



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

The GEF and Climate Change

Catalyzing Transformation



Introduction

Although the COVID-19 pandemic briefly slowed down travel and activity around the world, the greenhouse gas (GHG) emissions that drive climate change are at their highest levels ever registered. This is an unprecedented crisis that continues to grow. Extreme climate change effects are already impacting every region on Earth. Without concerted action at a much larger scale, these impacts are on track to worsen.

According to scientists from the Intergovernmental Panel on Climate Change, the world is on track to reach or exceed 1.5°C of warming within the next two decades—much earlier than governments and business leaders have been planning for. At the current pace, even with implementation of the Paris Agreement commitments on emissions cuts, the entire “global carbon budget” that could keep warming within safe levels would be consumed before 2030.

The actions the world takes this decade will determine whether we prevent more severe climate impacts, or whether we open the door to irreversible damage at a devastating scale. The risks are highest for developing countries, which are more vulnerable to devastation and disruption. Ensuring adequate financial flows, investments, and innovation to increase the resilience of low-income and low-lying countries is critical.

The Global Environment Facility (GEF) is the largest and most experienced multilateral fund dedicated to addressing climate change and threats to nature around the world. The two climate change adaptation funds it manages—the Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF)—are uniquely focused on helping vulnerable countries prepare for and cope with the impacts of a warming planet.

Over the coming four years, the GEF will be deploying funds from a record replenishment to enable developing countries to invest in climate change mitigation and adaptation, alongside other environmental challenges.

The GEF and its partners will work in an integrated way to address land degradation, improve chemical and waste management, support sustainable forests, fight biodiversity loss, and ease pressures on the ocean, while supporting nature-based solutions that can slow and reduce the impacts of climate change. Over the next four years, the GEF will also seek to catalyze additional public and private finance and to scale up needed climate investment and help ease other pressures on our planet.

This publication presents the range of the GEF’s work in climate change mitigation and adaptation, including efforts to support clean energy, healthy oceans, and sustainable cities, food, and forests. It also provides an overview of GEF investments in climate resilience for the most vulnerable people and countries, in nature-based solutions, and in transparency and reporting, in partnership with the private sector. Please contact us for more information about efforts to finance and scale climate change solutions in support of a carbon-neutral, nature-positive, pollution-free, and climate-resilient future.

From Science to Action

The latest science is unequivocal in linking human-induced carbon emissions to climate change. Indeed, scientists are observing changes in the Earth's climate in every part of the globe. Some of these trends, such as the increase in sea levels, may have already crossed tipping points that will make them irreversible. Furthermore, the rapid decline of biodiversity and forest cover linked to the climate crisis has already turned ecosystems in many regions from carbon sinks into net carbon emitters.

The Sixth Assessment Report of the Intergovernmental Panel on Climate Change shows the world is likely to exceed the 1.5°C global warming threshold over pre-industrial levels in the next 20 years. It points to growing evidence of observed changes in extremes such as heatwaves, heavy precipitation, droughts, and tropical cyclones. There is also evidence that climate change has reduced food and water security. For the Least Developed Countries (LDCs) and Small Island Developing States (SIDS), climate change is causing multiple hazards affecting livelihoods, food security, and health. They are more susceptible than other countries to weather and other shocks to their agriculture, industry, and tourism sectors, causing wide effects. Economic pressures from inflation and supply chain crises have exacerbated pressures, adding further stress to developing countries' ability to reverse such trends.

Deep transformations are needed to change this picture, including in the way we generate and consume energy and food, use land, and move people and goods. Yet the national climate plans submitted to date under the Paris Agreement are estimated to lead to increases in carbon emissions of 13 percent by 2030 over 2010 levels, instead of the 45 percent reduction required for the 1.5°C goal.

To put the world on the path to carbon neutrality by 2050, we urgently need to pivot toward zero emissions. In the global power sector, this will mean increasing penetration of renewable energy sixfold by 2030 and phasing out coal-fired power five times faster than the current reduction rate. Dramatic decarbonization is also needed in the built environment, including infrastructure and construction. The rate of adoption of electric vehicles will need to increase 12 times compared to current global sales rates by 2030. Tree cover gains will need to increase five times while deforestation must come to a complete halt by 2030. At the same time, adapting to climate change will require scaled-up solutions across multiple sectors. Building resilience will require efforts spanning value chains and diverse geographies, including innovative adaptation technologies, nature-based solutions, and robust climate information services related to food, water, and health. Ensuring these products and services reach the right people and create sustainable jobs will also require inclusive, locally led efforts and strong partnerships with the private sector.

