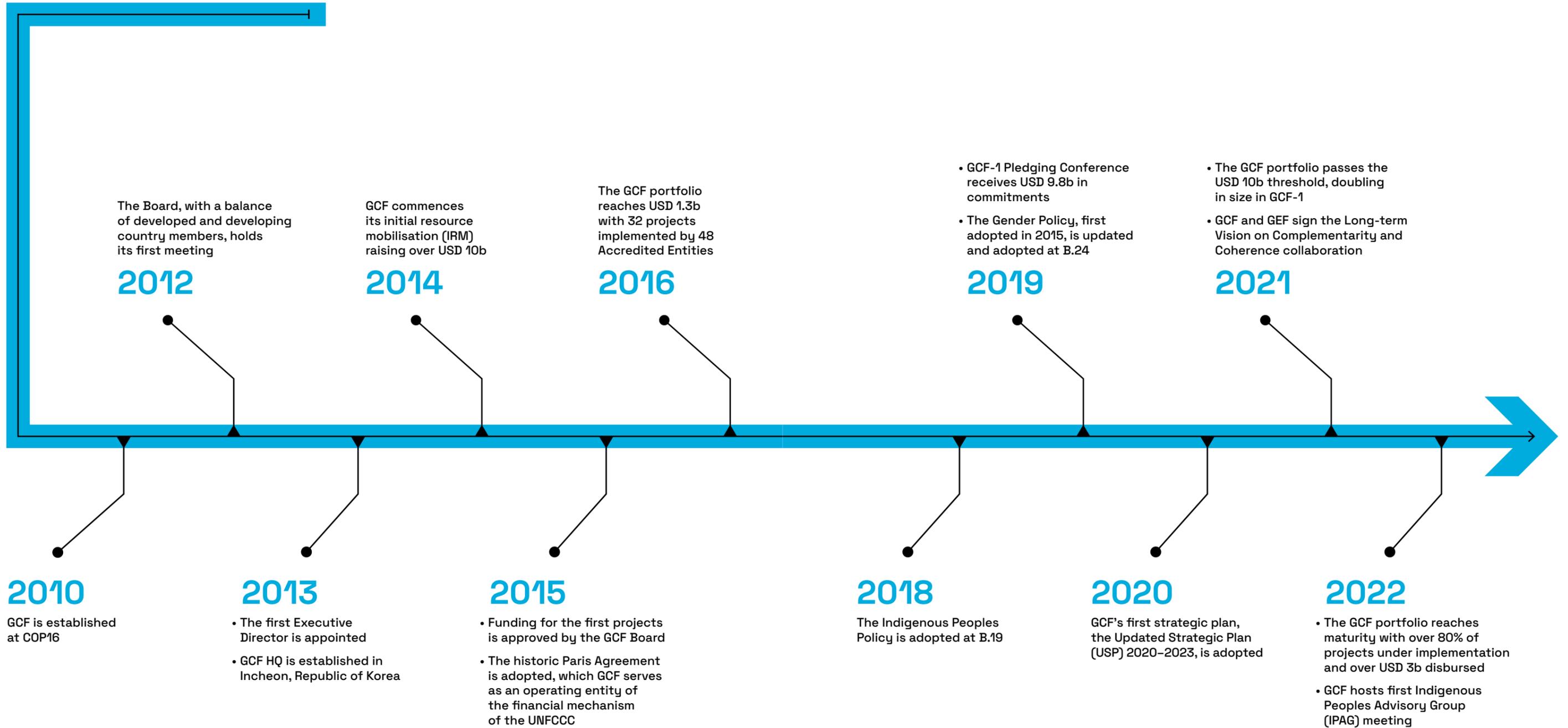
the hub of the climate finance architecture, building unprecedented coalitions and investments for global climate action.

Now in its last year of GCF-1, GCF is ramping up its ambitions for the second replenishment period (GCF-2). Looking ahead, GCF will help drive systemic transitions in critical areas of global concern—renewable energy, sustainable food systems, climate-resilient infrastructure, and biodiversity protection. GCF is in a stronger position than ever to support developing countries in the transition to a low-emission climate-resilient world.

## GCF-1 strategic objectives and priorities

GCF-1 Priorities	GCF's Long-term vision	Roadmap to achieving our vision	GCF-1 Outcomes (2020–2023)
<ul style="list-style-type: none"> <li>➤ Strengthen country ownership of programming</li> <li>➤ Foster a paradigm-shifting portfolio</li> <li>➤ Catalyse private sector finance at-scale</li> <li>➤ Improve access to GCF resources</li> </ul>	<ul style="list-style-type: none"> <li>➤ Promote the paradigm shift towards low-emission and climate-resilient development pathways in the context of sustainable development.</li> <li>➤ Support developing countries to raise and realise their climate ambitions in line with the objectives of the Paris Agreement and the UN Framework Convention on Climate Change.</li> </ul>	<p>The <i>Updated Strategic Plan 2020–2023 (USP)</i>, endorsed by the GCF Board in 2020, guides GCF in addressing policy gaps, programming, and investing resources in paradigm-shifting climate actions in a country-driven manner for the first replenishment period (GCF-1). The USP sets out strategic objectives, guidelines for resource allocation, and strategic, operational, and institutional priorities for GCF to achieve its long-term vision.</p>	<ul style="list-style-type: none"> <li>➤ Balanced, scaled-up funding between adaptation and mitigation, with a 50 per cent adaptation 'floor' reaching the most vulnerable countries (Least Developed Countries, Small Island Developing States and African States).</li> <li>➤ Significant increase in direct access funding, working directly with local, national, and regional organisations that are close to the ground in developing countries, alongside work with larger, international entities.</li> <li>➤ Significant increase in mobilisation from the private sector, using GCF investments to leverage more private investments and increased share of programming resources that flow through GCF's Private Sector Facility.</li> <li>➤ Improved speed, predictability, efficiency, effectiveness and transparency to maximise the impact of GCF's climate action.</li> <li>➤ Deliver over 265 million tonnes of CO<sub>2</sub> reductions or removals per billion dollars invested in mitigation and reach over 155 million beneficiaries for each billion invested in adaptation.</li> </ul>

# Key moments



# A unique fund for humanity's greatest challenge

The window to address the climate crisis is rapidly shrinking. Floods, droughts, heatwaves, extreme storms, and wildfires are breaking records with alarming frequency around the world.

Failure to limit global warming to the Paris Agreement targets will result in even more devastating consequences for people and planet, with vulnerable populations suffering the most. Ambitious action is urgently needed both to reduce emissions and to adapt to the changing climate in developing countries.

GCF is well-positioned to respond to the climate crisis through three defining features:

#### A COUNTRY-OWNED PARTNERSHIP INSTITUTION

GCF is the hub of the climate finance architecture. It is country-owned and has a 200+ strong global network of national, regional, and international public- and private-sector partners with whom it builds unprecedented coalitions and novel investments for climate action.

#### DEPLOYMENT OF FLEXIBLE FINANCING INSTRUMENTS

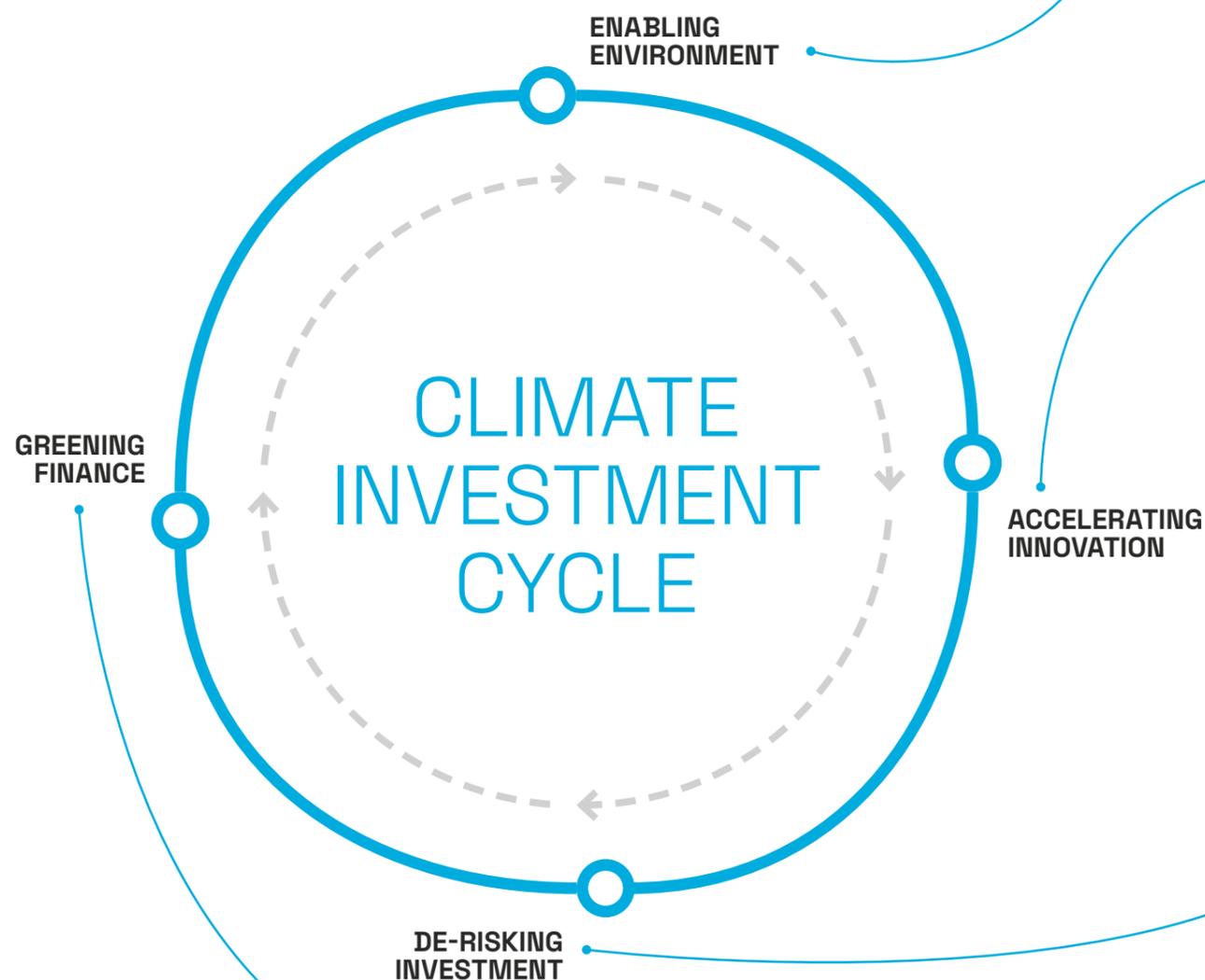
GCF provides tailored climate solutions using a wide range of financial instruments, including grants, debt, equity, guarantees and insurance, and can serve as an anchor or first-loss investor.

#### DEDICATED CLIMATE INVESTMENT EXPERTISE

Through its second-level due diligence, GCF can help optimise climate impact and avoid maladaptation; and it can deploy an optimal mix of policy and financial instruments to de-risk climate investments.

# GCF's transformative approach

Moving to a low-emission, climate-resilient world requires transformative climate solutions. GCF is driving this transformation by accelerating climate innovation through four stages.



## ENABLING ENVIRONMENT FOR CLIMATE ACTION

First, GCF helps countries develop integrated climate strategies, planning, and policymaking, to establish a conducive environment for climate investments.

### Readiness

The GCF Readiness & Preparatory Support Programme is the world's largest funding source for climate capacity building. It supports climate investment planning, origination, and implementation so that developing countries can translate their climate ambitions into an increasing flow of impactful investments. The Readiness Programme has so far allocated USD 467.9 million for capacity-building support through 649 grants and is supporting initiatives in 141 developing countries with USD 277.1 million disbursed.

## ACCELERATING CLIMATE INNOVATION

Next, GCF invests in new technologies, business models, and practices to bring new climate solutions to the market. The Fund supports incubators and accelerators and provides early growth finance.

### CATALI.5°T Programme

Approved by the GCF Board in October 2022, the CATALI.5°T programme (pronounced "catalyst"), implemented in partnership with GIZ, will provide support for climate start-ups and other micro and small enterprises in Latin America and West Africa. It aims to set up regional incubators and accelerators that will trigger investments in start-ups and young businesses with the highest climate mitigation impact and business growth potential.

## DE-RISKING INVESTMENT TO MOBILISE FINANCE AT SCALE

Third, GCF leverages its resources to bring these innovations to scale. GCF de-risks projects to crowd-in finance from risk-averse public and private institutional investors into new markets. Early-mover projects supported by GCF help establish a successful track record to enable financiers to re-price risk.

### GCF Climate Investor One/Two

With an investment of USD 100 million from GCF, Climate Investor One, developed with FMO in 2018, provided project finance and first loss equity to fund renewable energy investments. It was composed of a development fund, which provides loans in the early stage of a project life cycle, and a construction equity fund which will meet up to 75 per cent of total construction costs in tandem with the project sponsor. This was followed by Climate Investor Two in 2022, which provides funding for climate resilient infrastructure, underpinned by USD 145 million from GCF. The fund aims to support the private sector to develop and construct climate resilient infrastructure projects in developing countries in the water, sanitation, and ocean sectors—areas which usually do not attract interest from the private sector.

