



böllpaper

Scaling Up Responsibly

Why the GCF needs stronger policy guidance
on programmatic financing

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1. Executive Summary

Programmatic approaches now account for over half of the Green Climate Fund's (GCF) approved funding. Of the US\$20.4 billion so far committed by the Fund as of B.45, US\$11 billion (54 per cent) has been channelled through programmes rather than stand-alone projects. Yet the GCF has never adopted a clear, operational definition of what constitutes a "programme" or what a programmatic approach overall should be guided by, nor has it established policies to ensure transparency, accountability, and country ownership. New policy guidance has been repeatedly delayed, and it is concerning that the Secretariat has again pushed back developing this guidance, which was in the Board's work plan for 2025 and 2026, on the grounds that it is preparing a new strategic plan and replenishment process. The quality of GCF-funded programmes is of vital importance to these processes and their outcomes. This briefing assesses the track record of programmatic financing to date and identifies significant governance gaps – in particular, related to private equity financing and guarantees at a time when investments in these instruments are growing in scale – that need addressing.

Programmes are a type of funding proposal typically characterised by having subprojects, with the specific subprojects rarely identified in the funding proposal at the time it is approved. In practice, this means that the GCF Board often approves significant funding without clarity on its sectoral allocation, geographic distribution, risk profile, beneficiaries or alignment with national priorities. These transparency and accountability concerns at the time of the GCF funding decision are particularly acute in the case of private sector equity investments and guarantees, which are channelled through intermediary funds and investment vehicles that make their own investment decisions after GCF approval, often under commercial confidentiality, so that there is little public visibility of what is actually being financed.

Post-approval reporting on programmes also falls short. Subproject-level environmental and social safeguard assessments are disclosed only sporadically, and subproject-specific gender assessments and gender action plans are not published on the GCF website at all. In some cases, even years after approval and substantial disbursement, there is little or no public information describing subproject locations, amounts, environmental and social risks, or their approach to ensure gender equality, implementation or achieved climate results. Annual Performance Reports (APRs) are not always published, and those that do make it into the public domain are often delayed and/or heavily redacted, and lacking in adequate subproject-level information. This basic information gap weakens public scrutiny and accountability for claimed goals and beneficiaries being reached in implementation, limits opportunities for stakeholder engagement, and reduces the ability to learn from experience.

Most programmes are multi-country if not multi-region, with some spanning a disparate set of countries across the globe with little in common. Around three-quarters of GCF programmes (74 in total) span more than one country, compared with only around one in 20

stand-alone projects.¹ Repeated evaluations have shown that country ownership is weaker under such multi-country programme structures. national designated authorities (ndas) often have no involvement after issuing no-objection letters, with even basic programme information and funding opportunities not shared, and no formal notification given to ndas when subprojects are approved in their countries. inclusion in a programme's geographic scope does not guarantee that a country will host subprojects, and evidence suggests that least developed countries and smaller markets such as in small island developing states, included as part of the sales pitch of larger programmes, see few subprojects.

The programmatic model also creates space for high-risk or weakly justified financing that would not stand up to scrutiny if presented as stand-alone projects. Several cases are highlighted, including investments in luxury resorts, those linked to environmental controversies, and double financing of the same companies or projects across different funded activities without any clear communication that this has taken place.

The current absence of clear definitions on what constitutes a programme, minimum transparency standards, subproject disclosure rules, and oversight mechanisms leaves significant accountability gaps, which should be addressed through clear policy guidance on the GCF's programmatic approach – and done so urgently as part of defining the next funding period of the GCF under its upcoming third replenishment efforts (GCF-3, 2028-2031).

1 [GCF Open Data Library](#) (data exported September 2026).

2. Definition and scope

The GCF does not currently have a clear formal definition distinguishing between “projects” and “programmes.” However, policy guidance prepared by the GCF Secretariat in 2019 but never adopted proposed the following definition:

“...a set of interlinked individual subprojects and/or a mechanism that allows approval of such subprojects, unified by an overarching vision, common objectives and contribution to strategic goals, which will deliver sustained climate results and impact in the GCF results areas efficiently, effectively and at scale. The scope of the programmes could be ‘thematic’ or ‘sectoral’ as well as ‘geographic’ or ‘regional’, or a combination of both in a single programme.”²

The “thematic” or “sectoral” aspects were further defined in broad terms as referring to GCF results areas and/or economic sectors defined by countries or regions. “Geographic” definitions could be equally varied, referring to several inter-connected subprojects within a single country or across regions.