The GEF will be focused in its eighth funding cycle on supporting these shifts and enabling countries and civil society to move from planning to action when it comes to climate change. The GEF has the ability to deploy resources where they can be most transformational and to partner with diverse stakeholders, including governments, businesses, communities, and researchers. It remains committed to being a partner of choice as the world seeks to close the Paris Agreement ambition gap.

GEF-8: Supporting Transformational Climate Action

In June 2022, 29 countries jointly pledged more than \$5.33 billion for the GEF's eighth funding cycle. This represented the largest replenishment to date, and an increase of 30 percent over the past four-year period. The new strategy recognizes that environmental problems are deeply interconnected and that climate change, land degradation, and biodiversity loss are crises that must be addressed together. That means that conservation and nature-based solutions need to be integral to efforts to decarbonize the global economy.

Achieving net-zero emissions by mid-century, while also delivering on the most pressing climate adaptation and resilience needs, will require a whole-of-society strategy. Ensuring policy coherence is an essential part of this, enabling initiatives related to agriculture, energy, waste, and more to pull in the same direction. Responding to the political momentum generated by COP26 in Glasgow, many countries have adopted net-zero targets and incorporated them into law, policy, or political pledges. More governments will now need to roll out coherent mid- and long-term strategies and support investments that align with the Paris Agreement goals.

The GEF-8 climate change strategy aims to enable developing countries to shift toward net-zero GHG emissions and climate-resilient development. It is focused on both focal area investments and integrated programs. Under the Climate Change Focal Area umbrella, GEF projects will promote innovation, technology development and transfer, and enabling policies for climate mitigation.

Through the integrated programs, the GEF will direct resources to tackle broad drivers of environmental degradation related to sustainable cities, food systems, conservation of intact forests, and ecosystem restoration, among other topics. A new program, the *Net-Zero Nature Positive Accelerator*, will enable countries to raise their climate action ambition and accelerate the shift to nature-positive, net-zero pathways with investments in nature and new technologies.

GEF's two climate adaptation funds, the SCCF and LDCF, are poised to significantly increase support for urgent and immediate adaptation priorities in the coming years. The GEF-8 Programming Strategy for Climate Change Adaptation aims to dramatically scale up resilience in developing countries in support of the Paris Agreement's global goal on adaptation. The strategy supports priority themes, including agriculture, food security, health, water, nature-based solutions, and early warning and climate information systems.

The two funds also put a strong focus on building resilience at the systems level, including through technical, social, and political interventions. In the GEF-8 period, each LDC will have \$20 million for country project support from the LDCF, doubling the amount from the previous four years. The SCCF includes a dedicated program for SIDS, giving each \$3 million to \$6.5 million for country project support for the first time. All recipient countries will also have access to support to facilitate climate adaptation technology transfer, innovation, and private sector engagement.



Sustainable Cities

Cities consume over two-thirds of the global energy supply, and account for over 70 percent of global GHG emissions. Urban sprawl, unplanned expansion, and unsustainable energy and resource consumption related to transportation, construction, industry, and waste are all drivers of carbon emissions and nature loss in cities. These pressures are expected to increase as more people move to cities in the coming years, leading to more large-scale investments in infrastructure and services. There is significant potential and opportunity from shaping these investments and urban plans and steering them toward a net-zero and climate-resilient growth pathway.

The GEF is pursuing these areas through UrbanShift, its Sustainable Cities Program. The program addresses the drivers of environmental degradation in an integrated way, aiming to catalyze sustainable urban transformation. It is supporting improved land-use planning, decarbonizing urban infrastructure, scaling up nature-based solutions, and adopting circular economy approaches. The program also aims to create enabling conditions for sustainability with stronger urban governance, innovative financing, global partnerships, and private sector engagement. The program has to date provided nearly \$310 million in grant funding for innovative investments in more than 50 cities across 17 countries. It has also established a global platform that is creating knowledge and facilitating city-to-city learning across Africa, Asia, and Latin America.

