Ep 3. The Green Climate Fund: What it is and why it matters in Southern Africa

[00:00:00] **Kamlesh Pillay:** [00:00:00] Welcome to the finance for resilience podcast brought to you by the Climate Development Knowledge Network or CDKN. If you're curious about how financial solutions for climate change are developed, you're in the right place. Listen in, as we discuss, debate and look at real life practical ways to finance changes that can be made for significant and lasting economic and environmental impact around the globe.

[00:00:30] Thanks for tuning in to the finance for resilience podcast with me, your host, Kamlesh Pillay. I work as the climate finance lead at CDKN at south side north, an organization focused on enabling climate resilience. Today we're taking a look at the green climate fund, the world's largest fund dedicated to the fight against climate change.

[00:00:52] We explore what it is, how it works and what makes it an important role player in combating climate [00:01:00] change in the Southern African region. If you're a regular listener, welcome back and to new listeners, thanks for joining. We hope you'll gain a few interesting insights from our discussion. Now, for those of you who don't operate in the climate change space every day, you might never have heard of the green climate fund or know why it is important.

[00:01:20] We believe it is an important topic of conversation and something that plays a significant role in responding to the climate crisis. The need for climate finance in Southern Africa is pronounced as the region is expected to be amongst the worst, hit from the effects of climate change. Climate finance flows in the region and access to climate finance is unequal and relatively.

[00:01:43] The region is heavily reliant on climate finance to meet its climate objectives. In response, the green climate fund has committed financial assistance to Southern African countries totaling 541 million US dollars, but where, and how did [00:02:00] it all start? I'd like us to backtrack a bit to the Paris climate conference in 2015:

at the Paris climate conference in December, 2015, 195 countries agreed to the world's first universal action plan to tackle climate change by limiting global warming to well below two degrees Celsius, this historic achievement was just the beginning. Now, every country must turn that promises into action...

[00:02:31] This agreement also serves as a multilateral climate change landmark. Because for the first time, the majority of nations have reached consensus, agreeing to undertake ambitious efforts in combating climate change. But getting back to the green climate fund, the fund was established at the same conference by 197 governments that are in partnership under the United Nations Framework Convention on Climate Change, otherwise known as the UNFCCC.

[00:03:00] [00:03:00] The fund invests in low emission and climate resilient development. Its main purpose is to financially support development action in the global south that does not accelerate climate change and which helps countries to respond to the impacts of climate change like floods, cyclones, and prolonged droughts.

[00:03:19] An important part of the Green Climate fund's work is to guide the actual distribution, access and spending of funds. In principle, funding is available and the public sector accesses funding through organizations known as accredited entities, but there is a threshold and small entities don't qualify.

[00:03:40] Thankfully, there are bigger organizations that have removed some of these barriers for smaller climate focused organizations. And we'll hear more about the in shortly. Accessing funding isn't the only obstacle actually executing a project or implementing a solution can be challenging for various reasons.

[00:03:59] The [00:04:00] most pressing of these challenges, being the lack of financial sector development, to support, manage, and distribute large amounts of funding effectively. These issues are magnified in Southern Africa. Okay, enough from me, today we are privileged to have three guests on the show, two of whom have applied for finance from the Green Climate Fund and have been successful [00:04:23] and another colleague who works on climate finance projects in the Southern African region, they're going to share some of the successes and challenges they have experienced during this process with the hope of motivating other entities applying to the Green Climate Fund. Karl Mutani Aribeb is the chief operations officer at the Environmental Investment Fund of Namibia.

[00:04:46] Muhammad Sayed is a climate change specialist for the Climate and Environmental Finance Unit at the Development Bank of Southern Africa and Charlotte Ellis is a project manager on the Southern African Climate Finance Partnership Program at South Salt North. Just a note on some of the acronyms you may hear in this interview:

- The GCF is the Green Climate Fund.
- The DBSA is the Development Bank of Southern Africa and the
- CFF is the Climate Finance Facility, a project of the DBSA.
- The EIF stands for the Environmental Investment Fund and it's based in Namibia.
- Direct Access Entities is another term you'll hear and this refers to organizations which can submit funding proposals for GCF back projects and programs.