These broad definitions would cover most existing GCF programmes (although the Global Subnational Climate Fund, under funding proposals (FPs) FP151 and FP152, notably offers neither regional nor sectoral coherence). However, they do a poor job of differentiating programmatic from project-based approaches. There are several funded activities designated as “projects” that bring together subprojects that cover specific sectors or results areas, as well as some that incorporate multiple geographies.³

A second defining characteristic is the “mode of their funding”, with funding approval established before the details of subprojects are established. This is closer in scope to how GCF programmes have been defined in practice.⁴

The draft 2019 guidance, which was never adopted, also points to an accountability gap that has not yet been filled. It was suggested then that programmes might see the approval of

² Green Climate Fund (2019) [GCF/B.23/17: Policy guidelines on the programmatic approach](#).

³ Examples of funded activities designated as a “project” but which finance multiple subprojects or investments selected after Board approval, include: FP063 (Promoting private sector investments in energy efficiency in the industrial sector in Paraguay); FP064 (Promoting risk mitigation instruments and finance for renewable energy and energy efficiency investments, Argentina); FP071 (Scaling Up Energy Efficiency for Industrial Enterprises in Viet Nam); FP083 (Indonesia Geothermal Resource Risk Mitigation Project); SAP024 (Pakistan Distributed Solar Project); and SAP047 (Climaventures, Pakistan). Multi-country activities designated as projects include FP014 (Climate Adaptation and Mitigation Program for the Aral Sea Basin, Tajikistan and Uzbekistan) and FP061 (Antigua and Barbuda, Dominica and Grenada), both of which also fund subprojects or interventions defined during implementation, as well as FP103 (Kenya and Senegal), FP161 (Comoros, Madagascar, Mauritius and Seychelles), FP274 (Cambodia, South Sudan and Tonga) and SAP063 (Belize and Trinidad and Tobago). Information about individual approved GCF projects and programmes can be found in the portfolio overview on the GCF website (<https://www.greenclimate.fund/portfolio/all>) searching by number or by looking up <https://www.greenclimate.fund/portfolio/projects/fp>[add three digit number] or, in the case of simplified approval projects, <https://www.greenclimate.fund/portfolio/projects/sap>[add three digit number].

⁴ There were variations in how funded activities were initially characterised. For example, most equity funds are now considered programmatic but the KawiSafi Ventures Fund (FP005), with ostensibly the same structure, was not. The same could be said of Deutsche Bank’s “Universal Green Energy Access Programme” (FP027), another early investment fund that was defined as a project, despite its name.

only “a first tranche of funding from the GCF to allow for programme establishment and initial implementation to proceed” with further tranches “approved subsequently by the Board based on, for example, performance against clearly defined milestones and/or evaluations of how well the programme has met the targets agreed in the original programme submission as well as the development of a pipeline of subprojects.”⁵

The GCF's current practice, by contrast, is for Board approval of a whole programme in advance of a clear subproject pipeline being established, or even in the absence of clarity on the sectoral or regional distribution of the approved funds. Performance criteria are rarely set out for disbursements either – except, in a handful of cases, a financial metric that limits the share of GCF equity financing in relation to the eventual scale of co-financing. The Fund's own Independent Technical Advisory Panel (ITAP), which assesses proposals before they are passed to the GCF Board for approval, has noted on numerous occasions that it is not in a position to assess and confirm the potential impact of programmes it is being asked to approve due to that lack of specificity on the set of activities planned to be carried out.⁶