## GREENING THE FINANCIAL SECTOR

Finally, GCF supports greening the financial sector. The Fund is building the capacity of domestic financial institutions in developing countries to mainstream climate risks and opportunities into their investment decision-making, and to access capital markets. This will ensure wider finance flows can be aligned with low-emission, climate resilient development.

### TACATDP Programme

The Tanzania Agriculture Climate Adaptation Technology Deployment Programme (TACATDP) is an example of how GCF is working with national development banks to support them in greening the domestic financial sector. This programme, with CRDB Bank, will provide agriculture adaptation loans to primarily smallholders and micro, small, and medium enterprises (MSMEs). GCF is providing concessional loans, guarantees, and grants to support the development of a climate insurance product in the local market.

# Increasing access to climate finance

Developing countries face major challenges to access the climate funding they need. GCF strives to increase access to climate finance, helping developing countries turn their climate ambitions into bankable projects, moving from idea to action. For GCF, access to finance means providing more funding, quicker and simpler, with harmonised procedures, and delivered closer to local communities on the ground.



## HARMONISING THE CLIMATE FINANCE LANDSCAPE

Whilst the Fund continues to strive to make its funding procedures more accessible, developing countries are faced with multiple climate finance sources, each with their own set of criteria, processes, and procedures, creating a landscape that is complex and difficult to navigate. GCF is therefore taking a lead in harmonising processes among the climate funds. GCF has established a Long-Term Vision on Complementarity and Coherence with the Global Environment Facility (GEF) to bring greater synergies for action on the climate/biodiversity nexus. It is working with GEF to coordinate programming approaches to simplify and harmonise application processes and to share successful practices among the climate funds.



## SPEEDING UP CLIMATE FINANCE

Over the last four years, GCF has made huge strides to speed up the delivery of funds to developing countries. GCF is now programming funding to new projects as quickly as it is received from contributors and 87 per cent of its projects are already under implementation—with over USD 3 billion disbursed so far.

Alongside swifter programming, GCF has also improved its operational efficiency. This has resulted in faster delivery times, with the time taken from project approval to first disbursement falling from an average of 19 months in 2019 to under 11 months in 2022. GCF is the fastest source of climate finance for large-scale projects of USD 250 million and above. The Fund has also developed simpler procedures for small scale projects with updates to our Simplified Approval Process (SAP), and a new one-stop process for new partners, the Project-Specific Assessment Approach (PSAA).



## SIMPLICITY: STREAMLINING FUNDING PROCESSES

GCF has codified and streamlined its funding processes, strengthening predictability, and increasing transparency through programming guidance, project design, and assessment tools to ease the application process and to facilitate the delivery of high-quality project proposals. GCF has published its appraisal manual online, making transparent its approach to evaluating proposals so that partners can check their proposals for themselves before submission. All of this is helping to improve the quality of proposals submitted to GCF, which can streamline the project review process.



## ENHANCING DIRECT ACCESS

GCF supports developing countries to receive direct access to funding from GCF and other climate funds. In countries like the Federated States of Micronesia and Vanuatu, GCF is de-centralising climate finance by providing grants of up to USD 25 million to capitalise local climate funds, which in turn provides on-granting to community projects in small chunks of USD 250,000 each. The project in Micronesia moved from proposal submission to review, approval, and first disbursement within six months.

GCF also enhanced country ownership by increasing the share of programming channeled via direct access entities. During GCF-1, the share increased cumulatively from 12 to 18 per cent. GCF's Readiness Programme has helped build the capacity of direct access entities to secure accreditation and then project funding.



## VOLUME: CATALYSING FINANCE FOR CLIMATE ACTION

As the world's largest climate fund, GCF's portfolio has over 200 projects in 128 developing countries. At the end of 2022, the GCF portfolio value totalled USD 11.4 billion in GCF funding, worth USD 42.5 billion when including co-financing. Nonetheless GCF accounts for less than three per cent of climate financing under the UNFCCC, and an even smaller proportion of the trillions needed for the climate transformation. It is therefore essential for GCF to use its public funds to catalyse even more finance for developing countries, particularly from the private sector, and to support developing countries to access capital without increasing unsustainable debt. GCF is leveraging its role as the hub of climate finance to create public and private sector coalitions to mobilise climate finance to support large scale transformational initiatives.

# Our Results Areas

These results areas have been targeted because of their potential to deliver a substantial impact on mitigation and adaptation. GCF has developed [sectoral guides](#) spanning across the results areas, which aims to provide guidance for project development and appraisal.



## Health, food, and water security

GCF drives agri-food and water systems transformation in developing countries to enhance farmers' resilience and secure development gains. By promoting climate-smart agriculture, facilitating delivery of climate information and risks, and reconfiguring food systems, GCF ensures environmental, health, and socio-economic benefits in the agri-food sector.



## Livelihoods of people and communities

GCF supports sustainable and resilient projects that protect the lives and livelihoods of people and communities in developing countries. This is done by mainstreaming climate risks in national policies, expanding access to insurance, enhancing social protection programmes, and accelerating the sustainable transformation of markets.



## Infrastructure and built environment

GCF promotes holistic approaches in scaling up green infrastructure. From climate-proofing assets to building the capacities of local institutions and communities, GCF pushes forth cross-cutting solutions to avoid maladaptation and to preserve natural resources and biodiversity, while providing social and economic co-benefits.



## Ecosystems and ecosystem services

GCF scales up investment in ecosystems by supporting far-reaching measures that protect, restore, and manage ecosystems to enhance adaptation and reduce emissions. To usher in a paradigm shift in the environment sector, GCF boosts ecosystem-based management of terrestrial, freshwater, coastal, and marine ecosystems.



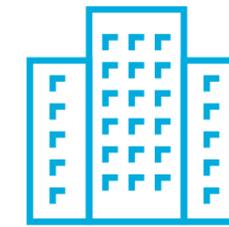
## Energy generation and access

GCF removes barriers to transitioning to a low-emissions energy sector in a way that promotes sustainable development and climate resilience. Under this transition, GCF invests and accelerates the adoption of renewable sources and the development of efficient energy value chains—enhancing clean energy access to end-users.



## Transport

GCF finds niche and novel approaches to support climate mitigation initiatives in the transport sector. Working with the public and private sectors, GCF develops mitigation actions that enable low- and zero-emission systems that promote new technologies, modal shifts, and sustainable transport infrastructures.



## Buildings, cities, industries, and appliances

GCF mobilises large-scale financing and programmes that reduce emissions from buildings, cities, industries, and appliances. This includes support to infrastructure planning and de-risking pilot innovations and investments that strengthen policy, pricing, standards, and other incentives for energy and construction efficiency.



## Forests and land use

GCF fosters programmes that conserve and preserve forests and promotes sustainable use of land resources. In close coordination with country partners, GCF assists in the protection, restoration, and management of landscapes, while maintaining economic productivity and incorporating indigenous leadership and knowledge.