The Sustainable Cities Program is implemented through several GEF Agencies—UN Environment Programme, the World Bank, the African Development Bank, the Inter-American Development Bank, the Asian Development Bank, the UN Development Programme, the UN Industrial Development Organization, and the Development Bank of South Africa. It also directly engages networks and institutions, including C40 Cities, Local Governments for Sustainability, and the World Resources Institute. Furthermore, it works with other organizations including World Business Council for Sustainable Development, World Economic Forum, European Space Agency, and Cities Climate Finance Leadership Alliance. City authorities and national urban ministries are the key executing partners in most Sustainable Cities Program projects. The program's initiatives are expected to reduce nearly 280 metric tons of GHG emissions, improve the management of 1 million hectares of land, and increase climate resilience of 58 million people. During the current funding cycle, GEF-8, the program will provide an additional grant of more than \$190 million to cities for their actions to tackle climate change and nature loss and build net-zero, nature-positive, resilient, and inclusive cities. Through the GEF's two dedicated adaptation funds—LDCF and SCCF—GEF is also supporting cities to become more climate resilient through investments in climate adaptation planning, climate-resilient urban infrastructure, capacity building, and investment in nature-based solutions. To date, the LDCF and SCCF together have provided more than \$150 million in grant funding for projects that include a focus on urban resilience.

Advancing the Energy Transition

Advancing the energy transition, through the transformation of the global energy sector from fossil-based to zero-carbon, is critically important for meeting the goals of the Paris Agreement and reaching net zero by mid-century. The energy system, including transport, represents nearly three-quarters of the world's GHG emissions. Therefore, effective decarbonization will need to include aggressive efficiency measures, massive expansion of renewable energy, electrification of end-use sectors, replacement of fossil fuels with zero-emission alternatives and a shift to low-carbon materials and circular economy approaches.

The GEF seeks to support interventions to advance the energy transitions that have clear potential for replication and scaling up, and that complement other financial sources, including the private sector. It is focused on promoting innovation, technology development and transfer, and enabling policies for mitigation options in three key areas: decarbonized power systems, zero-emission mobility of people and goods, and efficient use of energy and materials.

Decarbonized power systems. The clean energy market has seen rapid progress throughout the last decade. However, the annual growth rate of renewables in the electricity generation mix would have to increase fivefold by 2030 and to triple between 2030 and 2050 to meet the Paris Agreement goals. The GEF Africa Minigrids Program supports 21 African countries on overcoming policy, technology, and financing barriers to ensure clean minigrids can compete against carbon-intensive alternatives. GEF-8 will continue to invest in energy access, while also supporting smart grids and demand-side management, including advanced metering infrastructure, energy storage, and grid modernization to enable the scaled-up integration of renewable energy.

Zero-emission mobility of people and goods. Transport is the fastest-growing GHG emitting sector, demanding a rapid and deep decarbonization toward zero emissions by 2050. It is estimated that in road transport 85% of reductions will need to come from efficiency and electrification. Still, regulatory, technical, and financial barriers to adoption of zero-emission mobility remain substantial. The GEF-7 Global E-Mobility Program supports introduction of electric mobility in 27 countries through de-risking pilot investments, building local capacity, promoting development of standards and integrating renewable energy. GEF-8 will continue to build on the GEF-7 program, and look to onboard new countries.

Efficient use of energy and materials. The built environment accounts for 38 percent of global energy use and carbon emissions. Alignment to the Paris Agreement goals requires all new buildings to be net zero on operational emissions and to reduce embodied carbon by 40 to 50 percent by 2030. Building on a successful partnership with Sustainable Energy for All, the GEF's Building Efficiency Accelerator has supported 26 cities in 14 countries in adopting and/or implementing low GHG emission development policies across subsectors, including buildings, district heating and cooling, energy management in industry, equipment, and appliances. GEF-8 will continue to assist this vital agenda, supporting a new generation of energy efficiency policies and green building codes in line with ambitious Nationally Determined Contributions and long-term decarbonization plans.

Over the 4-year GEF-7 cycle, the GEF approved over \$465 million and leveraged about \$6 billion in co-financing to advance the energy transition.

Food, Agriculture, and Forests

The agriculture, forestry, and other land-use sectors account for a quarter of global GHG emissions, making them essential to global climate goals. To meet the growing and changing demand for nutritious food and fiber, farmers will need to increase agricultural production by at least 50 percent. At the same time, climate change will continue to have serious and unequal impacts on food systems, increasing pressure on ecosystems and food insecurity. How the world's food systems and land use evolve over the coming decades will therefore have major implications for the health of the planet and humanity.

