he GIZ Climate Finance Readiness Programme, CF Ready, is a global programme with the objective of improving the conditions for the results-oriented, transformational and efficient use of climate finance. Established in late 2012, we implement the programme jointly with the KfW Development Bank in more than 15 developing countries. This brochure covers the GIZ part of CF Ready.

Financed by the German Federal Ministry for Economic Cooperation and Development (BMZ), we receive additional financial support from USAID and the Ministry of the Environment of the Czech Republic. In addition, GIZ serves as a delivery partner for the Green Climate Fund (GCF) Readiness and Preparatory Support Programme.

CF Ready is request-oriented and provides tailored support to its partner countries. At the same time, with the GCF being set up as a major conduit of climate finance and the Paris Agreement entering into force, the climate finance landscape continues to evolve. Our support has adapted to take account of these changes and our partners' needs. This publication aims to illustrate this evolution as well as the highlights and lessons learned.

BMZ establishes the Climate Finance Readiness Programme in December 012, implemented by GIZ and KfW. Initially ten partner countries and

the Caribbean region receive support,

SOUTH AFRICA

TAJIKISTAN

VIET NAM

followed by Cambodia. BANGLADESH | The Ministry of the Environment of the CARIBBEAN Czech Republic and USAID provide MOROCCO additional financial support to CF Ready NAMIBIA as of mid-2014.

**EARLY 2013** 

is established.

A roadmap to mobilise resources is agreed.

OCTOBER 2013

In order to improve understanding of | (WRI), is widely accessible for prospective applica mitigation and adaptation, CF Ready

Ready develops a methodological

nroach for assessing climate finance

diness. Planning missions resume

order to assess the support needs in

T00L \_\_\_\_\_

country needs in June 2013 and estab-

Climate Finance Reflection Tool

partner countries.

(CLIF Reflect)

the financing needs for climate change on the GCF website. implements capacity building measures on climate finance and the GCF. To provide a comprehensive, integrated approach to facilitate climate finance flows, the programme applies various GIZ tools (e.g. <u>Stocktaking for NAP tool</u>, Climate Proofing for Development) The Environmental and Social Safeguards (ESS) Trai-

finance issues. ning, developed with the WRI, strengthens instituti ESS capacities for GCF accreditation and has been the <u>no-objection procedure</u> and the The GCF NDA training (forthcoming) instructs natio-

LATE 2013

nal/ regional consultants in how to advise National Designated Authorities (NDAs) on the GCF and how to implement capacity building measures.

BANGLADESH MOROCCO TAJIKISTAN

national decision-making processes. Ready support identifies possible GCF NDA t institutions and the setting-up of effective national processes, including no-objection procedures and coordination mechanisms.

APPROACHES INCLUDE \_\_\_\_\_

Institutional stocktaking to inform

Process advice on establishing NDA

NDA project proposal review guide-

NDAs are nominated and operational

The Tajik NDA engages in regional

NDA selection process

procedures and mechanisms

lines for assessing projects

CF requirements and procedures require

African South-South exchange and

leadershin initiative with 7amhia

Five GIZ climate finance webinars

Series of short explanatory videos

on the GCF accreditation process

(forthcoming) to improve public

understanding of and engagement

with the Fund

(late 2017) to introduce in-

Uganda, Tanzania and Namibia in Paradigms - Unpacking Transformation

mid-2014 and 2015 | Climate Action. A Guidebook for Climate

FEBRUARY 2014

CF Ready's readiness work | Finance - Insights From GIZ Programs

tegrating climate change considerations in

lany stakeholders are new to concepts of

erefore CF Ready implements various

burgeoning variety of climate finance-related

Climate Policy Initiative (2015) <u>The Role of</u>

research to contribute to the dialogue on a

awareness-raising initiatives. It also conducts

nate finance and funds such as the GCF.

**EARLY 2014** 

blic financial management and sector planning a key component of climate finance. CF Ready rovides advice and support on integrating climate change into budgeting and planning processes.

APPROACHES INCLUDE \_\_\_\_\_

Inter-ministerial coordination formats

Tajikistan identifies a strategic framework for

climate finance in the agricultural sector.

Cambodian Ministries increasingly incorporate

climate change considerations into planning

and budget processes, including the use of

climate change cost-benefit analyses.

A <u>climate proofing manual</u> is developed for the

Climate-proofing training

MID 2014

many national institutions in developing ntries, gaining accreditation to directly ess the GCF is a key challenge. CF Ready esses this by providing support for natioidentification and assessment of potential idate entities as well as by directly supporting their applications to the Fund.