**Our progress**

**2009** projects

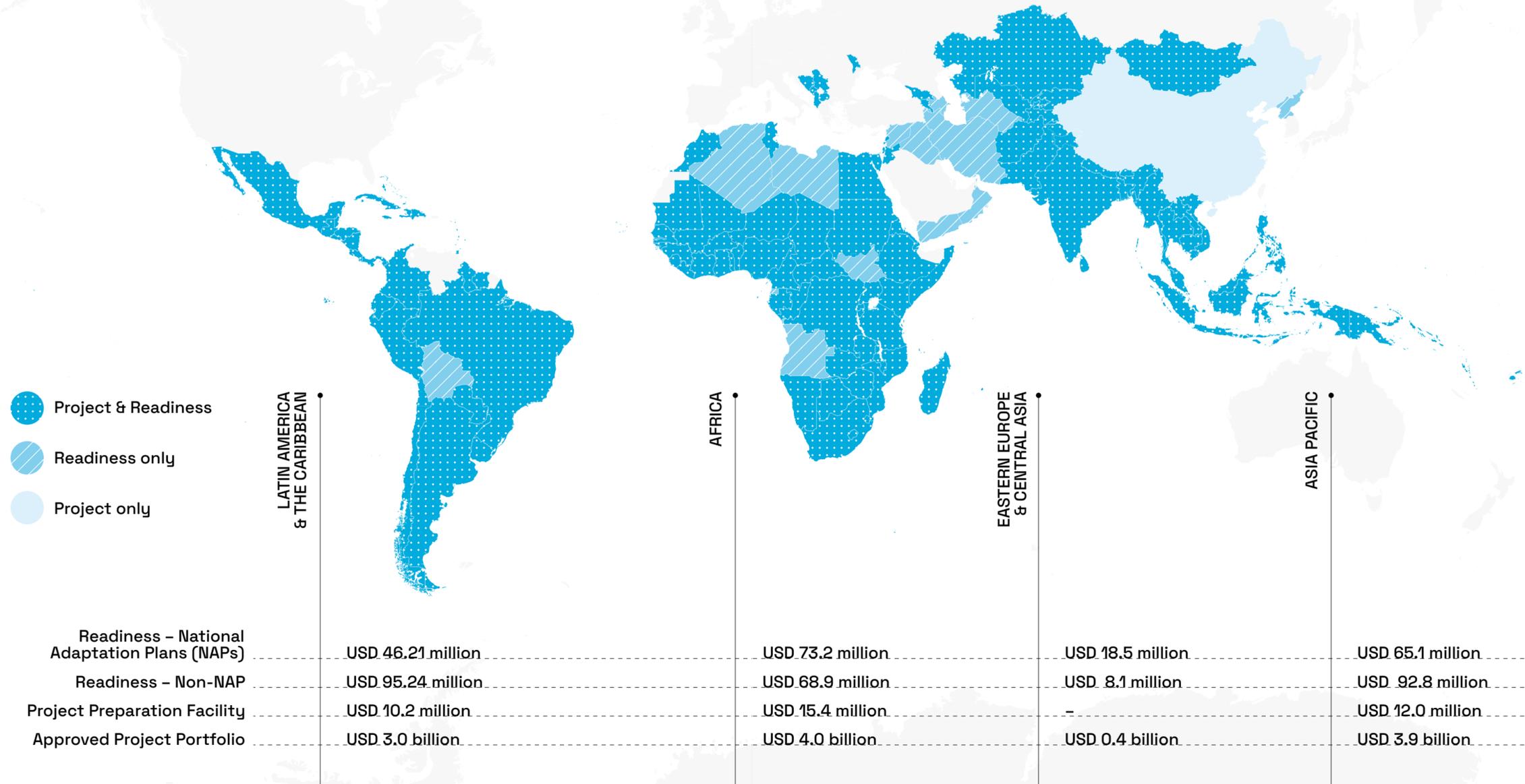
**128** countries

**USD 11.4 billion**

# GCF in figures

## Geographic distribution of GCF projects

FIGURES AS OF 31 DECEMBER 2022



- Project & Readiness
- ▨ Readiness only
- Project only

LATIN AMERICA  
& THE CARIBBEAN

AFRICA

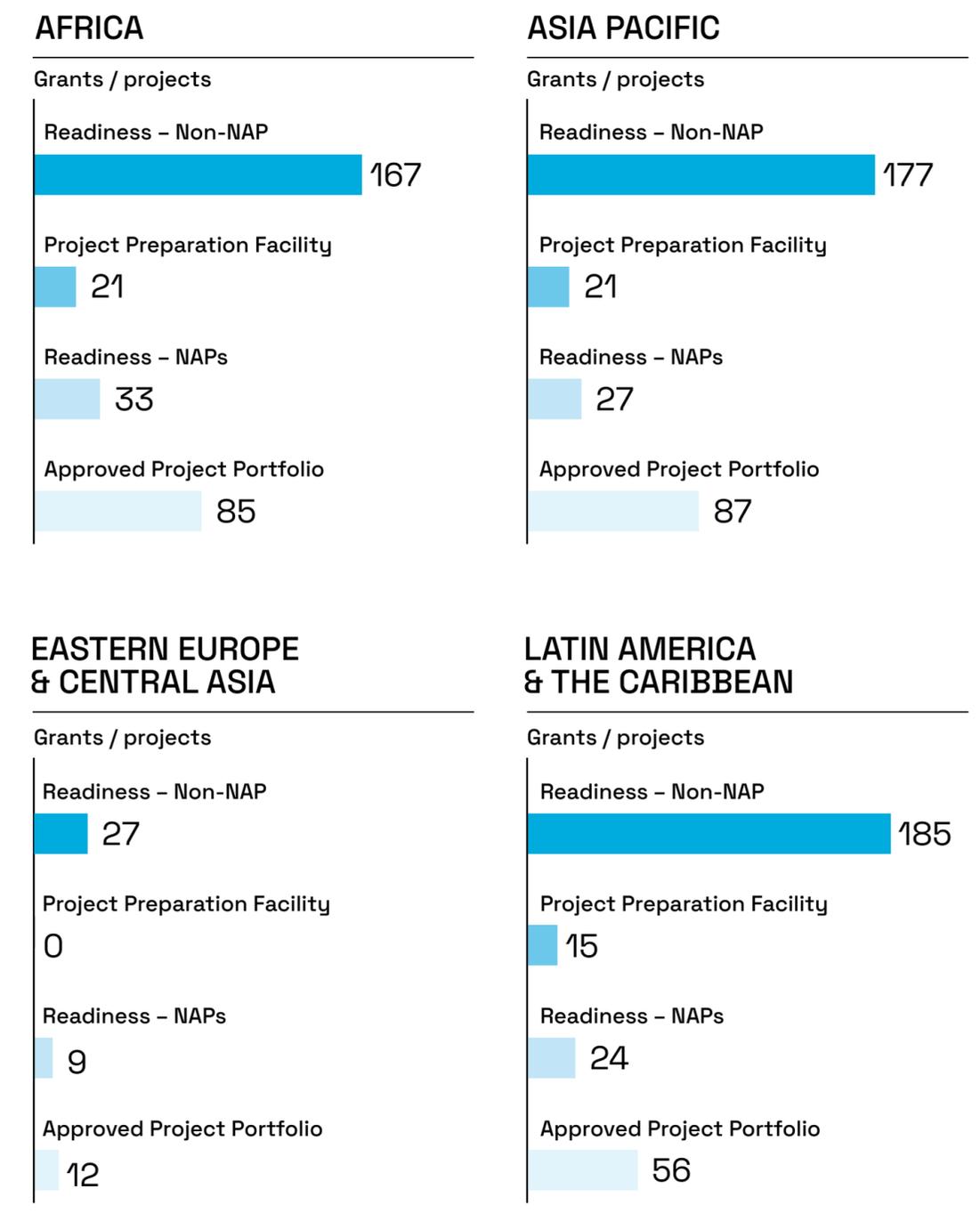
EASTERN EUROPE  
& CENTRAL ASIA

ASIA PACIFIC

	LATIN AMERICA & THE CARIBBEAN	AFRICA	EASTERN EUROPE & CENTRAL ASIA	ASIA PACIFIC
Readiness – National Adaptation Plans (NAPs)	USD 46.21 million	USD 73.2 million	USD 18.5 million	USD 65.1 million
Readiness – Non-NAP	USD 95.24 million	USD 68.9 million	USD 8.1 million	USD 92.8 million
Project Preparation Facility	USD 10.2 million	USD 15.4 million	-	USD 12.0 million
Approved Project Portfolio	USD 3.0 billion	USD 4.0 billion	USD 0.4 billion	USD 3.9 billion

The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by GCF.

## GCF-funded activities by region\*



### AFRICA

Grants / projects

Readiness – Non-NAP	167
Project Preparation Facility	21
Readiness – NAPs	33
Approved Project Portfolio	85

### ASIA PACIFIC

Grants / projects

Readiness – Non-NAP	177
Project Preparation Facility	21
Readiness – NAPs	27
Approved Project Portfolio	87

### EASTERN EUROPE & CENTRAL ASIA

Grants / projects

Readiness – Non-NAP	27
Project Preparation Facility	0
Readiness – NAPs	9
Approved Project Portfolio	12

### LATIN AMERICA & THE CARIBBEAN

Grants / projects

Readiness – Non-NAP	185
Project Preparation Facility	15
Readiness – NAPs	24
Approved Project Portfolio	56

\*Many of the approved projects and programmes in GCF's portfolio are multi-country and some of those reach across multiple regions. This infographic outlines the number of approved projects in each geographic region hence some projects appear more than once.

# GCF-1 programming overview

IN 2020-2022\*

**USD 25.0b**  
total value of approved projects

USD 18.6b  
Co-financing

USD 6.4b  
GCF funding

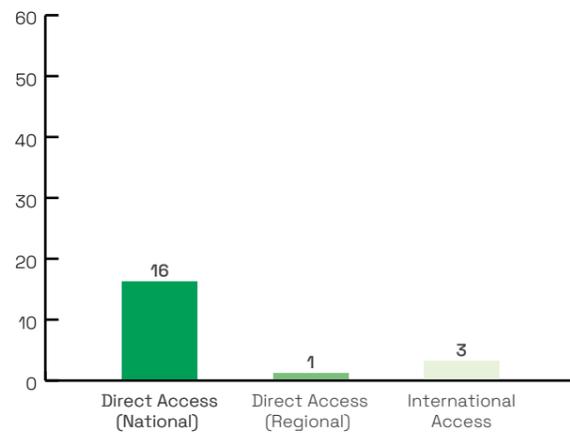
**88**  
approved projects

**107**  
developing countries  
with approved projects

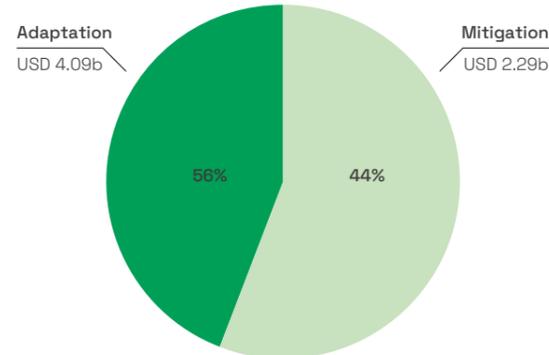
**63**  
projects under implementation  
worth **USD 4.3b** of GCF funding

**USD 2.1b**  
GCF funding disbursed for  
projects under implementation

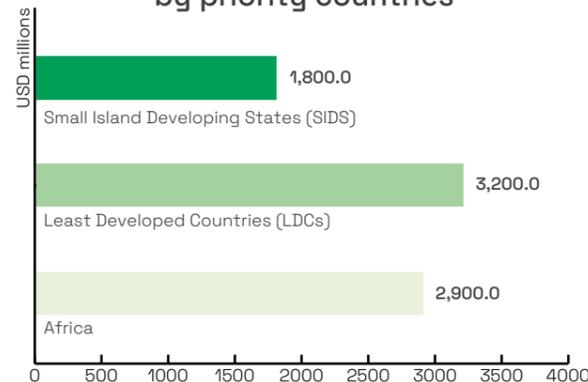
10 new Accredited Entities



Approved projects value by theme  
(percentage in grant-equivalent terms)



Approved projects value  
by priority countries



\*Nominal values are used throughout unless it is indicated that figures are grant equivalent. The grant equivalent calculator tool, developed by the Office of Risk Management and Compliance of GCF, converts the value of different grant and non-grant instruments into a comparable grant equivalent value. The grant equivalents were estimated for each project using a uniform five per cent discount rate.

# A growing portfolio

TOTAL 2015-2022\*

**USD 42.8b**  
total value of approved projects

USD 31.4b  
Co-financing

USD 11.4b  
GCF funding

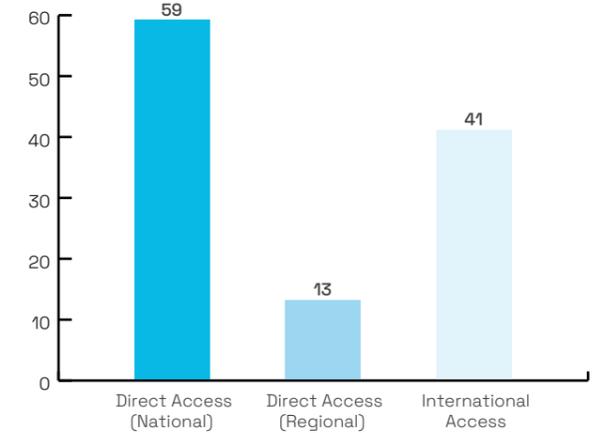
**209**  
approved projects

**128**  
developing countries  
with approved projects

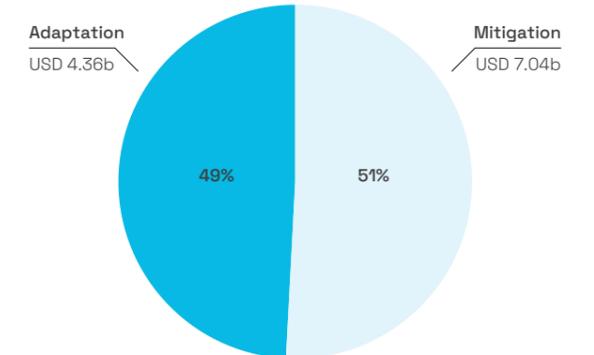
**182**  
projects under implementation  
worth **USD 9.2b** of GCF funding

**USD 3.0b**  
GCF funding disbursed for  
projects under implementation

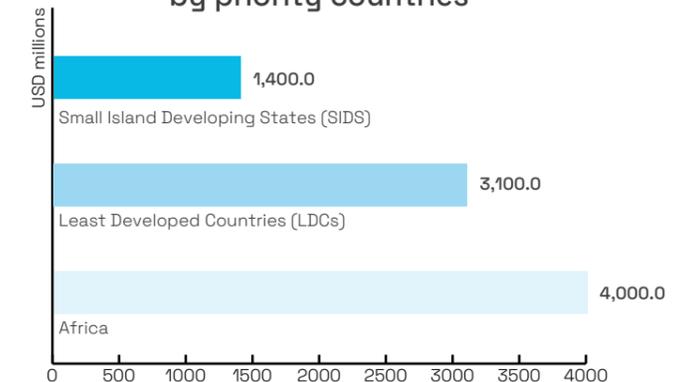
113 Accredited Entities



Approved projects value by theme  
(percentage in grant-equivalent terms)



Approved projects value  
by priority countries



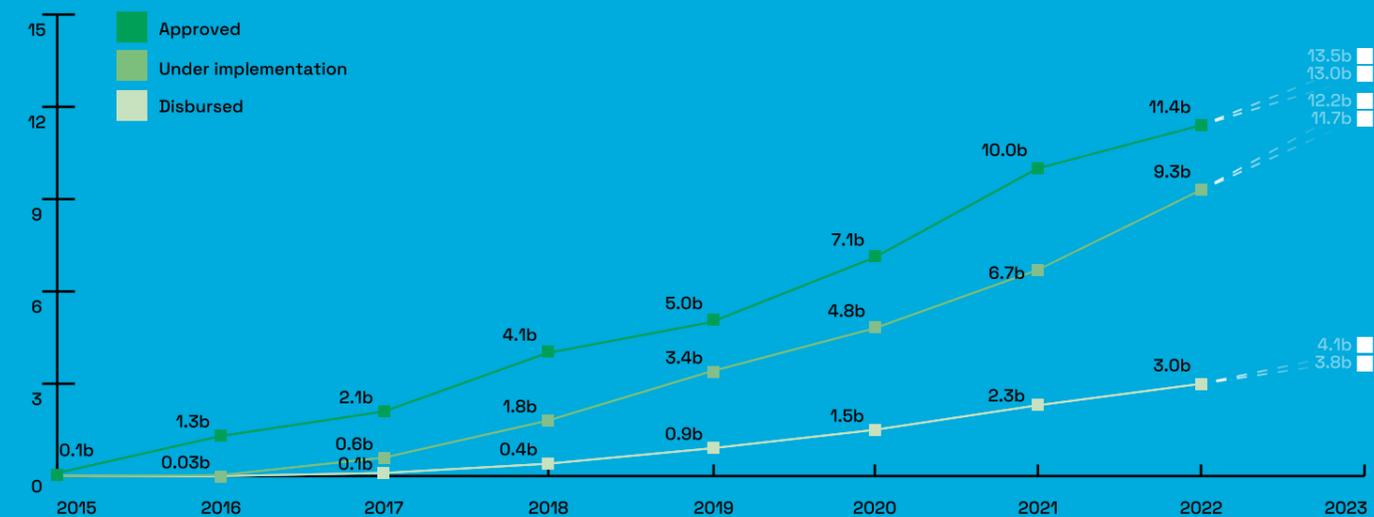
\*Nominal values are used throughout unless it is indicated that figures are grant equivalent. The grant equivalent calculator tool, developed by the Office of Risk Management and Compliance of GCF, converts the value of different grant and non-grant instruments into a comparable grant equivalent value. The grant equivalents were estimated for each project using a uniform five per cent discount rate.

# Fostering a paradigm-shifting portfolio

GCF supports developing countries in originating and developing transformational climate projects.

In GCF-1, GCF's programming support became more proactive with the Fund providing direct support for project design and structuring; collaborating with partners on innovation and technology; and leveraging its risk appetite and financial instruments to catalyse financing.

The portfolio diversified in GCF-1 with the approval of several flagship projects and programmes—many of them novel, cross-cutting or multi-country programmes that use nature-based approaches, introduce innovation and new technologies, mobilise private-sector finance, or help local communities become climate resilient.



*In 2022, the Board approved nearly USD 1.43 billion in GCF funding for new climate projects. By 2023, the portfolio is expected to reach USD 13.5 billion.*

The portfolio significantly grew in GCF-1, doubling in size and reaching the USD 10 billion mark in 2021. In 2022, GCF committed an additional USD 1.4 billion for 19 new projects. As of the end of 2022, GCF has committed a total of USD 11.4 billion of its resources—USD 42.8 billion with co-financing—to 209 projects in 128 countries.

The GCF portfolio has been maturing with 87 per cent of its projects under implementation (by number of approved projects), passing the USD 9 billion mark in 2022. Disbursements to projects surpassed USD 3 billion, more than tripling the volume of resources deployed on the ground since the initial resource mobilisation (IRM) period.