The GEF's Food Systems, Land Use and Restoration (FOLUR) Impact Program, which received funding in both GEF-6 and GEF-7, is now in full implementation. The largest of the GEF-7 programs, it promotes a holistic approach and supports countries in reconciling competing social, economic, and environmental objectives in land uses. Covering 27 countries, it promotes sustainable food systems to tackle negative externalities in entire value chains, combating deforestation and supporting degraded landscapes. The FOLUR Impact Program is building a coalition that will engage key global stakeholders in the major food systems and supply chains, including existing partnerships, to work collectively with countries toward achieving sustainability. The GEF is investing approximately \$340 million in grant resources in this program, leveraging close to \$3 billion in co-financing to contribute toward restoration of 1.7 million hectares of lands; the improvement of management practices in 26 million hectares of landscapes; and the mitigation of an expected 500 metric tons of carbon dioxide-equivalent (CO₂ eq) emissions.

By directly protecting forests, the GEF is also harnessing their climate mitigation potential. The GEF Sustainable Forest Management Impact Program focuses on globally important biomes such as the Amazon and the Congo Basin, and selected dryland ecoregions. This program includes 25 countries and seeks to avoid further degradation and deforestation through conservation of forests and sustainable management of landscapes. The novelty of the program resides in its aim to maintain the ecological integrity of entire biomes by concentrating efforts, focus, and investments, as well as ensuring strong regional cross-border coordination. The GEF is investing approximately \$270 million in this program and leverages around \$1.5 billion for the sustainable management of 120 million hectares of landscapes; the restoration of 1 million hectares of lands; and the mitigation of an expected 260 million metric tons of CO₂ eq emissions.

The new GEF-8 cycle beginning in July 2022 continues to strongly support forests and food systems through three new Integrated Programs (IP): (i) the Food Systems IP, endowed with \$252 million to expand the targeted geographies and the scope of food products; (ii) the Amazon, Congo, and Critical Forest Biomes IP, endowed with \$357 million to promote conservation of the most important primary forests at global level; and (iii) the Ecosystem Restoration IP, endowed with \$117 million to generate multiple environmental and socioeconomic benefits by restoring degraded landscapes. Outside these IPs, GEF-8 also provides the possibility for countries to support nature-based solutions with high climate mitigation potential.

Oceans and Climate Change

The ocean is vital to economic development and human well-being and essential in stabilizing the global climate, while providing many other key services. Marine and coastal ecosystems sustain fisheries and tourism, sequester carbon, filter run-off waters, and provide biodiversity hotspots. Mangroves, saltmarshes, and seagrasses store five times more carbon than tropical forests. Together with coral reefs, these ecosystems also provide critical buffers against flooding and high winds from increasingly frequent storms due to climate change. Yet, as “The Ocean and the Cryosphere in a Changing Climate” report points out, these ecosystems are increasingly threatened by climate change and ocean acidification, as well as by unsustainable fishing, pollution, and habitat degradation.

Supporting countries’ adaptation to changing oceans is a critical part of the new GEF-8 strategy that was officially launched in July 2022. Through the International Waters (IW) Focal Area, this includes integrating the latest understanding of climate change impacts into existing and new cooperative management frameworks for transboundary marine areas, including large marine ecosystems, regional seas, and regional management bodies. It also supports advancing national blue economy planning and implementation and sustainable fisheries management.

The IW strategy additionally addresses sustainable management in Areas Beyond National Jurisdiction. The GEF-8 strategy also includes specific investments aimed at supporting SIDS and addressing hypoxia from industrial coastal pollution using nature-based solutions. Compared to previous funding cycles, GEF-8 has the largest-ever allocation of support toward conserving the oceans. In addition to the IW Focal Area, GEF-8 also offers countries the ability to target mitigation outcomes from management of coastal areas, such as marshlands and mangroves, through the nature-based solution window of the Climate Change Focal Area.

The GEF supports the formulation of national climate-change-informed marine spatial plans to inform priority setting, decision making and implementation of long-term strategic priorities. Such priority setting supports establishment of marine protected areas that protect and restore mangroves, saltmarshes, and seagrass beds. For instance, the GEF is a founding member of the Blue Nature Alliance, which aims to catalyze the effective conservation of at least 1.25 billion hectares of ocean, safeguard global ocean biodiversity, build resilience to climate change, and enhance ecosystem connectivity and function.