[00:05:38] Welcome and thank you for joining me, I think at the onset, it's always good to start off with a diagnosis of the problem and I think first we'll ask Muhammad and Karl to kind of give an overview of the challenges that they've faced within their own institutions. And then Charlotte, I'll ask you to come in with more of a practitioner lens and more of a [00:06:00] landscape view of some of the challenges that you've experienced.

[00:06:03] So Mohammed, the DBSA has received funding to provide innovative and risks sharing approaches in projects that contribute to low carbon and climate resilient development. Your institution has obviously done some fantastic work in achieving this funding from the Green Climate Fund and pursuing the Development Bank of Southern Africa's Climate Finance Facility, and also the mitigation project on embedded generation investment.

[00:06:32] We all know it's not easy. So, what was the he primary challenges that you faced in attaining this funding from the Green Climate Fund.

[00:06:41] **Muhammed Sayed:** [00:06:41] So, I think in terms of the challenges that we've faced in implementing both the Climate Finance Facility, as well as the embedded generation program is just the stage of development, um, uh, of some of these projects, so it's, I think it's all good and well to have, you know, fantastic programs and facilities. [00:07:00] But you will find that a lot of project developers are not in a position to access these facilities because they simply, you know, do not have the bankable business plan, which is a key requirement of course, um, to, to be supported by these funds.

[00:07:14] Uh, so to give you an example, last year, we put out a request for proposals in Eswatini for the Climate Finance Facility and we had a fantastic response, you know, there was a lot of interests, um, uh, to apply, however, a lot of the projects, we're still at a very early stage where feasibility studies needed to be done.

[00:07:33] They didn't have a business case, so we felt that there is a need for project preparation support, you know, for a lot of these projects. And, um, I think this is a challenge we are facing with, with a number of initiatives, especially, you know, outside of South Africa, and we trying to address that through our own project preparation fund.

[00:07:52] But I think in the future, what may be required is you develop these programs, you know, should you should have a grant [00:08:00] component, which talks to project preparation support as well. So, I think that's one key challenge certainly that we faced with both programs. I think the other issue is around when we apply to the GCF for, for funding support, we obviously signed a particular agreement with certain terms and conditions.

[00:08:18] And those terms and conditions were based on a lot of assumptions around, you know, what the, what the market would deem acceptable. And yes, you know, you often curse the market in terms of the products and I think that we've done a lot of work in terms of testing the product offering and there was a lot of buy-in.

[00:08:36] However, the other terms and conditions we had to assume what would be acceptable. And it's only once you implement these projects or programs, you realize that certain terms are challenging for the market, especially when it comes to new projects in the climate sector, it's a very new sector in South Africa and the region and you know, banks are reluctant to support this project.

[00:08:58] So if there are terms, which they [00:09:00] are not comfortable with, it's a non-starter. So, we had, uh, you know, one or two challenges around that. We had to go back to the Green Climate Fund to amend those, those terms and that can you know, take a long time. And you know, so that's a challenge we we've certainly had with the Climate Finance Facility, but we are in the process of overcoming their challenge by seeking amendments as soon as possible. I think lastly, when it comes to programs or facilities that are supported through the Green Climate Fund, especially, you know, when you look at the DBSA in our approach to GCF, you know, we go to GCF [00:09:40] for funding for large programs and facilities rather than individual projects. And, uh, it takes a lot of resources to evaluate, um, you know, the projects, especially the projects that would be supported through the Climate Finance Facility or the embedded generation program. So there's a high transaction cost.

[00:10:00] [00:10:00] So what it means is we cannot look at projects which are very small in size. So, we had a lot of interests, you know, um, from clients that have projects, which certainly fit within the mandate of the fund in terms of the sector and the need. But unfortunately, it's too small for us to allocate sufficient resources to consider those projects.

[00:10:20] So we had to impose kind of a, a cap, a minimum cap in terms of how much funding we can provide through the CFF. So, I think that's one limitation we trying to see how we can best address perhaps, um, uh, at a next phase of the, of the Climate Finance Facility where we can, perhaps we get a portfolio of, of small projects at a bank might come to us for, for support. [00:10:42] So I think that's, that's one challenge that you've also faced with, uh, with the climate finance facility in particular.