To date, GCF's portfolio has delivered 63 MtCO<sub>2</sub>e of reduced emissions and benefitted 57 million people directly and indirectly. The total portfolio is expected to deliver 2.4 bMtCO<sub>2</sub>e of reduced emissions and reach 666 million beneficiaries.

# Project spotlight: New projects approved in 2022

Promote nature-based  
approaches

For the full list of approved projects, please visit [greenclimate.fund/projects](https://greenclimate.fund/projects)

## FP185

### Climate Change: The New Evolutionary Challenge for the Galapagos



USD **117.6m**  
total project value



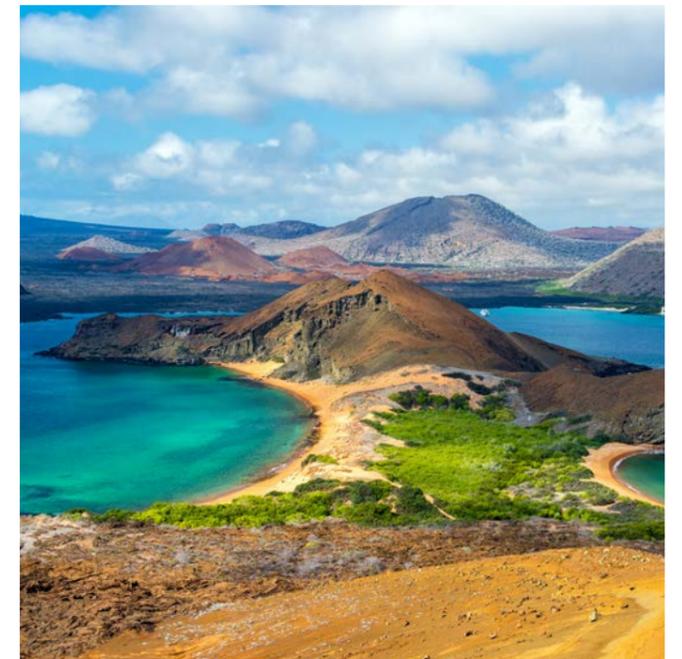
USD **65.3m**  
GCF financing



**584.2k**  
tonnes of emissions avoided



**567.9k**  
beneficiaries



Life in the Galapagos Islands is at risk because of climate change. Extreme weather events, warming lands and ocean, and sea level rise threaten the archipelago's farming and fishing communities, as well as its rich marine and terrestrial ecosystems. To help establish a sustainable and self-sufficient island system, this project aims to strengthen

local communities through the rehabilitation of ecosystems and the promotion of climate-smart agriculture and tourism practices. This project will also assist the establishment of the Conolophus local power plant and de-risk investments for de-centralised renewable energy sources, reducing overall energy dependence on imported diesel.

To maintain climate resilience and low emission measures, the project will also mainstream climate change in regulatory frameworks and planning instruments, including the establishment of an ecotourism certification scheme and educational curricula for climate knowledge among local citizens.

# FP183

## Inclusive Green Financing Initiative (IGREENFIN I): Greening Agricultural Banks & the Financial Sector to Foster Climate Resilient, Low Emission Smallholder Agriculture in the Great Green Wall (GGW) countries—Phase 1



**USD 194.8m**  
total project value



**USD 114.6m**  
GCF financing



**5.6m**  
tonnes of emissions avoided



**2.9m**  
beneficiaries

Countries covered by the Great Green Wall initiative to reverse land degradation in Africa are among the world's poorest and most climate vulnerable. Climate shocks are causing a loss of assets, crops, and livestock; disruptions to value chains; and soaring food prices. This

cross-cutting programme will enhance access to credit and technical assistance for local farmers, farmers' organisations, cooperatives, and micro and small sized enterprises. This will help them implement climate-resilient and low-emission agriculture and agroforestry.

This programme covers 11 countries in the Great Green Wall, in addition to Côte d'Ivoire and Ghana. A major aim of the initiative is to build greater coherence and complementarity of climate action in Africa.

Photo: © UN Women/Joe Saade



# Project spotlight: New projects approved in 2022

Introduce innovation  
and technologies

## FP186

### India E-mobility Financing Program



USD **1.5b**  
total project value



USD **200m**  
GCF financing



**9.5m**  
tonnes of emissions avoided



Transportation is India's third-highest greenhouse gas-emitting sector, contributing about 13 per cent of India's total CO<sub>2</sub> emissions and is forecasted to increase due to the high population growth rate and increasing levels of industrialisation and urbanisation, signifying the need for radical change. In line with India's climate

ambitions, there is significant potential to decarbonise the transport sector through electrification.

This project will provide tailored financing solutions to electric vehicle (EV) owners and operators including in ancillary areas, such as charging infrastructure, that will rapidly bring the

long-term cost of EV ownership to a level comparable to conventional vehicles. The project will also mobilise significant amounts of private sector institutional capital to support India's e-mobility transition. This investment is GCF's first purely private sector transport programme in the e-mobility sector.

# FP198

## CATALI.5°T Initiative: Concerted Action To Accelerate Local I.5° Technologies—Latin America and West Africa



**USD 40.1m**  
total project value



**USD 29.4m**  
GCF financing



**3.8m**  
tonnes of emissions avoided

The CATALI.5°T Initiative will establish funding support for climate start-ups and other micro and small enterprises in Latin America and West Africa, which are well placed to make a difference in delivering climate action by demonstrating market feasibility of innovative, low emission technologies, and business models.

This programme will address the nascent sector's limited technical capabilities and support networks, the lack of 'industry standard' tools and frameworks, and the mismatch between the current capacities of climate ventures and what's needed for them to successfully access venture capitalist (VC) finance. The CATALI.5°T hubs will foster

an enabling environment and provide capacity building support to local NDAs and government stakeholders, pre-accelerators, accelerators, entrepreneur support organizations, VC firms, and other venture investors.



Photo: © Stephan Gladiou / World Bank Photo Collection

# Project spotlight: New projects approved in 2022

Mobilise financing  
at-scale

## FP197

### Green Guarantee Company



USD **363m**  
total project value



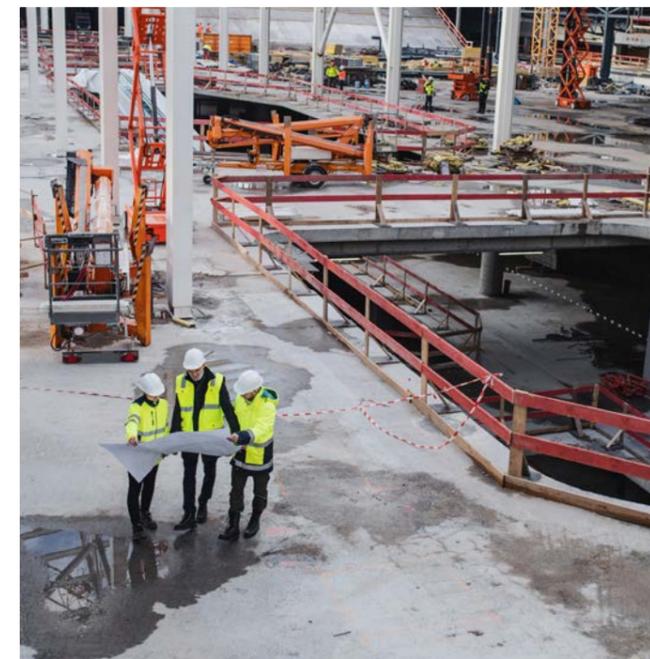
USD **40.5m**  
GCF financing



**74.6m**  
tonnes of emissions avoided



**36.9m**  
beneficiaries



The Green Guarantee Company (GGC) is the first ever global institution dedicated to providing guarantees for climate bonds with significant climate adaptation and mitigation impacts. It will create an ecosystem around climate bonds for developing countries by connecting local issuers with international investors and creating working groups in the countries where it operates. This represents an opportunity

to mobilise large funds from global investors by using guarantees to increase developing countries' issuance of climate bonds and loans with significant climate impacts.

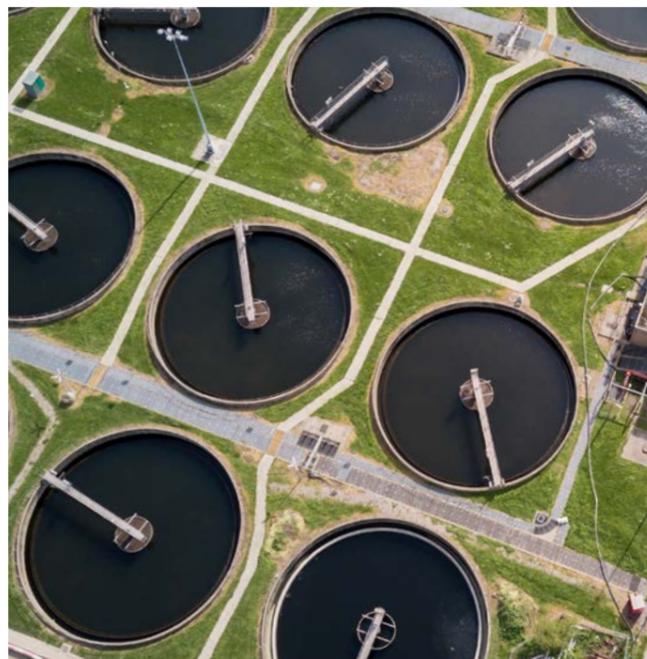
This programme addresses the problem of inadequate climate financing from developed countries to developing countries by de-risking international private sector investments in mitigation and adaptation projects.

GCF will serve as the founding equity shareholder in this first-of-its-kind institution by providing early stage and patient capital to incentivise participation from more private and institutional commercial investors. GCF will invest USD 40.5 million as the first tranche with subsequent investments up to an aggregate amount of USD 82.5 million as GGC scales up.

# FP190

## Climate Investor Two

-  **USD 880m**  
total project value
-  **USD 145m**  
GCF financing
-  **44.7m**  
tonnes of emissions avoided
-  **11.2m**  
beneficiaries



The water cycle is one of the most important parts of the global climate crisis—when managed improperly untreated wastewater can be a source of carbon emissions; while coastal ecosystems can act as powerful ‘carbon sinks’. The imbalance between the water cycle and the climate is threatening many livelihoods, as growing economies and populations are reducing freshwater availability.

Climate Investor Two (CI2) is a fund that aims to support the private sector to develop and construct climate-resilient infrastructure projects in the water, sanitation, and ocean sectors—areas which usually do not attract interest from the private sector. The targeted investments under the fund will reduce the effects and consequences of climate change by decreasing

greenhouse gas emissions and by increasing the resilience of vulnerable communities. This is GCF’s first at-scale private sector programme in the water sector.

Photo: @Anthony Onyango / Climate Visuals



# Project spotlight: New projects approved in 2022

Increase  
local resilience

## FP192

### The R's (Reduce, Reuse and Recycle) for Climate Resilience Wastewater Systems in Barbados (3R-CReWS)



USD **50m**  
total project value



USD **39.4m**  
GCF financing



**40.9k**  
tonnes of emissions avoided



**277.8k**  
beneficiaries



Barbados is facing a climate crisis with an increase in average temperatures, and the number of consecutive hot days. Barbados is experiencing "absolute water scarcity". Approximately 310 m<sup>3</sup> of water is available per person per year, placing Barbados among the most water-scarce countries in the world, and this problem is likely to become worse due to climate change.

The climate crisis and limited water availability are already impacting food security through the high cost of importation. To counter this, Barbados is seeking to increase food production as an adaptation measure. This project aims to make more water accessible through investment in the circular economy by using carbon neutral and climate-resilient water and energy

management technologies that ensure water is protected, managed, recycled, reused, and conserved. The project will contribute to the enhancement of the health, well-being, and productivity of Barbadians.