Countries’ increasing commitment to investing in a blue economy—prioritizing the sustainable use of ocean resources for economic growth and jobs, while preserving the health of marine ecosystems—is extremely important for climate change. The GEF invests in projects to accelerate joint action to support sustainable blue economies and bring ocean ecosystems under balanced use. In a new project, the GEF will assist 14 Pacific Island Countries to build ocean health for ocean wealth. This includes resilience to climate change through development and implementation of marine spatial plans to protect, restore, and manage blue carbon resources, and investments in soft engineering approaches to coastal adaptation through the principle of *Building with Nature*.

Most coral reef systems across the planet have lost between 50-80 percent of their coral cover in the last 50 years. A new GEF investment focuses on safeguarding coral reefs substantially lower exposure to climate change stress. Most of these “climate refuge reefs” are found in seven countries. The project will work with these countries to support coordinated monitoring and planning focused on rescuing and protecting these globally significant reefs. These can act as source reefs from which other coral systems across the planet can regenerate in the future (under the assumption that climate conditions will stabilize later in the century).

Enhancing Climate Resilience

The GEF Secretariat hosts two funds exclusively dedicated to climate change adaptation, the LDCF and the SCCF. Together, they have provided \$2 billion in grant finance to many of the world's most vulnerable developing countries, including all LDCs and several SIDS. These funds have directly benefited more than 61 million people to date.

Over the 2022-2026 period, the LDCF and SCCF will focus on the following themes for enhancing resilience: agriculture, food security, and health; water; nature-based solutions; and early warning and climate information systems. Policy coherence and strengthened governance are additional key transformation levers. These trust funds will also support climate-resilient infrastructure, sustainable alternative livelihoods, ecosystem restoration, disaster risk management, and other priority adaptation areas, tailored to countries' particular contexts. Gender and a whole-of-society approach are important cross-cutting themes.

The LDCF focuses on the adaptation needs of LDCs. An innovation for the 2022-2026 period is the targeting of two funding windows under the SCCF, one focused on the adaptation needs of non-LDC SIDS (window A) and the other on technology transfer, private sector engagement, and innovation (window B) for all developing countries. The latter window supports, among other activities, the GEF Challenge Program for Adaptation Innovation, which aims to identify and test models of innovation and private sector action for climate adaptation.

The Challenge Program has demonstrated strong potential to catalyze innovation and private sector investment in climate change adaptation by identifying and testing investment approaches, business models, and technologies.

Through two Calls for Concepts so far, in 2019 and 2021, respectively, this program has also demonstrated a strong potential for generating ambitious adaptation impacts through non-traditional partnerships and innovative approaches. As one innovative element of this program, any proponent—not only GEF Agencies—can submit project concepts, which enables the GEF to attract and directly engage with leading sources of climate adaptation innovation. The GEF-8 Programming Strategy for Climate Change Adaptation calls for a significant expansion of this Challenge Program during 2022 to 2026.

Also new for 2022-2026 is the creation of three dedicated programs under the LDCF and SCCF, focused on communications and visibility enhancement; outreach and capacity support for LDC and SIDS planning and programming; and organizational learning and coordination. Each dedicated program will provide targeted support to countries and the stakeholders. They are expected to provide continuous and complementary support to project development and implementation.

Over 2022-2026, as part of the effort to achieve the Paris Agreement's global goal on adaptation, the GEF is emphasizing partnership-based approaches at various levels to scale up support. Such efforts include developing major initiatives in LDCs and supporting joint national investment planning with the Green Climate Fund (GCF), exploring collaborative opportunities with other funds and initiatives, and building a portfolio of LDCF projects on nature-based solutions that catalyze support from the International Development Association (IDA 20) with the World Bank.

Private Sector Engagement

Transforming the world's economies, cities, and land-use practices toward low-carbon and resilient pathways will require large-scale changes in global financial flows. The overall volume of relevant financing is in the order of trillions of dollars per year, which points to the need to mobilize and engage the private sector throughout the GEF portfolio. To that aim, it is critical that scarce public resources are deployed in a way that helps catalyze a larger share of private financing flows.

Historically, the GEF has engaged with the private sector by: (i) improving policy frameworks to de-risk and attract low-carbon investments at scale; (ii) supporting technology innovation, demonstration, and transfer; and (iii) at transaction level, providing concessional funds through blended finance structures that further mobilize private sector finance. The expansion of private sector engagement with GEF projects recognizes the key role of the private sector as an agent for market transformation.

To further enhance the GEF's work with the private sector, the Private Sector Advisory Group was established to provide strategic guidance to the Private Sector Engagement Strategy. This group has evolved into a broader private sector network, comprised of representatives from key industries spanning global value chains. This enables the network to exchange insights and provide guidance across the GEF portfolio, including climate change.