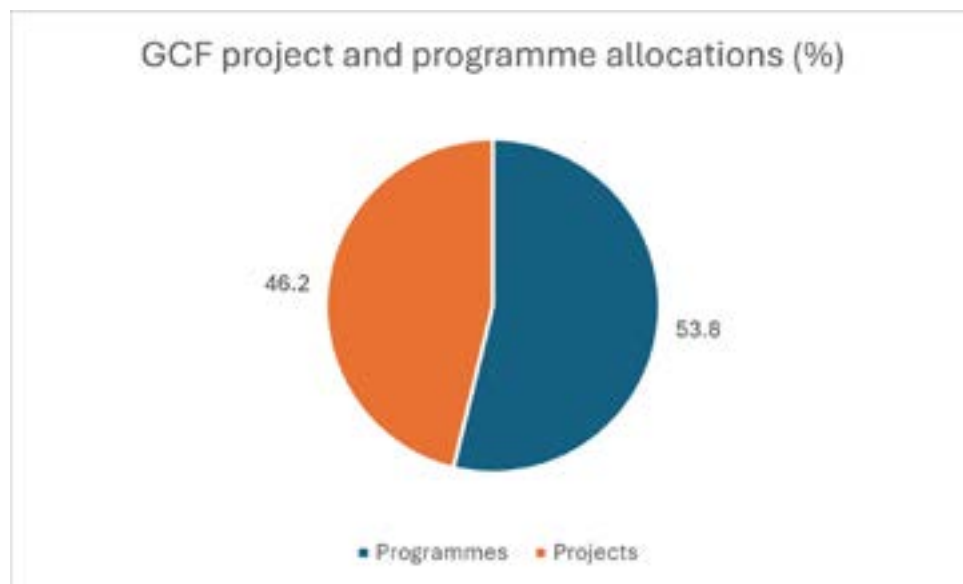
5 Green Climate Fund (2019) [GCF/B.23/17: Policy guidelines on the programmatic approach](#).

6 See, for example, GCF (2020) [GCF/B.27/02/Add.12: Independent Technical Advisory Panel's assessment of FP152](#).

3. A survey of GCF programmatic financing

In the absence of a robust definition, this briefing has simply taken into consideration all GCF funded activities that are identified as programmes.⁷ We found that a majority of the GCF's approved financing (54 per cent) is through programmes, and that this proportion is increasing as a greater share of recent funded activities take this approach. A majority (55 per cent) of programmatic funding goes towards private sector activities, which mostly take the form of loans or equity. Public sector programmes have a very different profile and mostly involve grants and loans.

- Programmes account for US\$11 billion (54 per cent) of the US\$20.4 billion so far committed by the Fund for 358 projects and programmes approved since November 2015.

