Assessing Green Climate Fund Readiness

Enhancing access to international climate finance

Pieter Terpstra – World Resources Institute – pterpstra@wri.org
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German GCF Readiness Support

- The Government of Germany committed 40 Mio Euro in Durban for **readiness support** for the GCF

- The Federal Ministry of Environment (BMUB) and the Federal Ministry for Economic Cooperation and Development (BMZ) each administer the program with the following components:
  - Direct support to GCF Secretariat for its readiness program
  - BMUB support will be implemented through **UNEP, UNDP, WRI**
  - BMZ support will be implemented through **GIZ and KfW**

- Support for access and management of climate finance, pipeline development
A. National climate context, vulnerabilities and opportunities

B. Enabling Environment

B1. Public

B2. Private

C. Delivery of results

D. Information management and coordination

E. Managing for results

Climate finance
GCF Readiness Process

1. Identification of target countries based on adaptation needs and mitigation opportunities

2. Target countries: El-Salvador, Colombia, Ghana, Benin, Fiji (four will be added this year)

3. Pre-mission needs assessment – desk study

4. Country mission - Identification of needs to access and manage climate finance for low-carbon, climate resilient development

5. Development of draft GCF Readiness Plan, validation of results and final approval
Assessment framework

A. National Climate Context, Vulnerabilities and Opportunities

B. Enabling Environment
   B1. Public
      - Policies and programs
      - Institutions
   B2. Private
      - Legal framework
      - Financial framework

C. Delivery of Results
   - Mobilize and allocate resources
   - Implement planned activities
   - Fiduciary standards & safeguards
   - Private sector awareness and opportunities
   - Develop investment opportunities

D. Information management and coordination

E. Managing for results
## Preliminary findings for five countries

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<th>Component</th>
<th>Needs</th>
<th>Support needed?</th>
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<tr>
<td>A. National context</td>
<td>--</td>
<td>Policies under development or finalized</td>
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</table>
| B. Enabling Environment                        | 28    | Public:  
- Mainstreaming climate change  
- Policies focused on private sector |
|                                               |       | Private:  
- Identify and remove barriers for investment                                                                                         |
| C. Delivery of Results                         | 37    | - Identify NIE, support in meeting access criteria  
- Development of investment opportunities                                                                                               |
| D. Information management and coordination     | 28    | - Strengthen inter-agency and sectoral coordination  
- More information on climate change and opportunities  
- Cost benefit analysis / decision making                                                                                             |
| E. Managing for results                        | 17    | - Tracking of finance and impacts  
- Evaluation and monitoring                                                                                                             |
### Draft GCF readiness plans

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<th>A. Natl. Context</th>
<th>B. Enabling Environment</th>
<th>C. Delivery of Results</th>
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| 1. Strengthened coordination to manage and deliver climate finance | - Feasibility study for National Fund  
- Strengthening of regulations, policies and plans | | - Implement coordination guidelines  
- Increase stakeholder access to information | |
| 2. Enhanced institutional capacity to align with international benchmarks and safeguards | - Identification of NIE(s) for AF and GCF access  
- Strengthen possible NIE | - Training on CF readiness and fiduciary requirements | | |
| 3. Strengthened systems and human resources to identify, prioritize and develop programs and projects | | - Procedures for prioritizing needs and interventions  
- CBA tools and systems in place | - M&E system strengthened | |
| 4. Engaged private sector and systems in place to attract private sector resources towards climate change goals | | - Mapping private sector gaps and opportunities  
- Facilitate private sector engagement | | |
Findings

• Climate Finance Readiness Challenges:
  – Mainstreaming climate into national plans and sectoral policies
  – Translation of plans and policies into investment opportunities
  – Coordination between different stakeholders
  – Enhancing public and private access to climate finance
  – Information management and M&E
Next Steps

• Approval of GCF Readiness Plans

• Start implementation of readiness activities in June

• Needs assessment missions to four new countries

• Coordination with GCF Secretariat
GCF Board decision on Readiness

Decision GCF/B.06/14 (February 2014) outlines provision of support to four high-priority readiness activities:

(a) Establishment of a national designated authority or focal point

(b) Development of strategic framework for engagement

(c) Selection of intermediaries or implementing entities

(d) Initial pipeline of program and project proposals
Guiding principles GCF Readiness

(a) Provided in a country-driven manner and promote country ownership as a core principle of the Fund;
(b) Purposeful and collaborative, aimed at building lasting institutional capacity within countries rather than relying excessively on external expertise and international institutions;
(c) Flexible to accommodate the diverse needs and characteristics of different countries;
(d) Iterative, continuously adapting and improving based on results and lessons learned;
(e) Coherent with and complementary to existing initiatives and sources of support;
(f) Inclusive of relevant stakeholders, considering both the public and private sectors;
(g) Gender-sensitive; and
(h) Transparent.