Additionally, the blended finance window seeks to de-risk private sector investment in areas that are not yet commercially viable. It also aims to innovate through creation of financial structures and products that could benefit climate change and other environmental priorities at scale.

Most blended finance projects related to climate change mitigation were selected for their potential to reach scale and accelerate the path toward net-zero emissions. Some of the novel investment platforms include risk-sharing mechanisms to support sustainable tourism, co-investment platforms with private sector funds for off-grid investments in Africa, and partial credit guarantees to green bonds addressing land degradation in Latin America and the Caribbean. In these examples and others, the use of non-grant instruments has helped create the adequate risk-return profile for the private sector to co-invest with the GEF. The average co-financing ratio in GEF-7 (2018-2022) under this dedicated window was 1:19, which is more than two times higher than the average in the GEF portfolio. Two-thirds of these funds were generated exclusively from the private sector.

The GEF-8 Programming Strategy for Climate Change Adaptation has a strong focus on strengthening private sector engagement in climate adaptation action, including through the GEF Challenge Program for Adaptation Innovation. Opportunities outlined in this strategy for the 2022-2026 period include efforts to support incubation and acceleration for small and medium enterprises; technology transfer; expansion of investment facilities for climate adaptation businesses; inclusive access to microfinance; and improving the enabling conditions for private sector action. Recognizing the importance of accessible finance and private sector transitions to climate adaptation and resilience, GEF-8 will emphasize the blending of concessional finance to share risk and catalyze commercial investment.

Transparency and Reporting

Transparency is the foundation for the Paris Agreement and a precondition to raising climate ambition. Transparency is essential to inform each country's contribution to the Paris Agreement and helps build collective trust by holding countries accountable for their actions and obligations. As part of the Paris Agreement, Parties agreed to an Enhanced Transparency Framework (ETF). This framework makes it possible to track each country's progress, as described in the Biennial Transparency reports (BTRs), against their plans and ambitions as described in their Nationally Determined Contributions (NDCs). The GEF has been entrusted to build countries' capacity to monitor and report progress toward NDCs, and to support countries in their preparation of BTRs.

Capacity-building Initiative for Transparency (CBIT). At COP 21, Parties requested that the GEF support establishment and operation of the CBIT, both pre- and post-2020, as a priority need for reporting. As of October 2022, the CBIT had invested \$144.7 million to support 82 countries in all regions, and five global projects. National CBIT projects are addressing priority national needs, including developing methods and arrangements for transparency of NDCs, adaptation actions, and climate finance; strengthening institutional arrangements; supporting monitoring, reporting, and verification systems, and improving GHG inventories; and capacity building, knowledge-sharing, and training on transparency. CBIT support is available to all GEF-eligible countries upon request. The GEF has approved all CBIT requests received to date, upon technical clearance.

In GEF-8 (2022-2026), the set-aside for CBIT has increased by 36.4 percent compared to GEF-7. This increase reflects the additional costs developing countries will face for operationalization of the ETF under the Paris Agreement.

In GEF-8, the Secretariat expects to support developing countries that have not yet accessed CBIT resources, as well as developing countries with additional capacity needs requesting a second phase for CBIT projects.

BTRs. At COP24 in 2018, the GEF was requested to support developing country Parties in preparing their BTRs. In response, the GEF organized consultations to discuss different modalities and support in 2020 and rolled out BTR support in February 2021. This early roll-out provided sufficient lead time for Parties to meet the submission deadline of December 2024. Response from countries has been robust. As of October 2022, the GEF has already approved support for 48 countries for their first BTR preparations. In GEF-8, expedited support continues to be available along with multiple modalities that provide flexible options for developing first and subsequent BTRs. Countries can access resources for the BTR preparation at full cost, from the Climate Change Focal Area set-aside resources. In GEF-8, the set-aside for enabling activities has increased by 31.8 percent compared to GEF-7.

Other enabling activities. Since its inception, the GEF has also supported preparation of over 521 National Communications, 207 Biennial Update Reports, 102 Technology Needs Assessments, and 49 BTRs. In total, the GEF has provided over \$590 million for enabling activities. As countries transition to the ETF, the GEF will tailor its support to enable countries to meet the changing requirements. The LDCF has supported preparation for National Adaptation Programmes of Action in 51 countries and the National Adaptation Plan process in LDCs.