# FP184

## Vanuatu Community-based Climate Resilience Project (VCCRP)

-  **USD 32.7m**  
total project value
-  **USD 26.2m**  
GCF financing
-  **200.2k**  
beneficiaries



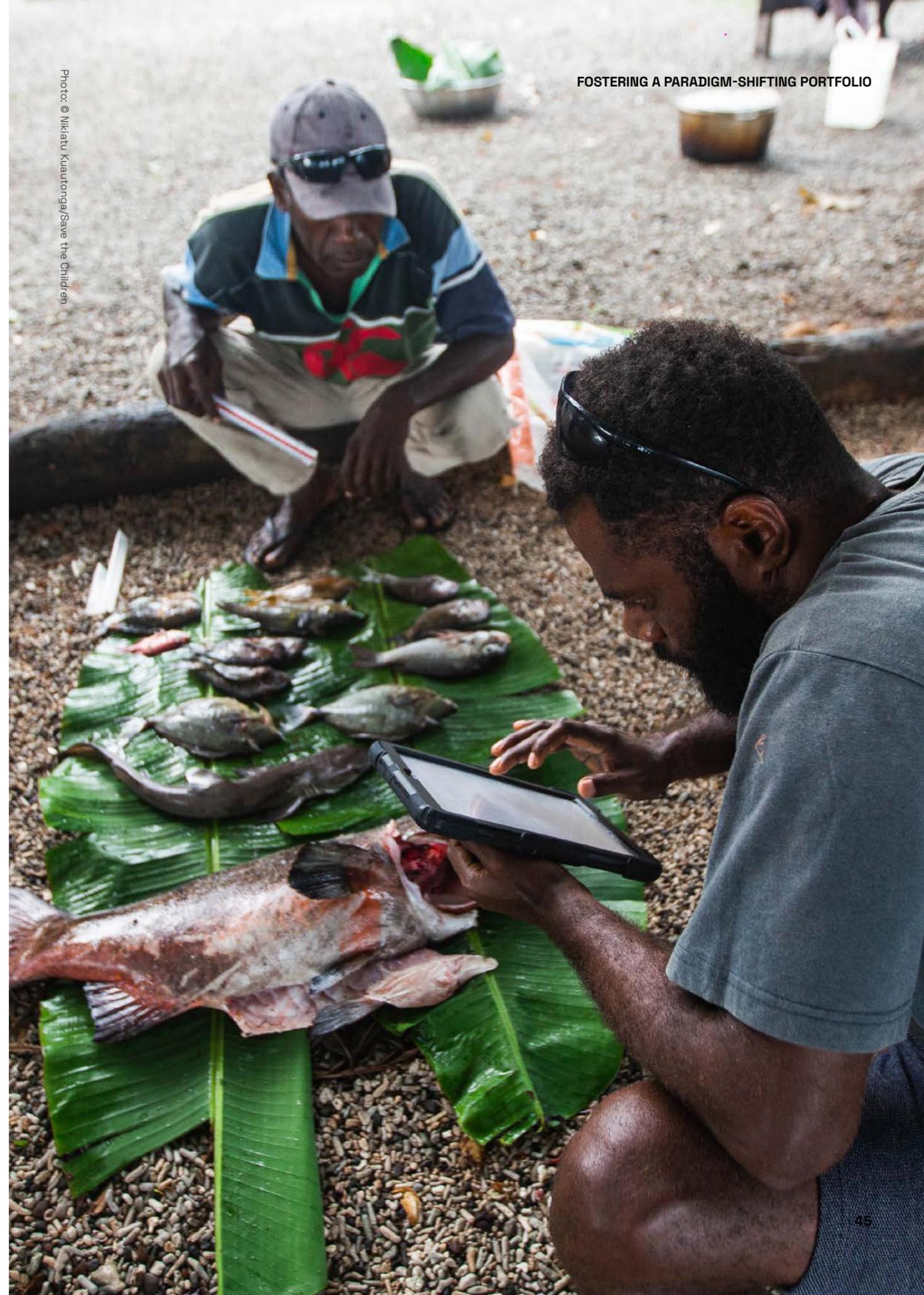
Vanuatu is one of the world's most vulnerable countries to the effects of climate change. The country is already living with the impact of climate change including increases in air and sea temperatures, rising sea levels, and extreme weather events such as flooding and tropical cyclones. Most of the population throughout the islands depend on subsistence agriculture and fishing,

but these economic lifelines are being severely impacted by climate change induced rainfall patterns, droughts and sea-level rises.

This project will support rural and coastal communities to increase their resilience to climate change, through targeted community and local adaptation activities in the agriculture and fisheries sectors. The project will also

provide access to climate information and early warning systems at the local level. Key activities include establishing local disaster risk reduction committees; protecting and restoring 11,600 hectares of agricultural and fisheries sites; and training smallholder farmers in climate-resilient agriculture techniques and fishers in effective coastal resource management.

Photo: © Mikiatu Kautongga/Save the Children



# Increasing access to GCF resources

Enabling developing countries' access to GCF resources affirms GCF's approach of working with and through partners for climate action.

Recognising the key role of Accredited Entities (AEs) in delivering impact, the GCF-1 strategic plan focuses on accreditation as the main window of enabling access to GCF resources.

GCF-1 saw GCF building its AE network with a focus on increasing the share of Direct Access Entities (DAE)—17 out of the 20 AEs accredited in GCF-1 were DAEs. In 2022, eight AEs upgraded their accreditation scope, with a total of 114 AEs approved. The AE network has been diversified to include more national public development banks, and private commercial, trade, and infrastructure banks.

Since re-accreditation began in 2021, 2022 saw an additional 14 AEs re-accredited. It is expected more AEs will seek re-accreditation while new applicants continue to seek accreditation. An accreditation strategy adopted in 2022 provides a preliminary framework for managing the accreditation pipeline.

Steps were taken to simplify and enhance GCF's accreditation processes including the adoption of an updated

accreditation framework and the Project-specific Assessment Approach (PSAA) that combines assessments for accreditation and proposal approval processes in a fit-for-purpose manner. Set to launch on a pilot basis in 2023, PSAA will serve as a key avenue for engaging partners that may not require full-term accreditation to programme with GCF. Finally, the Digital Accreditation Platform was launched, which will increase efficiency and transparency of the accreditation.

GCF has broadened its understanding of access, looking beyond accreditation and taking on a more systematic view of access as a multidimensional issue. GCF is working across several areas to increase access to resources that includes simplifying its funding processes and harmonising criteria and processes with other funds. For more information, see "Increasing access to climate finance" on pages 16–17.

## SEE OTHER PROGRAMMING GUIDES AND TOOLS RELEASED IN 2022



↓ Appraisal guidance



↓ Sectoral guides summaries



📎 Project activity cycle

To access all guides released until 2022 and more, please visit [greenclimate.fund/publications](https://greenclimate.fund/publications).

# Catalysing private sector mobilisation at scale

With climate investment needs outweighing the availability of public funding, it is imperative to catalyse wider financial flows to meet developing countries' climate ambitions.



Yannick Glemarec, former GCF Executive Director, speaking at the GCF Private Investment for Climate Conference (GPIC) in September 2022.

GCF mobilises private sector engagement and finance through its [Private Sector Facility \(PSF\)](#). GCF supports de-risking and structuring to mobilise resources; greens local financial systems and engages with local private sector actors; and explores ways to enhance the private sector's role in adaptation.

In 2022, the [PSF portfolio](#), a subset of the overall GCF portfolio, grew by USD 530 million and six funding proposals, representing around 36 per cent of programming in 2022 in nominal terms (25 per cent in grant-equivalent terms). This brings private

sector programming to a total of USD 3.9 billion out of the USD 11.4 billion of the GCF portfolio.

The year 2022 continued to see innovative private sector programming with novel proposals approved such as GCF's first at-scale private sector programmes in water and sanitation ([FP190](#)) and low-carbon transport sectors ([FP186](#)) and grant support for technology incubators and accelerators in Latin America and West Africa ([FP198](#)).

GCF adopted a [private sector strategy](#) in 2022, which outlines GCF's approach to

the development of climate markets while aligned with GCF's country-driven approach. GCF also held the fifth annual [GCF Private Investment for Climate Conference \(GPIC\)](#) in September 2022. Held back-to-back with the [Global Programming Conference \(GPC\)](#), it provided a key opportunity to convene and build alliances between global leaders, executives, experts, and thought leaders from governments, financial institutions, and companies to accelerate private sector participation in climate action in developing countries.

# Strengthening country ownership of programming

GCF empowers developing countries to identify, design, and implement projects that support paradigm shift in areas that will have the greatest climate impact.

## STRENGTHENING COUNTRY OWNERSHIP OF PROGRAMMING

GCF's support programmes, [Readiness Programme](#) and [Project Preparation Facility \(PPF\)](#), have evolved in GCF-1 with Readiness going beyond capacity building to helping countries translate their climate priorities into planning, policy, and investment responses. Readiness activities currently involve supporting NDC implementation strategies, technology assessments and action plans, and private sector engagement.

As the largest capacity building programme of its kind, the Readiness Programme has supported 141 countries with grants totalling over USD 450 million as of the end of 2022. Meanwhile, PPF has been

steadily generating results with a total of 15 funding proposals approved to date after receiving PPF support.

In GCF-1, GCF began reviewing Readiness and PPF support to further improve their performance and impact. A revised Readiness strategy is under development and operational improvements were made in 2022 with updating of the Readiness Guidebook and SOPs, which will increase transparency and efficiency of grant processes for partners.

Recognising more systematic guidance and support are needed for country NDC investment planning, GCF has been updating its support for NDC and NAP

implementation, resulting in an initial pilot effort to enhance [investment planning by Egypt](#). With GCF's support, Egypt is developing its first climate investment plan. Based on this pilot, GCF will explore ways to replicate this approach through the Readiness Programme.

GCF is also looking at a more systematic way to increase Direct Access Entity (DAE) programming capacity. While GCF-1 saw proposals approved by 11 new DAEs and DAE programming making up 24 per cent of GCF-1 programming (in grant-equivalent terms), there is need for a more systematic approach to support DAE programming capacity beyond accreditation.

## Global Programming Conference

As part of ongoing efforts to promote more dialogue between GCF and its country and delivery partners, GCF convened the [Global Programming Conference](#) in September 2022. Inputs were provided by stakeholders to inform investment planning and programming priorities for GCF's second replenishment period, as well as on GCF's revised strategy and operational improvements of its Readiness Programme.



**We look forward to the enhanced financial instruments that GCF has now developed to allow countries like us to be able to take advantage of and to be able to use the resources to build resilience against climate change.**

**Mark Brown**  
Prime Minister, Cook Islands

# Working smarter and faster

Throughout GCF-1, GCF has made significant progress in strengthening its operational and institutional capacity to better deliver climate action.

Initiatives to improve operational performance such as simplification, streamlining, codification, and digitalisation have borne fruit with increased efficiency and effectiveness. Processing times for funding proposals have seen downward trends—for example the time taken from project approval to first disbursement fell from an average of 19 months in 2019 to under 11 months in 2022.

With a maturing portfolio, GCF continues to build its portfolio and results management capacities. In 2022, GCF operationalised the digital Portfolio Performance Management System (PPMS) and reviewed its Risk Management Framework (RMF) as part of efforts to increase risk management.

The Fund also made strides in its operational policies and guidelines. It closed all key policy gaps by releasing a **complete suite of policies** for programming, project cycle, administration, and financial management at the end of 2022.

## Sustainability and inclusion



*The Indigenous Peoples Advisory Group (IPAG) was launched in 2022 with its first meeting in September.*



**This meeting is a big statement that the Green Climate Fund is serious about working with indigenous peoples. We have moved from just being a stakeholder in the governing instrument to being a constituency that has a dedicated policy.**

**Kimaren Ole Riamit**

Maasai leader and Director of the Indigenous Livelihoods Enhancement Partners (ILEPA)

To ensure positive impacts for the environment and society, GCF has an environmental and social policy, environmental and social safeguards standards, a gender policy, and an indigenous peoples policy. GCF's Indigenous Peoples Advisory Group

(IPAG) had its first meeting in September 2022. This groundbreaking group provides a direct avenue for IPAG members to have a dialogue with GCF on programming and operations and to ensure support and inclusion of indigenous peoples in GCF's

decision-making. GCF established the IPAG to enhance coordination between GCF, Accredited Entities and Executing Entities, governments, and indigenous peoples in relation to matters concerning indigenous peoples.

# Stories of real-life impact



Rehabilitating irrigation systems and canals like this one in Kbal Touk is so important because it ensures that farmers have stable access to water. The spillways also help control damage during floods.

**Khin Toda**  
Irrigation Design Engineer,  
Cambodia Ministry of Agriculture, Forestry and Fisheries

# The voices of Datem del Marañón: protecting one of the most biodiverse ecosystems in the world

OPPOSITE: Guillermo Yumbato, VP of the Kandozi Autonomous Territorial Government, and member of the Association of Kachizpani Artisanal Fishermen.

**D**atem del Marañón, located in northern Peru, is home to one of the largest and most biodiverse peatlands not only in Peru, but in the entire world. Spanning more than 3.8 million hectares, this remote province is home to a diverse ecosystem with more than 261 species of birds, unique marine life, and *aguaje*, one of the most abundant palm trees in South America.

For hundreds of years, the Amazonian people have understood that to live in kinship with nature, they must listen to it with respect and admiration. Climate change has caused profound impacts on the region, with frequent droughts, flooding, heatwaves, and changes in primary productivity, affecting indigenous people and their native land. The Datem del Marañón project (hereafter project) is currently being implemented by Profonanpe, the Environmental Fund of Peru, a GCF direct access entity, and the first organisation approved for funding by the GCF Board in 2015. This USD 9.1 million

project helps indigenous communities in this northern Peruvian province manage their wetland resources in ways that avoids deforestation and the large-scale release of greenhouse gases stored in local peatlands.

While peatlands cover only three to five per cent of the Earth's surface, they are key in addressing climate change, estimating to hold more than 39 per cent of the planet's carbon stocks.

Indigenous engagement and local support are core values of the project and necessary in mitigating the effects of climate change in the region. In Musa Karusha, a native community in the Datem del Marañón province, fishing is considered a traditional and ancestral communal activity, a sustainable means of living, and an essential protein of the native diet.

