

GCF IN BRIEF

COMPLEMENTARITY AND COHERENCE



GREEN
CLIMATE
FUND

COP26
GLASGOW
2021



GCF AND OTHER CLIMATE FUNDS

GCF is committed to ensuring that our activities complement those of other funds, and that together we have a coherent approach to supporting the climate ambitions of developing countries.

Complementarity refers to synergies among the various climate funds' activities in similar sectors and themes (adaptation or mitigation), and even across regions of similar characteristics, with the aim of scaling up transformative actions. **Coherence** is about using country programming to seek alignment with Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs).

GCF works with the **Adaptation Fund (AF)**, the **Climate Investment Funds (CIF)**, and the **Global Environment Facility (GEF)** to maximise the impact of our activities.

HOW DO WE ACHIEVE COMPLEMENTARITY AND COHERENCE?

Scaling-up

GCF identifies opportunities to complement activities funded by other climate funds and increase impact by strengthening long-term country-driven planning and partnership with national designated authorities (NDAs) and GCF Accredited Entities. With a range of flexible financial instruments that respond to specific investment contexts and market barriers, GCF can increase funding and scale up projects and programmes. In effect, GCF collaborates with AF, CIF, and GEF to help countries access climate finance and enhance

climate resilience. GCF also acts as an accelerator through its ability to de-risk projects by expanding and attracting additional investments from both the private and public sectors, using a range of financing instruments: grants, loans, equity and guarantees.

Programming

GCF cooperates with other climate funds, sharing lessons learned to develop customised umbrella thematic programmes. GCF also builds the capacities of country actors so they can synchronise investments across various climate finance mechanisms. These help align country programming and leverage the existing business models and policies of other climate funds— including fast-tracking GCF accreditation of entities accredited to other funds.

Synergies

GCF projects can catalyse synergies through exchanges of experiences over mutually reinforcing projects. Such cross-learning allows GCF projects to replicate best practices and avoid mistakes of the past. This synergy allows projects to *do more with less* as it reduces transaction costs while promoting the full utilization of institutional knowledge and the structure/system built by others. These efforts are strengthened by the recently approved GCF's Integrated Results Management Framework which seeks to provide more consistent and compatible indicators with other climate finance mechanisms and national statistics systems.

BENEFITS OF COMPLEMENTARITY AND COHERENCE



Scaling up pilot projects using lessons learned



Optimising investments by building on collective experience



Aligning projects with developing country priorities



Protecting Bhutan's forests

GCF has joined the World Wildlife Fund (WWF), the Royal Government of Bhutan and other partners in the Bhutan for Life programme. This programme builds on the recommendations developed by the GEF evaluation of Bhutan's REDD+ program. The innovative financial structure helps Bhutan's goal to keep 60 percent of its area under forest cover through a network of forested Protected Areas. The funding is initially capitalised with a USD 43 million transition fund by donors, including GCF, combined with a contribution of USD 75 million by Bhutan's government over 14 years from 2018. This programme is helping Bhutan remain "carbon negative," as its forests sequester four times more than its annual emissions.i



Developing pathways towards a low-emission industrial sector

This programme is GCF's first at-scale investment for the industrial sector to promote uptake of low-carbon industrial technologies. It builds on a 'High Impact Loans' model initially tested through a USD 53 million project funded by CIF. Working with the European Bank for Reconstruction and Development (EBRD), the programme has been designed to facilitate a transformational shift within energy-intensive industries, agribusinesses, and the mining sector in Armenia, Jordan, Kazakhstan, Morocco, Serbia, Tunisia, and Uzbekistan. It introduces an innovative concessional financing mechanism to address barriers in accessing high-impact climate technologies, in addition to promoting sustainable corporate climate governance and management practices.



Strengthening Antigua and Barbuda's climate response

Through this project, GCF capitalises on a baseline investment financed by a USD 1.5 million-grant from the Adaptation Fund. The project will climate-proof critical public service and community buildings to improve resilience to, and recovery from, extreme climate events such as hurricanes. This includes upgrading existing infrastructures to withstand harsh and strong winds, decentralising power and water supplies, establishing evacuation shelters, and enhancing capacities of responders. This approach will shift the country's building sector away from reactive development — involving costly recovery actions after an extreme climate event — towards a more proactive approach in which buildings are adapted to withstand the increased frequency of high-intensity hurricanes.



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GCF and GEF are strengthening their partnership with a joint presence at COP26 in Glasgow.

The GCF-GEF co-hosted pavilion is located at **Hall 5-Pavilion 92** in the **Scottish Event Campus**.



<https://gcfatcop.com/>

CONTACT

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