[00:10:49] **Kamlesh Pillay:** [00:10:49] Yeah Muhammed, some of these challenges, I mean, project pipeline development is a challenge across the board. I mean, I don't think it's specifically a Southern African issue, but I [00:11:00] definitely hear you on transactional size [00:11:02] and I think, you know, something I mentioned earlier in the podcast was about, um, you know, trying to, to, to attain climate finance for small and medium enterprises and I think this is where the challenge, you know, comes in about how do we wrap up these projects in a manner that is still attractive to an investor, but doesn't hinder you as, as a project recipient in terms of transactional costs and obviously human capacity.

[00:11:29] Karl, um, the Environmental Investment Fund of Namibia is obviously a unique example as one of the Green Climate Funds enhance direct access modalities. Um, you have received funding for, um, you know, a broad range of projects, um, specifically focused on adaptation and agriculture, ecosystem-based adaptation. [00:11:51] Can you, can you also speak to some of the challenges that you've experienced and whether maybe there is alignment with what some of the challenges that Muhammed's spoken [00:12:00] about?

[00:12:01] **Karl Mutani Aribeb:** [00:12:01] Yes, um, thanks. Our challenges, the one that really aligns very squarely with Muhammad's is the transaction cost one. [00:12:11] But in our case, the combination, the challenges were more of a learning curves on our part, as well as on, on the part of the GCF, the Green Climate Fund itself, uh, because our projects were among the earliest projects approved and were basically paving the way for, for, for a lot of learning for ourselves, as well as for GCF.

[00:12:35] **Kamlesh Pillay:** [00:12:35] Great. Thank you, Karl. And the one thing that likes me when, uh, when you were illuminating us, uh, on, on some of the challenges is just that even though South Africa and Namibia are so close geographically, how different some of the, uh, the problems are and I think that is something that, that is something to highlight. [00:12:56] And I think it's something that the Green Climate Fund is trying to do with [00:13:00] trying to take vulnerability context into consideration to make sure that, um, you know, we do see different countries applying in, um, in isolation, um, and their problems being their own problems, Um, and, and not being misconstrued with the Region sometimes.

[00:13:17] So I think that, uh, that comes through very strongly and just maybe that, you know, some of the coordination difficulties is sometimes a result of the projects being adaptation specific and needing a lot of vertical and horizontal coordination between different ministries and departments. So, I think now that we've heard from the institutions themselves, let's take a step back to Charlotte and [00:13:43] Charlotte, maybe if you can just kind of brief us on as a practitioner, just what you have experienced working with, um, with the different set of institutions across the landscape. So, we've obviously heard from South Africa and Namibia, but maybe [00:14:00] just across the Southern African region, what are the, what are the challenges that you're seeing or whether you see any, um, similarities with what Karl and Muhammad have said.

[00:14:10] **Charlotte Ellis:** [00:14:10] Sure. Certainly. Yeah. And I think when we speak about access, I think we know that funding, uh, the transition to equitable resilient and low carbon development pathways in the region is, is, is about, it's about freeing up existing resources of finance or sources of finance towards climate compatible investments and using new sources of finance, such as catalytic international, uh, public finance from the likes of the GCF, um, in order to attract investment in that direction.

[00:14:39] And as Muhammad has mentioned, this is essentially a new paradigm for all involved in, in more traditional flows of finance, particularly from the private sector and within the Southern African climate finance partnership and having engaged with entities and institutions that are looking to become accredited to the Green Climate Fund, [00:14:59] I can [00:15:00] certainly share some lessons and outcomes in terms of sort of where institutions are at, um, in, in that process and the challenges that they continue to face and some of these specific challenges are first and foremost um, of course, more generally challenges relating to meeting the requirements of multilateral funds, [00:15:18] most notably the Green Climate Fund.

Another challenge is, is around that of climate mainstreaming. So, for many institutions, particularly the commercial, financial institutions and development, finance institutions, where integrating climate considerations is not something they've typically done in the past and therefore are requiring new skillsets to understand, and to integrate concepts such as climate rationale, for example, and understanding of what makes an investment climate compatible, how to go about designing such projects, [00:15:50] So this is, this is something that presents somewhat of a challenge for some institutions. In addition to that, you know, it's a new way of working.

