



# The GEF and Climate Change

## Catalyzing Transformation







# Introduction

The planet faces an unprecedented crisis. With greenhouse gas (GHG) emissions at their highest levels ever registered, the impacts of extreme climate change are affecting every region on Earth. The findings of the First Global Stocktake and the Intergovernmental Panel on Climate Change (IPCC) sixth Assessment Report are unequivocal: we are significantly off track to keep 1.5C within reach. Even with the implementation of the current climate plans under the Paris Agreement, emissions will keep rising, instead of drastically being reduced to net-zero by mid century. At the current rate of global emissions, the global carbon budget — indicating what we can still emit before crossing the 1.5C threshold — would be consumed before 2030.

But there is cause for hope. More than 150 countries have now announced net-zero commitments, covering 90 percent of the world emissions and GDP. National net-zero legislation or policy documents also increased substantially from COP26 in 2021, from 7 percent to 75 percent. Moreover, with the adoption in December 2022 of the Kunming-Montreal Global Biodiversity Framework (GBF), countries have now adopted targets to protect 30 percent of the land and ocean, reduce ecosystem loss, and redirect funds toward the restoration of nature. The GBF, which reinforces the Paris Agreement, sets us in the right direction both to protect biodiversity and address climate change, recognizing the key contribution that intact ecosystems can play in the fight against climate change.

The Global Environment Facility (GEF) is the largest and most experienced multilateral fund dedicated to address climate change

and threats to nature around the world. Currently in its eighth programming cycle, the GEF is deploying much needed highly concessional funds from its record 2022 replenishment to enable developing countries to fight climate change and protect nature. GEF investments support climate action across all sectors, from sustainable cities to food systems, from forest conservation to energy transitions and zero emission transport. The GEF also manages two key catalysts for action: the Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF). These funds are uniquely focused on helping vulnerable countries prepare for and cope with the impacts of a warming planet.

The GEF's competitive advantage as financial mechanism across the key multilateral environmental agreements is underpinned by its strong focus on integration across sectors and geographies. This publication presents the range of the GEF's work in climate change mitigation and adaptation, including efforts to support sustainable cities; protect and restore forests and ecosystems; transform energy, transport and food systems; and invest in healthy oceans. It also provides an overview of how the GEF works with the private sector, on climate resilience for the most vulnerable people and countries, on nature-based solutions, and on transparency and reporting.

Please get in touch for more information about our 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: human-induced carbon emissions are linked to climate change. Some trends, such as the increase in sea levels, may already be irreversible. Furthermore, the rapid decline of biodiversity and forest cover linked to the climate crisis has turned many ecosystems from carbon sinks into net carbon emitters.

Today, all countries spend more on activities that destroy nature than on ones to protect it. Unless we speed up action across all fronts, we will not make the changes needed to make this planet safe and livable. Science, not politics, must be the foundation for decisions.

But too often, short-term national priorities and vested interests, rather than scientific reports, drive the conversation for policy reform.

Changing this picture will require rethinking how we generate and consume energy and food, use land, and move people and goods. Governments should phase out all subsidies, incentives, and policies that financially support carbon emissions coming from the energy, agriculture, and transportation sectors, while ensuring a just and inclusive transition. Once this is done, we must plan to decarbonize, identify climate adaptation needs, enhance climate resilience of our communities, and align the full range of public and private investments with the Paris Agreement.

To put the world on the path to carbon neutrality by 2050, we urgently need to pivot toward zero emissions. This means increasing the share of renewables in the energy mix two and a half times faster to 90 percent by 2030, phasing out coal-fired power seven times faster, and reducing the GHG

emissions intensity of agricultural production three times faster, while increasing productivity by at least 20 percent. Tree cover gains will need to double, while deforestation must come to a complete halt by 2030. To allow for this, the increase of global climate finance flows should grow eight times faster than we are currently observing.

The GEF's eighth funding cycle is focusing on supporting these shifts, enabling countries and civil society to move from climate change planning to action. The GEF deploys resources where they can be most transformational, working closely 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.

Climate action is about solidarity and justice. We need to recognize the specific needs of vulnerable people, low-income countries, and small island developing states (SIDS). With this in mind, we must steer toward a safer and healthier planet for everyone, including Indigenous Peoples and women. The energy of young people, in particular, is making an enormous difference. As they leave their role as protestors for membership on COP national delegations, they are making their voices heard in policy debates.