APPROACHES INCLUDE \_\_\_\_\_

Entity stocktaking and assessments Advice provision during the accreditation

Peruvian Ministries develop a <u>public budget</u> programme for sustainable urban transport the

incorporates a <u>price</u> for greenhouse gas 

Environment and the Viet Nam Development Bank submit their accreditation application

\_\_\_\_\_ the Grenada Development Bank with the development of policies and procedures

Management Council is <u>accredited</u> for the

BANGLADESH CARIBBEAN/GRENADA

cover the national financing gap for tigation and adaptation to climate

nange, it is necessary to consider a variety sources of funding, including public, private, national and international, as well s different financing mechanisms and truments. CF Ready supports partner countries in applying these considerations in their approaches.

Financing options decision

The Agency for Agricultural Development of Morocco (ADA) is <u>accredited</u>.

and Protected Areas (Profonance) applies for an upgrade of its <u>accreditation</u> status for

TANZANIA UGANDA VIET NAM **EARLY 2015** 

APPROACHES INCLUDE HIGHLIGHTS Financing options are developed for the

Tajik National Adaptation Strategy. Private sector consultations \_\_\_\_\_ The Ugandan Finance Ministry develops a Integration of low carbon | climate finance strategy. development into financing

mechanisms, such as The Peruvian Bank for Social Housing budget programmes and | promotes a <u>subsidy scheme</u> for great investment projects housing (in cooperation with the Fren Development Agency (AFD)).

> The Peruvian Agriculture Bank develops credit line for agroforestry systems as pa

CARIBBEAN TAJIKISTAN UGANDA

MOROCCO To facilitate the financing of adaptation SOUTH AFRICA | to climate change, support is provided TANZANIA for a participatory National Adaptation Plan (NAP) process.

NAP financing studies Cambodia officially adopts a <u>financing</u> Mainstreaming of adaptation <u>framework for the NAP.</u> NAP roadmap development | A Moroccan NAP roadmap is Vulnerability stocktaking Tanzania undertakes a comprehensive

Sector consultations Uganda adopts its Country Programme. Multi-criteria ranking
of project pipelines

In Viet Nam a country profile is being
developed based on GCF criteria to form the basis for a Country Programme.

GCF APPROVES FIRST INVESTMENTS

ey challenge for developing countries is development of successful, bankable ject and programme proposals for climate ange funds. CF Ready addresses this

APPROACHES INCLUDE \_\_\_\_\_ Training and coaching in proposal writing for climate funds

VIET NAM

Guidebook for accredited entity cooperation

with executing entities Guidebook for GCF funding proposal de-

submits a project proposal to the African Climate Change Fund of the African De-

LATE 2015

APPROACHES INCLUDE HIGHLIGHTS —

VIET NAM

BANGLADESH VOICE SALES MOROCCO A draft concept note and pre-feasibility TANZANIA study for a risk sharing facility is developed UGANDA for Viet Nam's biomass energy sector.

are at the heart of the supported GCF Country

Programmes. They also facilitate coordina-

building of various institutions.

tion, stakeholder management and capacity

tifying and prioritising climate change cts and programmes to be submitted e GCF and strategically creating an hling environment for their development

APPROACHES INCLUDE HIGHLIGHTS

High-level engagement to access the GCF.

Private sector engagement on

financing the NAP

for selected private sector The Bangladeshi NDA hosts a workshop on

private sector and civil society organisations

workshop with the private sector

An <u>investor forum</u> is held in Viet Nam

generation from biomass | projects of sugar mills to banks for funding

BANGLADESH

CARIBBEAN

SOUTH AFRICA

VIET NAM

Mobilisation of private sector to present pre-feasibility studies of bio-

investments in renewable energy mass-based combined heat and power

entities | opportunities, options and challenges for

Capacity development training

The Georgian NDA sets up a o

ublic funding alone will not suffice

address the climate challenge.

d implementation is key, and an

important element of CF Ready's work.

gaging the private sector in financing

preparation of Country Programmes 3 | Support for accreditation and accredited direct access entities

2 | Strategic frameworks, including the

or project proposal the GCF Readiness and Preparatory Support

4 | Adaptation planning

in the prescribed readiness areas:

1 | Establishing and strengthening

NDAs or focal points

management is set up in Bangladesh. Programme, and can assist partner countries

INSIGHTS AND LESSONS LEARNED The tonic of climate finance gained increasing atten tion in the climate and development communities at

the 2009 Copenhagen climate summit not least due to the establishment of the GCF, now the largest dedicated multilateral climate change fund. In response, CF Ready was established and has assisted its partner countries in planning, accessing and managing climate finance since late 2012. Initially, we dealt with questions such as how to operationalise the concept of transformation for climate action. reflections about roles of new actors like NDAs, and awareness-raising to establish a common knowledge base for informed discussions on climate finance at national level.