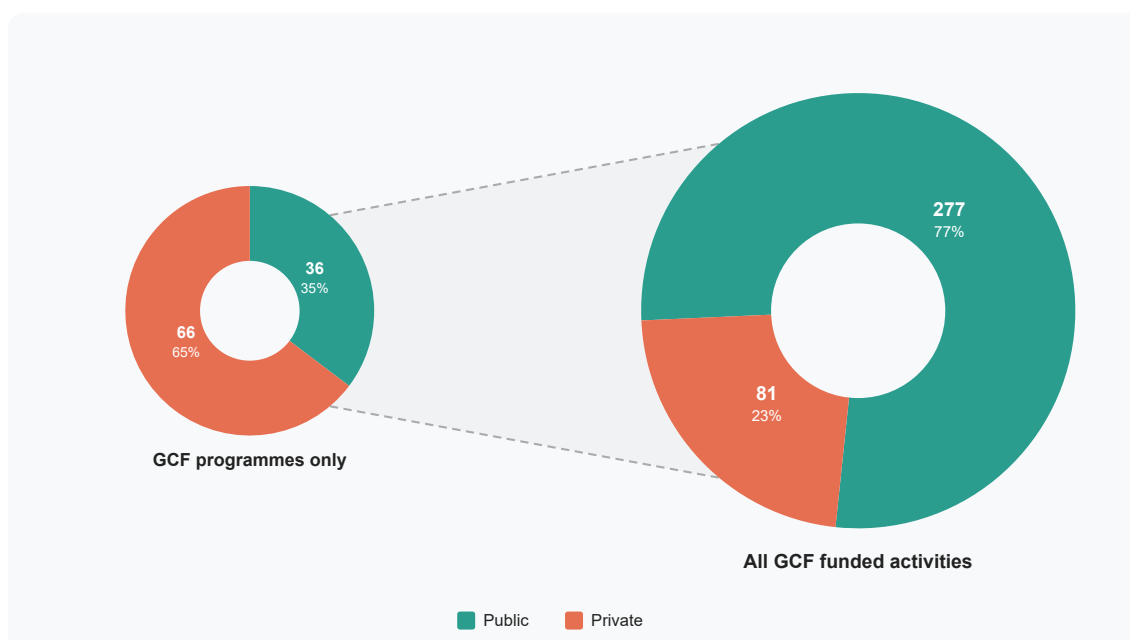


- 102 of the GCF's 358 funded activities (28 per cent) are programmatic. 98 of these were full proposals, of which 10 were approved under a pilot programme for a Project Specific Assessment Approach (PSAA).⁸ The remaining four programmes were approved through the Simplified Approval Process.

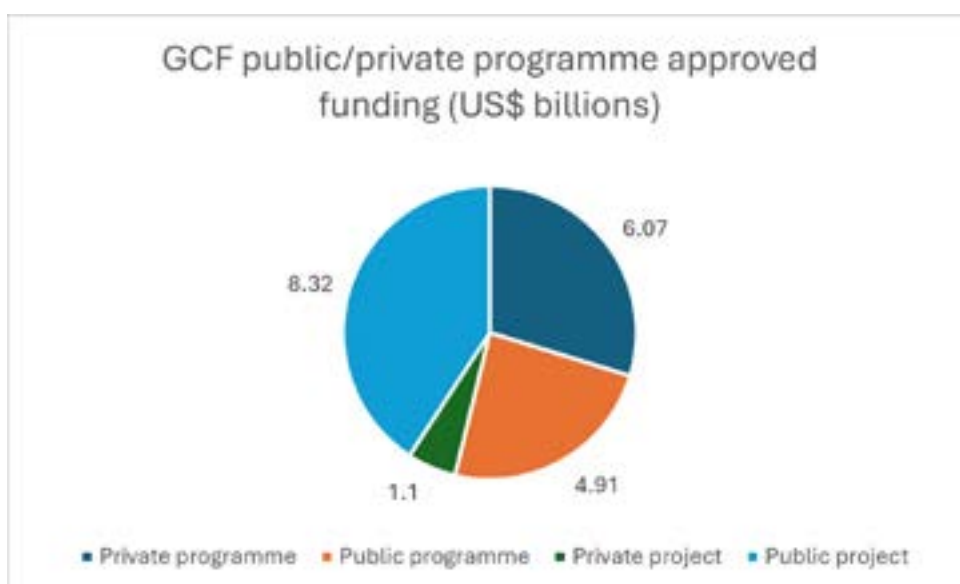
7 While all GCF funded activities are required to identify either as a "project" or a "programme", neither the GCF Open Data Library, the approved funding proposals section of the GCF website, nor the "All projects" list in the GCF's Portfolio Explorer includes a filter to select only programmes. A listing provided in [GCF/B.23/17](#) was taken as a starting point, then we manually checked programme documents for B.23 onwards.

8 The Project-specific Assessment Approach (PSAA) was approved as a pilot through updates to the GCF's accreditation framework (decision B.31/06). In place of full accreditation it assesses an entity's capacity to meet GCF standards related only to implementing a single project or programme. See Green Climate Fund (n.d.) "[Project-specific Assessment Approach](#)".

- 36 (35 per cent) of GCF programmes are public, while 66 (65 per cent) are private sector. By way of comparison, 277 (77 per cent) of all GCF funded activities are public, while 81 (23 per cent) are private.