Gunter Yandari, President of the Association of Katinbaschi Artisanal Fishermen, leads the commercialisation of artisanal



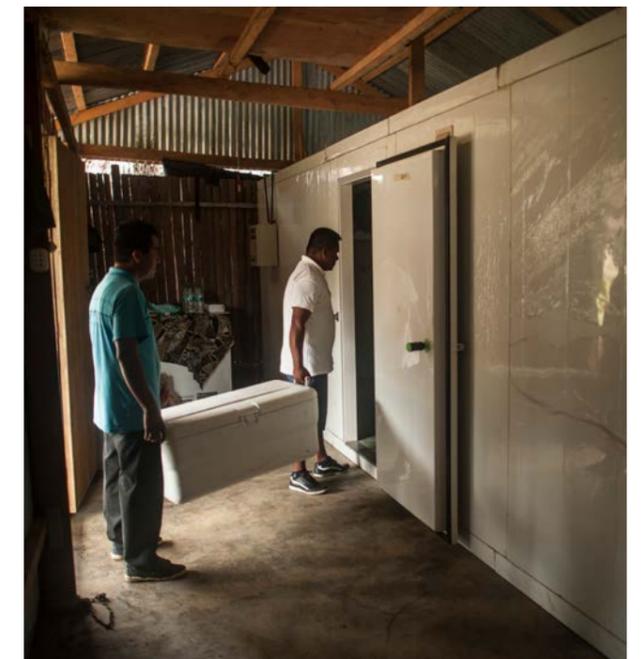
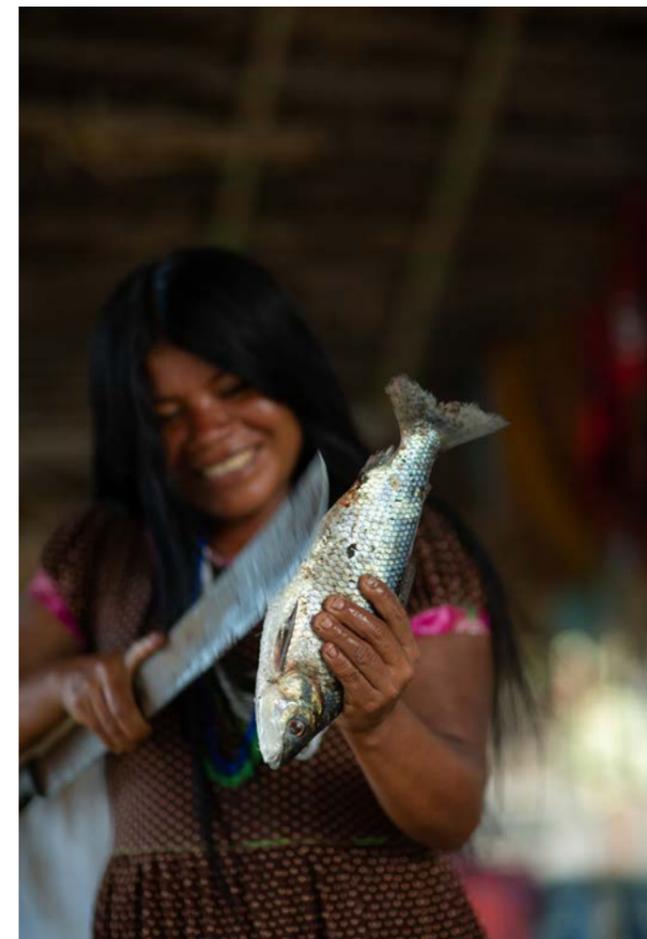


fresh fish, which requires ice to be frozen and transported to other parts of the region. Unpredictable weather, a lack of cooling facilities, and expensive transportation costs causes him to lose up to 30 per cent of his hard-earned production. In response to this, the project supported the installation of 120 solar panels to power an ice production plant.

To reduce the effects of greenhouse gasses, ice is now being manufactured using solar energy, and the water used for ice is purified with a carbon filter. With 500 kilograms of ice produced every eight hours, families can preserve up to 500 kilograms of fish and then sell the ice produced. The fish are stored in isothermal boxes to keep the fish fresh while being transported by boat.

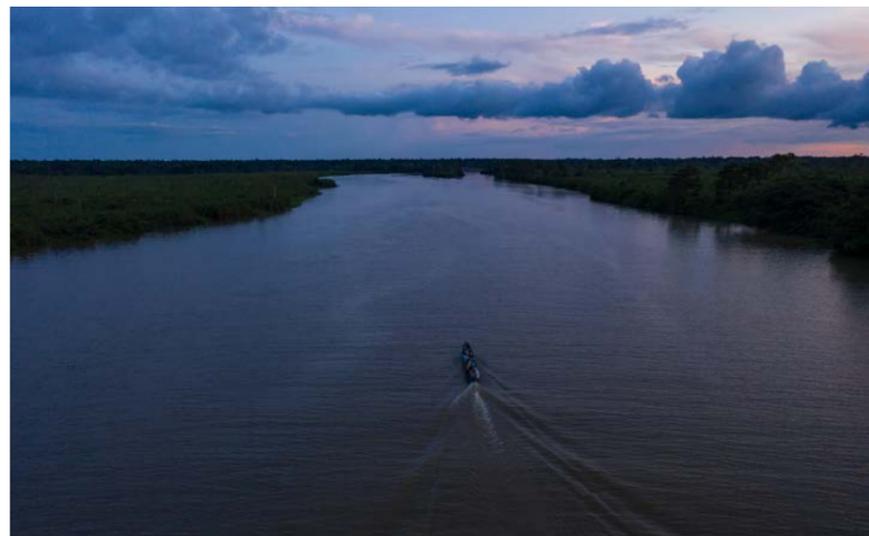
Thanks to this investment, Gunter and his community have increased their earnings without overexploiting their lakes, producing 133,400 kilos of ice and selling 123,000 kilos of fish valued at USD 17,000, to date.

The project also contributes to workshops focusing on the nutritional information of the fish, sustainable processes, and best practices. The training allows Gunter and other fisherman to better compete in the local market while complementing their traditional knowledge and conservation practices.



**The gathering of energy is used to make ice which allow us to sell fresh frozen fish at a higher value to support and satisfy the needs of the people.**

**Guillermo Yumbato**  
VP of the Kandozi Autonomous Territorial Government, and member of the Association of Kachizpani Artisanal Fishermen.



OPPOSITE: (1) Gunter Yandari, President of the Association of Katinbaschi Artisanal Fishermen. (2) The Rimachi Lake in Musa Karusha, a native community in the Datem del Marañón province.

THIS PAGE: (1) Gunter Yandari, stands among 120 solar panels installed to power ice production. (2) The Boquichico fish, native to the Amazon. (3) Fish are stored in isothermal boxes for freshness.

OVERLEAF: (1) Drone View of the Aguajales Palm Trees in the native community of Puerto Díaz.



In the native community of Puerto Díaz, the project is enhancing the climate resilience and livelihoods of indigenous people by investing in sustainable methods of harvesting the *aguaje* palm tree.

The *aguaje* is home to a unique and complex fauna, most of its mammals and birds feed directly on their fruits and the water released by the roots transports nutrients to water bodies and fish. A single species plays a fundamental role in the structure of almost 4 million hectares of Amazon peatlands.

Segundo Chanchari, an *aguaje* palm tree escalation technician now uses safe, and internationally compliant climbing equipment to collect the fruit using a zero-waste approach. The technique allows Segundo and his community to harvest between 20 and 30 *aguaje* palm trees per day.

Segundo recounts that his ancestors used to cut down around 50 to 100 trees per day. However, now the project is directly helping local communities preserve the precious *aguaje* palm tree and its numerous benefits including removing carbon from the atmosphere and storing it in swamp soil. In helping to regulate the planet's climate and to avoid catastrophe, these wetlands must be conserved and protected.

The sustainable harvesting of *aguaje* has led to a circular and economically viable bio-business as the oil is sold globally in food ingredients, hair and skin products. In the native community of Chapis, Apuapisem, an Awajún association has received an international organic certification to produce *aguaje* oils resulting in 385 kilograms of oil sold in 2022, earning the community more than USD 20,000.

The project funding continues to support government departments, indigenous people, and community-based organisations in land-use planning, management of the region's wetlands, and commercial bio-businesses. ●



**Before this project, we did not know how to harvest the tree. Our ancestors used to cut it down. This new technique is much more efficient. When we harvest, we preserve branches so that animals can feed. For me the fruit is a blessing, and we are also protecting the environment.**

**Segundo Chanchari**  
Aguaje palm tree escalation technician



OPPOSITE: (1) Segundo Chanchari, aguaje palm tree escalation technician, looking for the specific palm tree to climb using a harness. (2) Cleaning of the aguaje fruit before processing.

THIS PAGE: (1) The stages of aguaje oil production in the native community of Chapis Apuapisem. (2) Magdalena Chumbi at the aguaje oil processing plant.

# On the frontlines of climate change: financing the largest community-based adaptation project in Vanuatu

OPPOSITE: Community consultations with the Government of Vanuatu and Save the Children design team in North Epi Province.

"We women depend on fishing along the coastline to provide fish for our families but most of our catch now are much smaller than the ones we caught here the past years," says Jennie Jener, a villager from Efate Island in Vanuatu.

Dressed in a blue house dress, Jener deftly strings a fishing reel while talking about her life on the island. "Agriculture is a major focus of our lives. We depend on agriculture".

Vanuatu, a Small Island Developing State in the Pacific, is home to approximately 320,000 people. According to the [2020 World Risk Report](#), the country leads the world disaster risk index as it is the most highly exposed to natural hazards. The increasing frequency of extreme weather events make the majority of the islands' inhabitants, 80 per cent of whom are dependent on subsistence agriculture, extremely vulnerable to the impacts of climate change.

"When you talk about droughts in Vanuatu, you talk about isolated communities, you talk about remote, smaller islands that get their main source of

water from the rain. And [the impact] is not only on water, but food security as well," explains Nelson Kalo, Climate Change Mitigation Officer at the Department of Climate Change.

"Climate change impacts our community. We have seen changes with hurricanes, droughts, or hot periods. When there's heavy rain, we experience flooding in many places," says Tavet Varao, a Village Chief in Santo Island. "The floods destroy our crops and food supply".

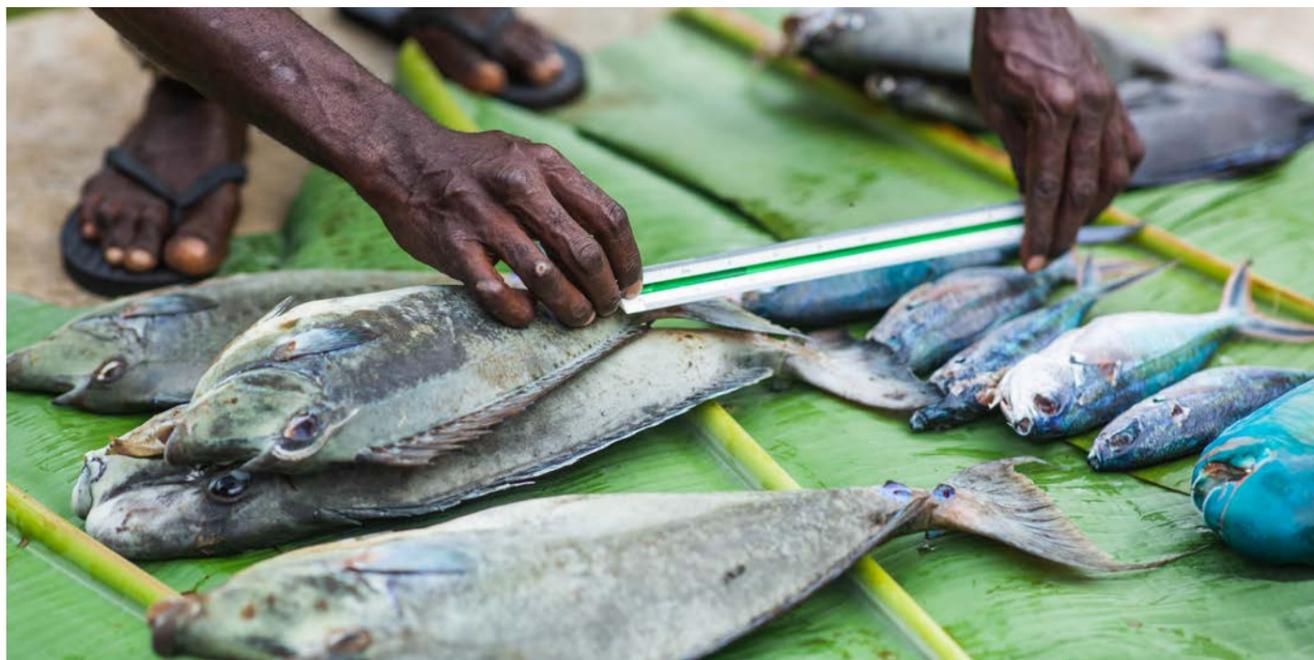
The 'NextGen' Projections for Western and Tropical Pacific: [Current and Future Climate for Vanuatu](#) study based on climate model simulations, conducted by Australia's science agency, CSIRO, reinforces what the communities are already experiencing. It concluded that the three major climate drivers in the country are extreme rainfall, tropical cyclones, and sea level rise. These climate drivers are already having significant impacts on the lives and livelihoods of remote and rural communities across the country; undermining coping capacity, eroding development gains, and placing current and future generations at increased risk.