FURTHER READING ON CF READY

consult our website

Now, five years later, with the Paris Agreement entering into force, the focus of our work is shifting towards supporting implementation of Nationally Determined Contributions — e.a. with the Guidebook: Developing Green Climate Fund Funding Proposals and the upcoming Climate Finance Training for sector

experts (CliFit for sectors). Over the years, our partner countries had many great achievements. At the same time CF Ready also learned many lessons, which we would like to share with you. Please find a list of our key publications, reflecting these lessons. For further reading, please

https://www.giz.de/expertise/html/19694.html or get in touch via cf-ready@giz.de!

**NEEDS ASSESSMENTS** GIZ (2013) <u>Assessing needs for climate finance readiness – The Climate</u>

CAPACITY BUILDING Adelphi (2014) Climate Finance Readiness Training (Clifit) GENERAL RESEARCH Wuppertal Institute (2014) Shifting Paradigms - Unpacking Transformation for Climate Action. A Guidebook for Climate Finance & Development <u>Practitioners</u> <u>CPI (2015) The Role of Technical Assistance in Mobilizing Climate Finance</u> <u>– Insights From GIZ Programs</u>

GCF NATIONAL DESIGNATED GIZ (forthcoming) GCF NDA Training AUTHORITIES

GCF NATIONAL ACCREDITED GIZ (2015) A winding road – Preparing national institutions for access ENTITIES to the GCF

KEY PUBLICATIONS, TOOLS AND TRAININGS

<u> Finance Reflection Tool - CliF Reflect</u>

WRI (2015) The Environmental and Social Safeguards (ESS) Training GIZ (2016) Enabling Access to the Funds: Profonanpe's Adaptation

Fund & Green Climate Fund Accreditation Experience MAINSTREAMING OF GIZ (2017) Political economy – the biggest stumbling block for national

GIZ (2015) GCF Accreditation Self-Assessment Tool

CLIMATE CHANGE <u>climate finance?</u> GIZ (2015) Ready for Climate Finance - GIZ's approach for making climate

STRATEGIES, MECHANISMS finance work: Building on climate expertise and good financial governance AND INSTRUMENTS

<u>GIZ (2017) The Potential of Green Bonds – A Climate Finance Instrument</u>

for the Implementation of Nationally Determined Contributions? **DEVELOPING PROJECTS** GIZ (2017) Guidebook: Developing Green Climate Fund Funding Proposals

PRIVATE SECTOR GIZ (2014) Tackling climate change at scale: Mobilising private sector **ENGAGEMENT** investments through technical assistance - GIZ's experiences and lessons <u>learned</u>

ECN (2016) Taking care of business: the role of National Designated

<u>Authorities in engaging the private sector in the Green Climate Fund.</u>



DECEMBER 2010



DECEMBER 2011 COP15 Copenhagen mentions the »Copenhagen COP 17 Durban adopts the governing

OCTOBER 2012 COP16 Cancun: The Green Climate Fund (GCF)

The Republic of Korea is selected to is formally established within the UNFCCC host the Fund.

OPERATIONALISATION

ahead, as its business model framework

Secretariat to issue an invitation to

JUNE 2013

With its role defined in the governing instrument, the Board requests the developing countries to nominate an NDA.

NDA'S AS NATIONAL POINT OF CONTACT

GCF READINESS AND PREPARATORY SUPPORT PROGRAMME FUNDING

APRIL 2014

A detailed work programme on readiness GCF readiness support resumes, in is conceptualised and resources allocated. collaboration with delivery partners. Berlin, USD 9.3 billion are pledged.

TAJIKISTAN

TANZANIA

Additional pledges up to a total of USI 10.19 billion are made during COP 20.

NOVEMBER 2014

NOVEMBER 2014

system for national and international

ACCREDITATION TO ACCESS

MARCH 2015

approved by the GCF Board. GCF expands the network of AEs, reaching a total of

FIRST ACCREDITATION OF ENTITIES

stocktaking of vulnerabilities, gaps and

The Fund assesses first project proposals, and approves the first eight investments before the Paris climate summit.

PARIS AGREEMENT

NOVEMBER 2015

COP 21 Paris: The landmark international climate agreement is passed, with the GCF as dedicated operating entity of its financial

The adoption of the Strategic Plan also links the GCF to the Paris Agreement and reconfirms the importance of the GCF Readiness Programme.

GCF STRATEGIC PLAN

MARCH 2016

FULL OPERATION

OCTOBER 2017

In full operation, the GCF has Readiness activities in 88 countries, accredited 59 entities and approved 54 projects and programmes with a total funding of USD

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