[00:16:00] So understanding how to collaborate in new ways with a more diverse group of role players. So, for example, with government ministries to plan and execute to investments that address national climate change priorities, you know, some people who may have never seen themselves as playing a role in addressing climate change [00:16:17] such as bankers, for example, now need to see themselves and their roles in a new light and gather the required information and skills to fulfill this new prerogative. So therefore, having the resources and capacities, which have found in most cases requires dedicated staffing, uh, significant resources and time, um, in order to establish the policies and procedures necessary to become accredited presents its own challenges.

[00:16:45] **Kamlesh Pillay:** [00:16:45] Thanks, Charlotte. And I think there is some alignment, but obviously some of the macro views that you've pointed out are, I think that it shows that it is a work in progress and that there still is a lot of work to [00:17:00] do in terms of capacity building in the region and then sharing between the different institutions.

[00:17:06] Um, I think we've, we've tried to diagnose the problem in a very short space of time, but it's really important that our listeners also understand that, you know, the institutions that we have here today have tried to overcome these. Muhammad, maybe, um, you just to share the work that the development bank has done in terms of trying to overcome some of these issues, um, and some of the measures that you've put in place to kind of stop some of these issues from happening in the future.

[00:17:38] **Muhammed Sayed:** [00:17:38] All right. So, I think with regards to the issue of, uh, uh, stage of development or some of these projects, which may not be ready to be accessed by these facilities, whether it's the climate finance facility or even GCF itself, we saw obviously a great need to utilize the GCFs, the green climate fund project preparation [00:17:59] facility. [00:18:00] So the Green Climate Fund does have a dedicated project preparation fund, um, where direct access entities can utilize to develop new concepts. So that's something which we as DBSA have utilized quite a bit, you know, over recent years, in fact, we've got, we've had three projects that went through the project preparation, uh, fund of the Green Climate Fund.

[00:18:25] And, um, it allowed us to develop new programs and we're currently in the process of completing at least two of those projects with the intention that hopefully early next year, we would be in a position to submit those proposals to the Green Climate Fund for full implementation. So that's, I think one solution which direct access entities can certainly explore, you know, the project preparation facility of the GCF, uh, the DBSA itself does have a project preparation fund as well. Um, uh, which, which covers mostly South Africa and we [00:19:00] may have some facilities, you know, that could be applicable in the setback, uh, member states. Um, however, it's not grant funding.

[00:19:07] Um, it all depends on whether or not those projects, you know, Bankable posts the project preparation phase. And if that is the case, then those funds would need to be repaid with regards to the, the challenge around, um, uh, you know, the size of the projects, you know, and, and the fact that we, at this stage, we can't support, let's say for example, projects and, uh, um, you know, 50 million Rand. [00:19:33] What we plan to do is as a next phase of the Climate Finance Facility, we, we will try and see whether we can provide funds to, uh, local financial institutions with their hood, have a portfolio of projects of smaller projects. And we would then find that as a portfolio. So, I think that's one possible solution we would explore, um, as the next phase of the Climate Finance Facility.

[00:20:00] **Kamlesh Pillay:** [00:20:00] Let's hope that going forward, you know, together with capacity building and some of the GCF readiness work that some of the processes and procedures I am themselves. So, I think we've diagnosed them problem and we've gone into some of the kind of theoretical solutions. Um, but I think it would be, it would be helpful maybe to [00:20:21] help our listeners understand some of them, the actual implementation that has been realized as a result of climate finance flows to, um, the respective countries. Um, Charlotte, I can, I can start with you, uh, maybe you can take us through a case study of Green Climate Fund um, proceeds being used for implementation across the region.

[00:20:46] **Charlotte Ellis:** [00:20:46] Hmm, sure. Yeah and I think just picking up from what Karl was saying about the fact that, you know, these are challenges, but at the same time, you know, pushing through, they kind of turn into positives and kind of the [00:21:00] silver lining of facing these challenges is that institutions are able to kind of improve, enhance their capacities, the institutional framework.

[00:21:08] And, and that's a positive that's coming out of this. I won't speak too much about the implementation, but I think around institutions in the region and their pursuit of accreditation, they are a few examples of institutions that have successfully access the GCF as an accredited entity or a direct access entity, but not nearly enough to ensure enhanced regional access to the GCF, encouragingly [00:21:31] there are more than a few institutions development, finance institutions, and commercial banks that are making quite noteworthy strides in terms of aiming for that point of accreditation. So, we'll hopefully start to see a lot more access, um, to the Green Climate Fund in the region. So, while some are more ahead than others, there are really great examples that the CRDB bank in Tanzania, for one having achieved a creed accreditation in August, 2020.