"Pests are harming taro, our staple crop. Sometimes we suspect that climate change must be related," Varao says. "But we aren't sure what to do, we don't know how to stop these pests and diseases. I believe that if we had a community project that addresses the impacts of climate change, it would help us a lot with agriculture".

Recognising these risks and the country's vulnerability to climate change, the Vanuatu Climate Change and Disaster Risk Reduction Policy 2016–2030 set out a vision "to be a nation whose communities, environment, and economy are resilient to the impacts of climate change and disaster risks". In line with this, the government of Vanuatu working with Save the Children Australia, with a USD 26.2 million grant from the Green Climate Fund (GCF), will implement the [Vanuatu Community-based Climate Resilience Project \(VCCRP\)](#) to help rural and coastal communities adapt to the climate crisis.



*OPPOSITE: Measuring catch size in North Ambrym Province to protect juvenile fish and help safeguard food security.*

*THIS PAGE and OVERLEAF: Rural and coastal communities vulnerable to the climate crisis.*





"One of the biggest challenges for locals here is the lack of communications networks. The access to services experienced by those of us who live in urban areas in terms of disaster risk reduction allow us to prepare in advance for disasters and be aware of proper safety measures to take. They don't have this access," explains Pauliane Basil, Climate Adaptation Officer at the Department of Climate Change.

The VCCRP targets highly vulnerable communities with locally-led adaptation activities in the agriculture and fisheries sector in 29 Area Councils (the lowest level of administration) across the country. The project includes establishing local climate change and disaster risk reduction committees, protecting and restoring 11,600 hectares of local coastal and upland ecosystems, supporting smallholder farmers to implement climate-resilient agriculture techniques and artisanal fishers to undertake effective coastal resource management, and providing access to climate information and early warning systems, along with building capacity of communities to make decisions based on this information.

It will also raise awareness of climate change risks to food systems and livelihoods, helping communities to improve their local value chains and diversify their income. For example, women-led climate-resilient food processing and preservation businesses will be scaled up by helping them gain access to new markets through private partners via a collaboration with the Vanuatu Chamber of Commerce and Industry.

"This is the largest community-based adaptation project that Save the Children will be partnering with the government to implement in rural communities in Vanuatu," says Louise Nasak, Project Team Lead of Save the Children in Vanuatu. "It's a large-scale project that's going to reach over 90,000 people—almost nearly half the rural population in Vanuatu—made possible because of GCF".

"The project will help the communities to increase their food security, support them to access climate information,



THIS PAGE: Flooding after heavy rains spoils crops, reducing food supply for rural communities.

OPPOSITE: Villages in North Epi Province are facing increased coastal erosion.



and enable them to develop their own adaptation plans," Nasak adds.

"Information about weather is important. If community members are able to receive monthly weather forecasts, they will be able to plan their work accordingly. They would be prepared and understand the weather predictions for the following month. I see this as a big need for the village where I live," affirms Rachel Taman, a villager from Santo Island. ●

*At the time of this writing, the project was commencing implementation, with Save the Children and the Ministry of Climate Change supporting implementing partners to finalise activity plans and begin engagement with communities.*

# Cambodia's climate action game-changer: resilient agricultural value chains

Sim Dany is a farmer in Kampong Cham Province in Cambodia. "I know farming isn't every woman's dream job, but I've never gotten tired of doing it. I guess I'm tougher than most," she says with a laugh.

In Cambodia farming is a way of life. Almost 80 per cent of the country's population lives in rural areas, and most of them depend on rain-fed agriculture for a living. Agriculture accounts for 57.6 per cent of the rural labour force, and for over 30 per cent of GDP.

Like many in the province, Sim Dany is becoming more anxious about climate change. A Least Developed Country prone to high risks of floods and drought make Cambodia one of the most climate vulnerable countries in the world. Rainfall patterns have shifted, with longer droughts, shorter rainy seasons, and occasional flash flood. A lack of adequate infrastructure and early warning systems amplify the harmful effects of these changing weather patterns.

To address this, the Royal Government of Cambodia has committed to addressing climate change by reducing emissions by 64.6 million tonnes of CO<sub>2</sub> equivalent each year by 2030 under its Nationally Determined Contributions (NDCs). The Green Climate Fund (GCF) partnered with the Asian Development Bank (ADB) to support the success of these ambitions with the [Climate-Friendly Agribusiness Value Chains Sector Project](#), a USD 141 million project to target the agricultural sector.

"[The project] is the biggest climate project that has ever happened in Cambodia," says Sam Chhom Sangha, Project Director for the Ministry of Agriculture, Forestry and Fisheries.

The project will improve climate change impacts and reduce the carbon footprint of each stage of the agricultural value chain by investing in climate-resilient agricultural production, post-harvest infrastructure, and low-carbon technologies at various stages in the value chain.

*OPPOSITE: Indoor agricultural infrastructure to dry, store, and process grain crops.*



## Rehabilitating and upgrading infrastructure

### RELIABLE ACCESS TO WATER

A lack of irrigation systems and other water infrastructure restricts most farmers to a single rain-fed crop per year. The reliance on volatile rain levels leaves farmers vulnerable, while insufficient on-farm water management constrains crop production.

The project will construct or rehabilitate at least 800 on-farm water catchment ponds and small reservoirs to increase water availability for crop production across at least 15,000 hectares making 25,000 households more resilient to climate shocks.

"Rehabilitating irrigation systems and canals like this one in Kbal Touk is so important because it ensures that farmers have stable access to water," says Irrigation Design Engineer, Khin Toda. "The spillways also help control damage during floods."



### CONNECTING PEOPLE THROUGH ROADS

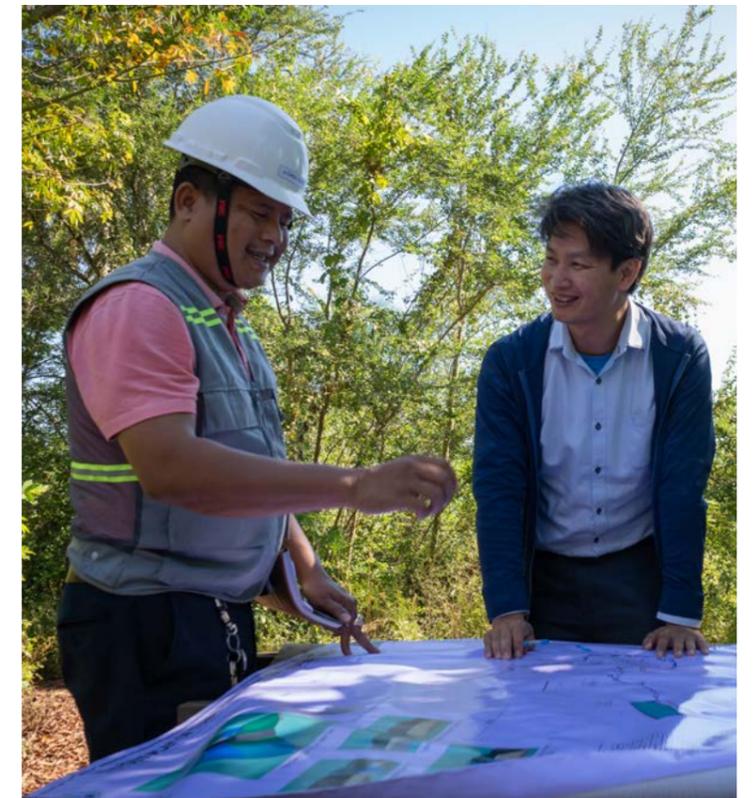
Currently Cambodia's rural road networks are underdeveloped and easily disrupted by flooding or heavy rainfall. A two-week flood in 2011, "caused losses and damage of nearly USD 600 million to rural infrastructure, especially farm road networks, making life more difficult" explains road design specialist Sam Sothearo.

GCF will support the upgrading and climate-proofing of at least 250 kilometers of rural roads. These roads include climate-resilient features such as increased embankment heights, cross drainage, and bioengineering to protect from erosion and landslides.



**[The project] is the biggest climate project that has ever happened in Cambodia.**

**Sam Chhom Sangha**  
Project Director for the Ministry of Agriculture, Forestry and Fisheries



OPPOSITE: (1) A biodigester under construction in Kampong Cham province. (2) Road workers receive training on using land surveying equipment.

THIS PAGE: (1) Laser land levelling and drip irrigation systems will be introduced at farm level to effectively prepare the land and manage water resources. (2) Irrigation Design Engineer Khin Toda works with project managers at the Kbal Touk irrigation canal.

OVERLEAF: The project focuses on improving farmers' livelihoods, while strengthening their resilience to climate change.



**TURNING WASTE INTO RENEWABLE ENERGY**

Another innovative aspect of the project is the deployment of rural renewable energy infrastructure. GCF is supporting the installation of 12,000 biodigesters which convert waste such as food scraps, oil, and animal manure into biofuels and rich fertiliser.

The biodigesters will provide health and productivity benefits to approximately 90,000 people, including nearly 45,000 women.

**Promoting climate-resilient agriculture and agribusiness**

**CLIMATE-RESILIENT SEED VARIETIES**

GCF is supporting the Cambodian Agricultural Research and Development Institute (CARDI) to develop and distribute climate-resilient varieties of rice and maize, two critical crops in Cambodia's agricultural sector. These seeds will be more adaptable, with a tolerance to higher temperatures, salt water, drought, and prolonged submersion.

Sim Dany is one of the farmers to get access to new rice varieties. "I have just received a new rice variety this year [2020]. I planted it in June and harvested it in November," says Dany. "I'm thrilled to say that the increased yields were as high as I had hoped."

**COMMUNITY-DRIVEN FARMING**

One of the most important objectives of the project is to give a stronger voice to Cambodian farmers by ensuring they remain at the forefront of all climate-action. To achieve this, GCF is empowering AC's (Agricultural Cooperatives), especially women-led agro-enterprises, to be proactively involved in the identification, selection, and implementation of agribusiness investments.



These capacity-building initiatives encourage farmers to work together, share knowledge, and enhance their bargaining power.

"Forming an [AC] was crucial for us. We can build a collective voice to advocate with the government to subsidise new technologies and good quality seeds," says Mach Sarou, head of an AC, Phnom Bros village.

**A BETTER FUTURE FOR FARMERS**

For Sim Dany, the goal is clear. "I have been farming my whole life. I want nothing more than to be safe from climate change, and to be able to grow my farm. That way I can support my children all the way through school until they graduate and become good citizens in society. That's all I want."

The real-life impacts of the Climate-Friendly Agribusiness Value Chains Sector Project are undeniable. Cambodian farmers like Sim Dany can look towards a future with a more climate-resilient livelihood. ●



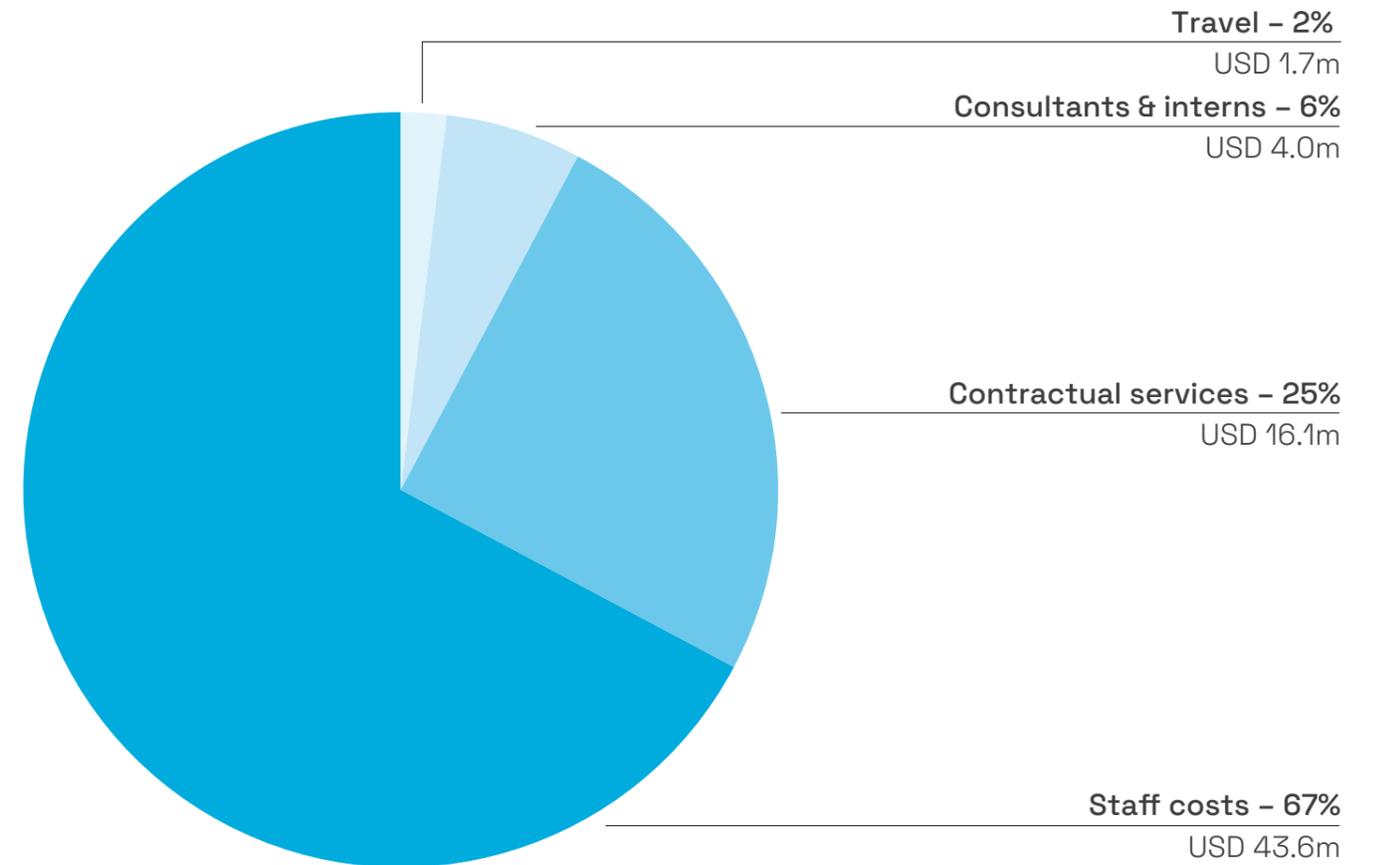
OPPOSITE: (1) Researchers at CARDI examine different crop strands to develop climate-resistant versions. (2) Agricultural cooperative head Mach Sarou at the group's rice milling facility.