At COP28, the world is taking stock. The challenges may be daunting, but there are many reasons to believe that meaningful action is within our grasp. If we want to save our planet, there is no other choice.



# 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 around \$170 million to cities for their actions to tackle climate change and nature loss and build net-zero, nature-positive, resilient, and inclusive cities. Subject to GEF Council's approval in February 2024, the program will likely add 16 more countries and around 50 cities in this phase, covering nearly 100 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. In GEF-8, a new Global Program to Support Countries to Upscale Integrated Electric Mobility Systems has been approved, aiming to widen the set of countries, support investment into upscaled integrated e-mobility projects and establish a global framework to address key challenges related to used electric vehicles, end-of-life electric vehicles, and batteries and circularity.

*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; and 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 four-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 is the largest GEF-7 Program, is now in full implementation. 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 (CO<sub>2</sub> 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 CO<sub>2</sub> eq emissions.

The GEF-8 cycle continues to strongly support forests and food systems through three new Integrated Programs (IP): (i) the Food Systems IP, endowed with \$280 million to expand the scope and promote actions toward food systems transformation; (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 \$204 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 GEF-8 strategy. 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, and the GEF is now part of the financial mechanism under the new Biodiversity Beyond National Jurisdiction Agreement. 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 to combat 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 equity investment to support agriculture in Asia and Latin America and Caribbean, risk-sharing mechanisms for green hydrogen development in Chile and renewable biogas in India. 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 and our implementing agencies. The average co-financing ratio in GEF-7 (2018-2022) under this dedicated window was 1:21. In the first round of projects approved under GEF-8 cycle (2022-2026), blended finance projects achieved 1:36 co-financing ratio. The co-financing ratio is more than four times higher than the average in the GEF-8 portfolio. Almost half 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 2023, the CBIT had invested \$156.3 million to support 88 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 2023, the GEF has already approved support for 70 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 545 National Communications, 207 Biennial Update Reports, and 102 BTRs. In total, the GEF has provided over \$607 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 was launched at COP27 and joint programming consultations were organized by Rwanda in

December 2022 and by Uganda in November 2023 in collaboration with the GEF and GCF Secretariats.

Furthermore, the two institutions commissioned an independent, comparative analysis of policies and processes of the GEF and GCF, focusing on the project cycle and requirements. Further consultations will be held between the GEF and GCF Secretariats to address the insights from this analysis. This 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 will co-host a pavilion at COP28 with the AF, CIF, and GCF, focusing on the importance of #Finance4Climate and emphasizing collaboration and coordination between the multilateral funds, including the GEF's LDCF and SCCF. This will be a networking space, a place to hear from climate fund experts, and a venue for informational sessions and announcements.



# The GEF in Action

- Over the last 30 years, the GEF has invested some **\$10 billion** in climate adaptation and mitigation projects. This includes more than **\$2 billion** (2.1 billion) in climate adaptation finance to reduce the vulnerability of nearly **70 million people** in more than **98 countries**.
- Since 2014, more than **\$2.7 billion** in climate mitigation finance, programmed jointly with **\$27 billion** from other partners contributing to over **4.4 billion** metric tons of CO<sub>2</sub> eq of expected GHG reductions.
- **All Least Developed Countries** have successfully accessed LDCF support for priority adaptation support, **leaving no LDCs behind**.
- **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**.
- **265 projects** supporting sustainable forest management since 2014.
- Over **62.6 million hectares** under sustainable land management, benefiting more than **35 million smallholders** since 2014.
- Protecting carbon sinks and biodiversity in over **1,600 protected areas** covering **1,691 million hectares** since 2014.
- Over **490 projects with private sector co-financing** since 2014. Of these, 133 included equity, loans, or risk-mitigation instruments, leveraging an average **co-financing ratio of 8:1**.
- Over **\$607 million in enabling activities**, including support for **102 Biennial Transparency Reports, 545 National Communications, and 207 Biennial Update Reports**.
- Support to **88 countries** to build institutional and technical capacity for enhanced transparency with **\$156.3 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 (GEF) is a family of funds dedicated to confronting biodiversity loss, climate change, pollution, and strains on land and ocean health. Its grants, blended financing, and policy support help developing countries address their biggest environmental priorities and adhere to international environmental conventions. Over the past three decades, the GEF has provided more than \$23 billion and mobilized \$129 billion in co-financing for more than 5,000 national and regional projects.

[www.thegef.org](http://www.thegef.org)

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