[00:21:59] Um, [00:22:00] while others are closer to the accreditation finish line, such as the Infrastructure Development Bank of Zimbabwe, but a key highlight and I suppose the silver lining is that in pursuing accreditation, these institutions are undertaking the necessary processes of integrating climate and climate finance considerations into the institutional strategies and the operations, which of course may also begin to unlock further investment opportunities.

[00:22:26] Potentially from other donors as well. So, while in many cases, this progress is being made off the back of kind of one aim and that's the pursuit of accreditation, institutions in the region are recognizing the importance of mainstreaming climate considerations from the perspective of the institutional strategy and even into the planning and implementation of projects.

[00:22:48] So there's this new, renewed perspective on doing business and ensuring climate mainstreaming is happening at all levels. If I'm to give examples, uh, the Infrastructure Development Bank of [00:23:00] Zimbabwe, the bank has implemented a review and evaluation of the institution's strategic impact goals and pursue and are pursuing the sustainability certification to align the banks overall direction and position in order to position itself to enable, um, and mobilize, uh, climate finance, uh, of course in line with the, with their mandate, similarly, the FBC group, uh, Zimbabwe, which is a commercial bank that has made significant progress to align the institutional governance and frameworks to meet the requirements of multilateral funds like the Green Climate Fund, starting with the adoption of sustainability standards. Um, and in addition to establishing a dedicated climate and sustainability unit to lead the institution and its operations, uh, towards being more sustainable and climate aligned,

[00:23:51] **Kamlesh Pillay:** [00:23:51] I understand that accreditation and a lot of the processes have got to come first before we see you know, implementation on the ground, but, um, [00:24:00] Muhammad, maybe you would like to speak to a specific case study, um, of, of implementation, um, um, that, that has been undertaken by the, by the development.

[00:24:12] **Muhammed Sayed:** [00:24:12] So, what we've done to date is with design in-house programs, which talks to climate mitigation or adaptation in different sectors. [00:24:19] So the one facility which I can maybe mention is the Climate Finance Facility. Um, this was our first, um, uh, large program approved by the GCF, we got 55 million USD approved by the Green Climate Fund in 2018 to establish a dedicated Climate Finance Facility within DBSA. Uh, we, we would support, uh, climate mitigation and adaptation projects across different sectors.

[00:24:45] So on the mitigation side, we would look at energy, renewable energy, uh, energy efficiency, clean transport, at a patient side, It's just the water sector and the reason for that is that's the area DBSA we feel we can make the biggest [00:25:00] impact in terms of, um, you know, adaptation and it's aligned obviously to, to one of our core sectors, um, what we've tried to do with that program, as well as another program, which we subsequently got funding from the Green Climate Fund and that's the embedded generation investment program is to identify products which allow private sector to come in and, and, and provide senior debt for climate projects. And that was the rationale, the main rationale for designing this program. So, it's very much looking at blended finance, where you blend the high concessions concessional funding that you can get from the Green Climate Fund with funding from the DBSA.

[00:25:44] The embedded generation program was designed again, to fill a gap. You know, we, you know, as you may be aware, South Africa had a very successful reap, uh, you know, renewable energy, um, independent power producer program, which was globally recognized as, um, [00:26:00] you know, a fantastic initiative. However, that initiative was very much dependent on, you know, the Fiscus on sovereign guarantees and so we tried to find a solution using GCF as a means once again, to de-risk, the um, you know, these projects and find a way to support renewable energy projects outside, you know, this, um, uh, renewable energy program, which the government had successfully implemented for, for over a decade. So, we're quite excited about the embedded generation program.

[00:26:31] Um, I think last week, the, the president announced, you know, that the cap for, um, for embedded generation projects. Um, you know, who'd be lifted from one megawatt, to one hundred megawatts in terms of the, uh, the requirement for a lesser license. So, for us, that's a, I think quite a significant. barrier that would be removed and our program, which we, uh, which we are currently implementing around embedded generation, I believe, you know, we [00:27:00] would be in a position to support quite a number of embedded generation projects within that industry.