THIS PAGE: (1) Cambodian farmers attending an agricultural cooperative training course on climate-resilient agriculture. (2) Farmer Sim Dany discussing new rice varieties.



# Financial highlights

## Administrative budget (2022)



GCF's administrative expenses for 2022, compared to total contributions (received and signed contribution agreements), are 0.4 per cent. These expenses cover the operations of the Secretariat (including staffing costs, contractual services, consultancies, and travel), as well as Board activities, and Trustee activities.

The Secretariat's costs for the year amounted to USD 65 million. They were allocated according to the breakdown in the chart. These numbers are unaudited. GCF's financial statements are audited each year by an independent auditor. These are usually available in the third quarter of the following year. Please refer to the Annex for

audited financial statements of previous years.

Audited accounts are produced each year by an independent auditor. These are usually available in the third quarter of the following year. Previous audited financial statements are available via [g.cf/financialstatements](https://www.gcf.org/financialstatements).

# Status of contributions

Contributor name	Currency	Pledged amount in millions (in currency)	Pledged amount with credits <sup>2</sup> in millions (in USD eq. rate <sup>3</sup> )	Confirmed amount in millions (in currency)	Confirmed amount in millions (in USD eq. rate <sup>3</sup> )
Austria	EUR	130.0	152.5	130.0	146.4
Belgium	EUR	100.0	116.9	100.0	112.6
Belgium - Brussels Capital Region	EUR	1.0	1.2	1.0	1.1
Belgium - Government of Wallonia	EUR	1.2	1.4	1.2	1.4
Bulgaria	EUR	0.07	0.08	0.07	0.08
Canada	CAD	300.0	230.1	300.0	225.5
Denmark	DKK	800.0	126.0	800.0	120.7
Finland	EUR	100.0	114.9	100.0	112.6
France	EUR	1,548.0	1,794.7	1,548.0	1,743.4
Germany	EUR	1,500.0	1,689.8	1,500.0	1,689.3
Hungary	HUF	200.0	0.7	200.0	0.7
Iceland	USD	2.8	2.9	2.8	2.8
Indonesia	USD	0.5	0.5	0.5	0.5
Ireland	EUR	16.0	18.7	16.0	18.0
Italy	EUR	300.0	337.9	300.0	337.9
Japan	JPY	164,870.1	1,521.2	164,870.1	1,500.0
Liechtenstein	CHF	0.2	0.2	0.2	0.2

GCF's first replenishment (GCF-1: 2020–2023) is an important element of the financial commitments needed to deliver the Paris Agreement. By the end of 2022, contributors have pledged over USD 10 billion to GCF (based on GCF-1 reference exchange rate).

One hundred per cent of these pledges have already been confirmed, with all 34 contributors having confirmed all pledges through the signing of contribution agreements, as indicated in the table, which uses a USD equivalent reference rate for individual contributions.

The current status of contributions is available on the [resource mobilisation section](#) of the GCF website.

Contributor name	Currency	Pledged amount in millions (in currency)	Pledged amount with credits <sup>2</sup> in millions (in USD eq. rate <sup>3</sup> )	Confirmed amount in millions (in currency)	Confirmed amount in millions (in USD eq. rate <sup>3</sup> )
Luxembourg	EUR	40.0	46.3	40.0	45.0
Malta	EUR	0.4	0.5	0.4	0.5
Monaco	EUR	3.8	4.4	3.8	4.2
Netherlands (the)	EUR	120.0	140.1	120.0	135.1
New Zealand	NZD	15.0	10.6	15.0	10.0
Norway	NOK	3,600.0	434.2	3,600.0	417.5
Poland	USD	3.0	3.2	3.0	3.0
Portugal	EUR	1.0	1.2	1.0	1.1
Republic of Korea (the)	USD	200.0	200.5	200.0	200.0
Romania	EUR	0.04	0.05	0.04	0.05
Russian Federation	USD	10.0	10.5	10.0	10.0
Slovakia	EUR	2.0	2.3	2.0	2.3
Slovenia	EUR	1.0	1.2	1.0	1.1
Spain	EUR	150.0	176.5	150.0	168.9
Sweden	SEK	8,000.0	852.5	8,000.0	852.5
Switzerland	USD	150.0	155.5	150.0	150.0
United Kingdom	GBP	1,440.0	1,851.9	1,440.0	1,851.9
<b>Grand Total</b>			<b>10,001.0</b>		<b>9,866.5</b>

<sup>1</sup> United States dollars equivalent (USD eq.) based on the reference exchange rates established for the First Replenishment (GCF/B.24/11).

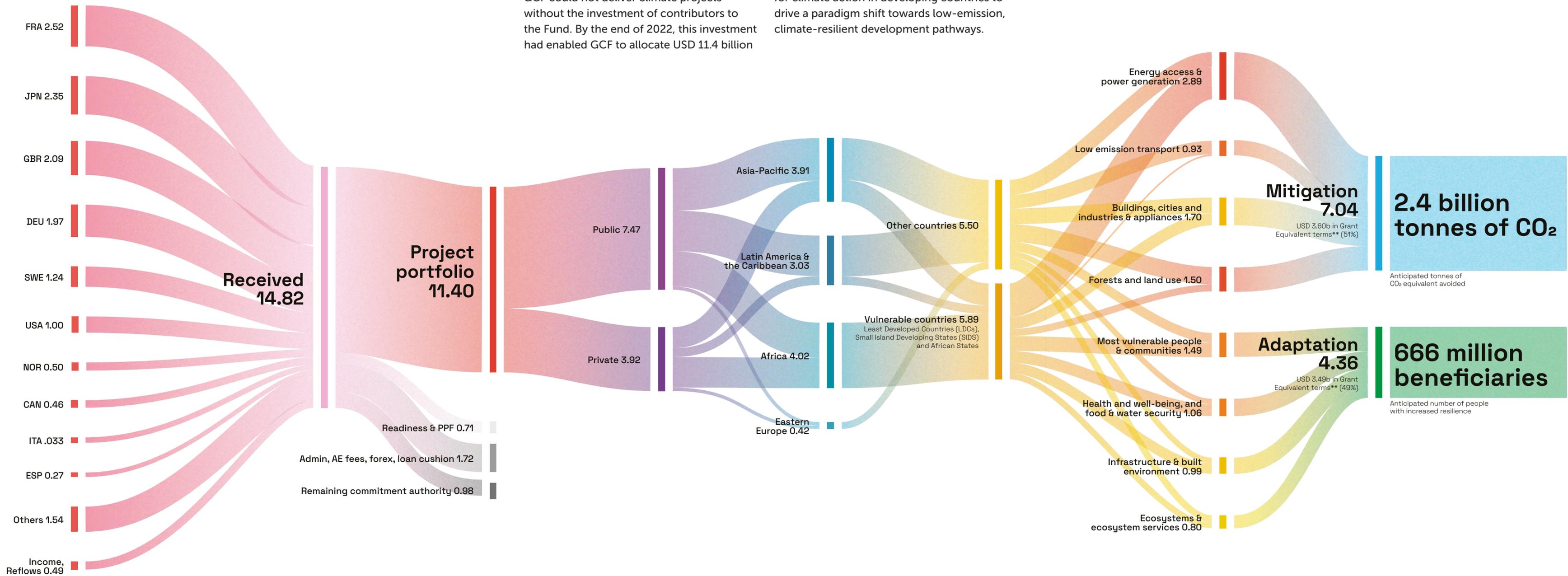
<sup>2</sup> As per the Policy for Contribution approved at B.24 (decision B.24/02, annex I, para. 26), a notional credit has been applied to the pledges made by Contributors who have indicated to make payments in advance of the standard schedule.

# GCF financial flows

(in USD billions)\*

GCF could not deliver climate projects without the investment of contributors to the Fund. By the end of 2022, this investment had enabled GCF to allocate USD 11.4 billion

for climate action in developing countries to drive a paradigm shift towards low-emission, climate-resilient development pathways.



\*GCF contributors may choose to pledge in their national currencies; all values illustrated in this chart are expressed in USD equivalent based on the foreign exchange rate as at 31 December 2022. Depending on the rate at the time of conversion, the USD equivalent amount fluctuates accordingly. The values within the project portfolio are expressed as a percentage of the total approved project portfolio of USD 11.4 billion as of December 2022.

\*\*Most adaptation is made in grants, whereas mitigation is mainly concessional finance. Grant equivalence allows us to compare the grant value of each to the beneficiary.

# Annexes

## Annex I GCF secretariat financial statements (covers GCF-1 period up until time of publication)

GCF audited financial statements for the years ending 31 December 2021 and 2020



↓ Download publication

GCF audited financial statements for the years ending 31 December 2020 and 2019



↓ Download publication

# Annex II GCF Independent Units

## THE INDEPENDENT EVALUATION UNIT

The **Independent Evaluation Unit (IEU)** was established by the GCF Board as an independent unit to provide objective assessments of GCF results, including its funded activities, effectiveness, and efficiency. The IEU has a mandate for both serving as an accountability function and supporting a learning function. These are central to the GCF being a learning organisation as laid out in its Governing Instrument. The IEU conducts evaluations, provides advisory and capacity support, builds partnerships, promotes state-of-the-art learning, and conducts research and communication.

IEU website:  
[ieu.greenclimate.fund](http://ieu.greenclimate.fund)



↓ IEU Annual report

## THE INDEPENDENT INTEGRITY UNIT

As a key function of the GCF accountability mechanism and a body independent from the GCF Secretariat, the **Independent Integrity Unit (IIU)** ensures that all staff, implementing entities and intermediaries relating to GCF adhere to the highest standards of integrity to safeguard lawful use of GCF resources. The IIU takes measures to prevent and deter occurrences of fraud, corruption, and prohibited practices in GCF-funded activities through policies, assessment and mitigation of risks, and improvement recommendations to existing GCF procedures.

IIU website:  
[iiu.greenclimate.fund](http://iiu.greenclimate.fund)



↓ IIU Annual report

## THE INDEPENDENT REDRESS MECHANISM UNIT

The **Independent Redress Mechanism Unit (IRM)** is the independent accountability mechanism of GCF. Its mission is to address complaints from affected people and provide recourse in a way that is fair, effective and transparent, and enhance the performance of GCF's climate funding. The IRM also accepts requests from developing countries seeking reconsideration of funding proposals that were denied by the GCF Board. It is also mandated to provide advice to the Board on GCF's operational policies and procedures based on lessons learned and to help build capacity of GCF Direct Access Entities in developing their grievance mechanisms and procedures.

IRM website:  
[irm.greenclimate.fund](http://irm.greenclimate.fund)



↓ IRM Annual report

# Annex III Reports of GCF to the Conference of the Parties to the United Nations Framework Convention on Climate Change

(covers GCF-1 period)

Ninth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change—2020



↓ Download publication

Tenth report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change—2021



↓ Download publication

Eleventh report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change—Addendum I—2022



↓ Download publication

## Annex IV

# GCF policies and strategies

As part of its mandate, the GCF Board approves specific operational policies and guidelines, including for programming, project cycle, administration, and financial management. The Board also approves strategies which guide the overall direction of Fund operations. Together, these strategies and policies establish the framework for implementation of the GCF's Governing Instrument. Most policies are available in the six languages of the United Nations.

To access GCF's policies and strategies follow the link below:  
[greenclimate.fund/about/policies](https://greenclimate.fund/about/policies)



GREEN  
CLIMATE  
FUND

**Raising ambition.  
Empowering action.**

Songdo Business District  
175, Art center-daero  
Yeonsu-gu, Incheon 22004  
Republic of Korea  
info@gcfund.org  
greenclimate.fund

Twitter: [@theGCF](#)  
LinkedIn: [@green-climate-fund](#)  
Facebook: [@GCFOfficial](#)  
Instagram: [@greenclimatefund](#)