The GEF in Context

The GEF plays an active and catalytic role in the global climate finance landscape. It is one of the financial mechanisms for the UN Framework Convention on Climate Change and the Paris Agreement, alongside the GCF and the GEF-managed LDCF and the SCCF. Since 2018, the GEF and GCF have been working closely together to enhance synergies and coordination with regard to climate financing, in line with COP guidance on the importance of complementarity.

Building on such efforts, the GEF and the GCF launched a Long-Term Vision on Complementarity, Coherence, and Collaboration (LTV) in 2021. The LTV covers the GCF, GEF, LDCF, and SCCF, and defines specific areas of cooperation where complementarity of action might be efficient and effective. It also identifies possible modalities to generate long-lasting mitigation and adaptation outcomes.

In 2022, the GCF and GEF announced complementary support for the new phase of the Great Green Wall Initiative. Discussions on collaboration around additional major initiatives are ongoing, with more expected to be launched in 2023. The LTV and collaboration with the GCF have been integrated and mainstreamed into the LDCF/SCCF Programming Strategy, as well as the GEF Trust Fund Programming Directions. As the GCF embarks on its second replenishment, reciprocal approaches are projected, as agreed in the LTV.

The GCF and GEF are also collaborating through the Taskforce on Access to Climate Finance, notably with the recent discussions to support the GEF-GCF joint national investment planning efforts in five pioneer countries of the Taskforce. This work is expected to be launched at COP27.

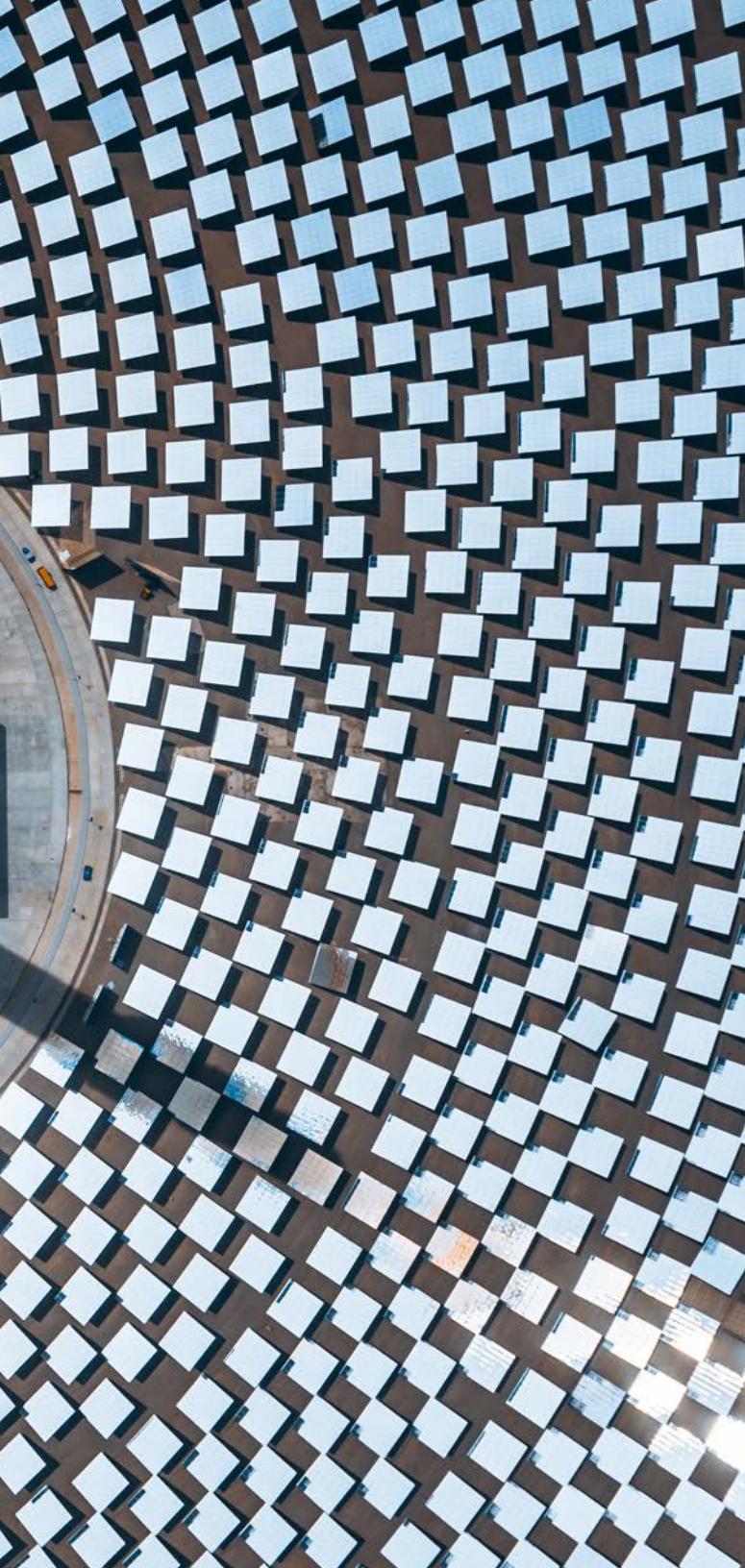
Furthermore, the two institutions have started to commission an independent, in-depth analysis of policies and processes of the GEF and GCF, focusing on the project cycle and requirements. This analysis is expected to generate suggestions for streamlining and potential harmonization to enhance access by countries. The GCF and GEF have also joined forces on outreach efforts, with a joint Pavilion launched at COP25 in Madrid, continued at COP26 in Glasgow and COP27 in Sharm El Sheikh, with several joint GCF-GEF events. The two institutions will continue to work to provide support in line with each fund's strengths.