[00:27:07] So again, you know, for us, um, in terms of designing these programs, the whole idea is to see how does this impact our mainstream operations and really seeing that impact where I think Charlotte mentioned that, you know, you, you finding banks trying to adapt their processes with GCF requirements. And since we got accredited back in 2016, and with all the reporting requirements to the Green Climate Fund, we've now adapted climate indicators in our normal reporting.

[00:27:38] So even if it's not a climate specific project, we still report on climate change, you know, with all our projects or at least incorporating those indicators in our projects. And to me, that's, you know, that demonstrates that we are taking climate change quite seriously as a development finance institution. [00:27:58] And without, you know, the partnership with the GCF. I don't think, you know, we would have reached the stage, um, so quickly.

[00:28:08] **Kamlesh Pillay:** [00:28:08] Thank you Muhammad for that rich, um, discussion about, about the projects. We're closely coming, um, to the end of our time together, going back to the first question that, uh, maybe frames this entire podcast about what does this mean for other entities that are going ahead and going to apply to the Green Climate Fund or starting their journey on accreditation?

[00:28:35] And maybe I can ask, um, just to wrap up just maybe, um, a short recommendation from each of you, just what you would communicate to, to other entities that are looking to go on this journey. Karl, um, I'll start with you.

[00:28:52] **Karl Mutani Aribeb:** [00:28:52] Okay, thanks. My recommendations would be for actually, for groups. Um, firstly, the maintenance of very close working relationship with the NDA is extremely essential and now their configuration of NDAs are different country by country. In some cases, it's the environmental ministry. In other cases, it's five months. In other cases, it's the officers of precedent, but whatever the case, close relationship with the NDA, very close rapport with the ministry responsible for the environment, very close working relationship with the ministry responsible for finance, very close relationship with the parliamentary committees that are looking into different elements, very essential, close working relationship with the civil society sector, very essential in terms of the efforts of, of accreditation, because, but from those states, that's extremely essential.

[00:30:00] What would also make the accreditation, the assessment, uh, uh, easier is the investment in sound financial management infrastructure and practices. GCFs very strict, uh with those very strong Rica that they are, um, applied there, so if an organization is already strong in its financial management practices, half of the battle is won or capable human resources, uh, very, very important with, with good understanding financial understanding, project management, understanding climate change, understanding legal, uh, very, very, very important. Uh, also keeping the public informed, it's also very important, above everything, the accredited obligation the process [00:31:00] of leading that, uh, obligation agree division obligation should not be treated as a secondary task to staff members who already have their full-time jobs. That in our experience has not really been a good thing. Uh, we are basically as we speak. Uh, and we. Like when we were accrediting, we have really broad.

[00:31:30] on a short-term basis, dedicated staff members and assigned a demo of dedicated internal staff members to the, the external consultant to drive the process. That's the only, that's the most effectively that one can respond to the questions that come to the institution in, in, in, in a rigorous manner and also in a time bound manner, because when GCF Uh, is in it in the tradition of requesting questions and information [00:32:00] and imposing deadlines that are very tied in and missing one of those deadlines, uh, is that you feel called falling back into the queue.

[00:32:09] **Kamlesh Pillay:** [00:32:09] Thank you Karl and very wise words, um, Charlotte, over to you.

[00:32:13] **Charlotte Ellis:** [00:32:13] Yes, so I will summarize my, my reflections, I guess, in, in, in for and too specific to the, to the Green Climate Fund, the first one being around, you know, enhancing access through making enhance, direct access work in a practical sense. Um, not theoretically and to promote it as a way to get more institutions involved in GCF access and delivery, and even kind of borrowing from the modalities that the Development Bank of Southern Africa I'm employing to, to kind of get more resources out to smaller projects. I think that's, that's one.

[00:32:48] Secondly, I think again, providing funding to potential direct access entities that kind of makes pursuing accreditation more feasible. [00:33:00] For example, by allowing these entities to cover the costs associated with staffing, which helps, um, setting up dedicated units as Karl mentioned, um, capacity development, project identification and development, and, and all of this could start to, to support more improved, um, direct access in the region, and then drawing on the experience of the Southern African Climate Finance partnership.

[00:33:24] And likewise, the CDKN, Climate and Development Knowledge Network. I think the importance of knowledge brokering and facilitating peer to peer exchange between institutions that are pursuing direct access is, is highly beneficial and provides a sense of shared vision within the region. So, to enhance access in the region, the GCF, for example, could play a more supportive role in, in, in the way of enabling access to experts with [00:33:50] knowledge on GCF policies, procedures, and to facilitate more direct support to the entities that are seeking accreditation. Similarly, I think [00:34:00] making it a prerequisite that regional or international accredited entities that are wanting to implement GCF funded projects in a country, making it mandatory or prerequisite that they have to take on board a local institution [00:34:14] seeking accreditation as an or as an executing entity and to build the support for effecting, effecting institutional shifts in policy and practice into the budget for the project. Um, so, uh, embedding it from the outset so that our learning by doing approach is perpetuated and lastly, for, for local institutions to access and delivery [00:34:38] Climate Finance capability and capacity building needs to go a bit further, um, to, to mold more formalized teams working in new ways, um, within an institutional setting.

[00:34:49] **Kamlesh Pillay:** [00:34:49] And Muhammad, just the last word to you. Just any last recommendations.

[00:34:55] **Muhammed Sayed:** [00:34:55] All right, I think having gone through, you know, to programs, um, [00:35:00] you know, being approved by GCF in recent years. [00:35:02] I think my first recommendation is just to make sure that whoever is assigned, you know, to work on a particular proposal with the GCF, you know, make sure they're not newly married, you know? the time difference, you know, with South Korea and South Africa, it's seven hours. We had calls, I think sometimes at two o'clock in the morning, trying to finalize agreements, you have called mentioned deadlines that you have to pursue.

[00:35:26] Um, so, but seriously, it is quite an intense process. So, I think you need to have a lot of perseverance and, Karl did mention a dedicated team. If you don't have a dedicated team, not only for accreditation, but also subsequent to accreditation, and you know, you starting to look at proposals for submission. Um, you know, there has to be a strong team within the credit entity to, to do that. The other recommendation that I have, especially for entities who are seeking to be accredited with the Green Climate Fund is to look at, you know, fit for purpose. You know, if your organization focuses on, let's say, um, projects, which are, um, you know, particular size, seek accreditation, which is aligned with that size, you know, don't try and go for the full, uh, you know, the, the, the full offering of the GCF, because the evaluation process, the accreditation process, you know, is extremely, you know, um, uh, robust and stringent.

[00:36:29] So, you know, you need to make sure that whatever you apply for it makes sense in terms of your core mandate as an institution. I think, um, uh, lastly, you know, what's quite key for us is once you're accredited and you're trying to develop proposals and concepts for the GCF, early engagements with the GCF is absolutely crucial, you know, we have done this in all our programs to date, even before conceptualizing these ideas or putting it on the GCF template and spending a lot of time [00:37:00] trying to, um, submit a concept note. We had these ideas in our mind and we said, okay, let's engage with the GCF as early as possible just to test these ideas.

[00:37:10] And based on that feedback, we then started working on the concept note and we felt better useful, um, um, you know, way of, of, of testing these, these concepts with GCF, because you may find it can be very frustrating spending months and months on a concept note only to find out at the latest stage that it's not aligned with what GCF wants to see.

[00:37:35] **Kamlesh Pillay:** [00:37:35] Thank you so much Charlotte, Karl and Muhammad for those insights. Um, and to our listeners, I hope the Green Climate Fund has been demystified to some degree today. And you've learned more about the practical elements of implementing GCF projects in Southern Africa. I think it's really encouraging to see that organizations like the Development Bank of Southern Africa and the Environmental Investment Fund have taken such [00:38:00] strides to support access to funding for the Green Climate Fund.

[00:38:04] Um, I loved hearing about the great projects that are underway and I really think it gives hope to those, um, that are sometimes feeling displaced and, and about climate change implementation about what is possible. Um, yeah. Thank you for tuning into the finance for resilience podcast brought to you by the Climate and Development Knowledge Network or CDKN.

[00:38:26] If you're interested in the future of climate change and curious about the policies, information and solutions around climate change, join us again as we continue to explore climate and development challenges within and across borders, make sure you're subscribed to our podcast so that you don't miss out on any upcoming episodes.

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