In addition, collaboration with the Adaptation Fund (AF) has continued, including the GEF Secretariat's co-review of AF proposals and consultations on themes of mutual interest. It has also engaged AF in major GEF meetings, including as an observer in the LDCF/SCCF Programming Strategy negotiations along with the GCF. Collaboration has also continued among climate funds including the Climate Investment Funds (CIF) and the AF, facilitated by the annual dialogue of climate funds and relevant work on results frameworks and indicators.

The GEF in Action

- More than **\$7.6 billion in mitigation finance** programmed jointly with **\$60.6 billion** from other partners contributing to over **9.5 billion metric tons of CO₂ eq** of expected GHG emission reductions.
- **More than \$2 billion** in adaptation finance to reduce the vulnerability of more than **61 million people** in more than **130 countries**.
- **All 47 Least Developed Countries** successfully accessed LDCF support for priority adaptation support in the GEF-7 period, **leaving no LDCs behind**, reaching over 99 percent utilization rate for LDCF resources for national projects.
- More than **\$2.7 billion for 541 renewable energy and energy efficiency projects**, contributing to **520 million metric tons of CO₂ eq** of reduction.
- **More than 50 cities** supported to adopt integrated approaches to reduce GHG emissions and become climate resilient through a grant of **more than \$310 million and co-finance of \$3.5 billion**.
- **640 projects** supporting sustainable forest management.
- Over **180 million hectares** under sustainable land management, benefiting more than **90 million smallholders**.
- Protecting carbon sinks and biodiversity in over **4,000 protected areas** covering **2,500 million hectares**.
- Over **650 projects with private sector co-financing**, more than 141 of which included equity, loans or risk-mitigation instruments, leveraging an average **co-financing ratio of 1:9**.
- Over **\$590 million in enabling activities**, including support for **207 Biennial Update Reports, 49 Biennial Transparency Reports, and 521 National Communications**.
- Support to **82 countries** to build institutional and technical capacity for enhanced transparency with **\$144.7 million** through the CBIT.





About the GEF

The GEF's 18 implementing partners are the Asian Development Bank, African Development Bank, Development Bank of Latin America, Conservation International, Development Bank of Southern Africa, European Bank for Reconstruction and Development, Foreign Economic Cooperation Office—Ministry of Environmental Protection of China, Food and Agriculture Organization of the United Nations, Fundo Brasileiro para a Biodiversidade, Inter-American Development Bank, International Fund for Agricultural Development, International Union for Conservation of Nature, United Nations Development Programme, United Nations Environment Programme, United Nations Industrial Development Organization, West African Development Bank, World Bank Group and World Wildlife Fund U.S.

The Global Environment Facility is the world's largest funder of biodiversity protection, nature restoration, pollution reduction, and climate change response in developing countries. It finances international environmental conventions and country-driven initiatives that generate global benefits. The GEF partnership connects 184 member governments with civil society, Indigenous Peoples, and the private sector, and works closely with other environmental financiers for efficiency and impact. Over the past three decades, the GEF has provided more than \$22 billion in grants and blended finance and mobilized another \$120 billion in co-financing for more than 5,000 national and regional projects, plus 27,000 community-led initiatives through its Small Grants Programme.

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