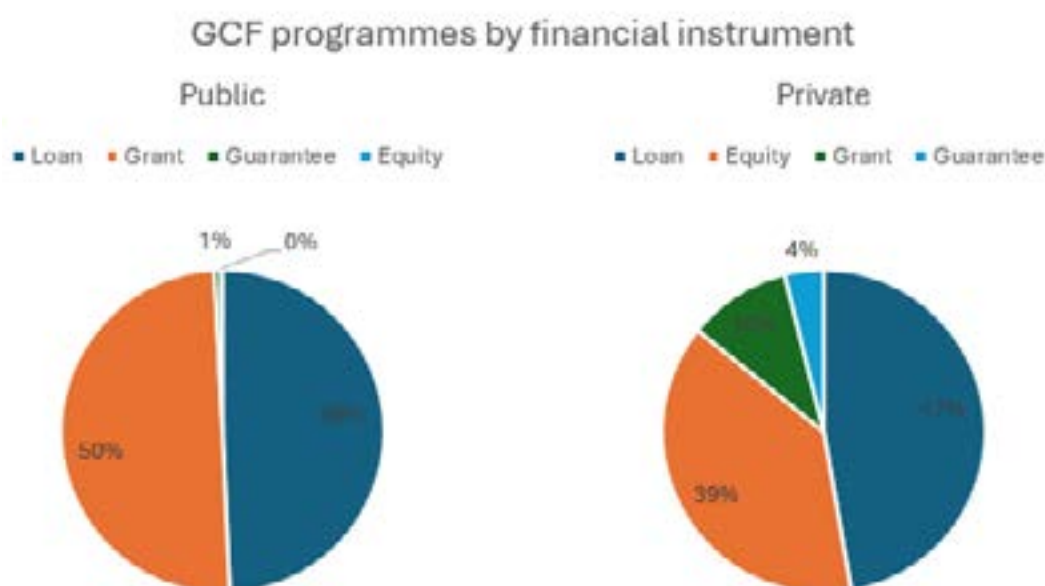


- There are 49 large, 41 medium, 10 small, and two micro scale programmes.⁹ Large programmes account for US\$8.06 billion (73 per cent) of all programmatic funding. By way of comparison, there are 65 large, 127 medium, 130 small and 36 micro scale GCF funded activities overall, with US\$10.09 billion (49 per cent) of these being large-scale activities.

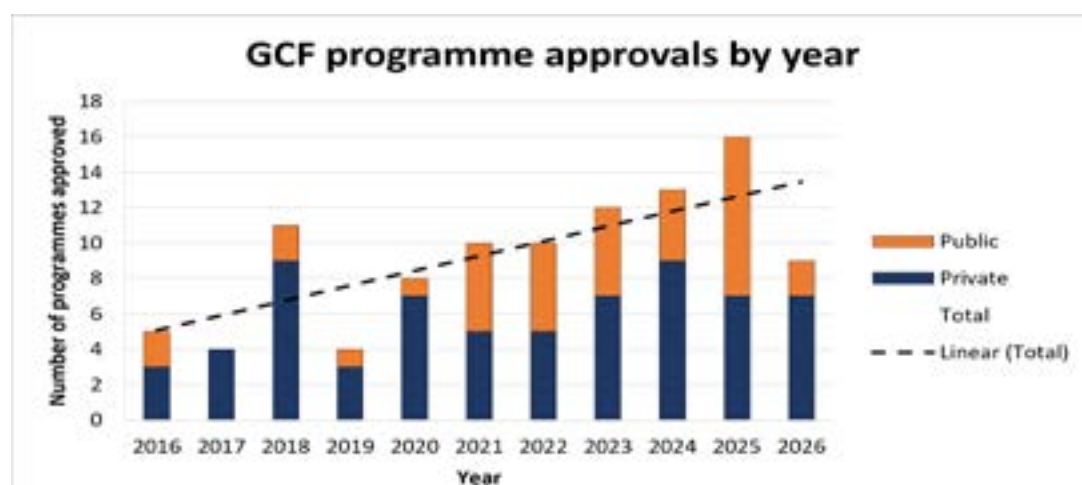


⁹ The GCF categorises projects and programmes into four distinct size classes based on the total amount of GCF funding requested, namely as large (above US\$250 million in GCF funding); medium (above US\$50 million and up to US\$250 million in funding); small (above US\$10 million and up to US\$50 million in funding); and micro (up to and including US\$10 million in funding).

- US\$6.07 billion (55 per cent) of GCF funding is committed to private sector programmes compared to US\$4.91 billion (45 per cent) to public sector programmes.
- US\$5.30 billion (48 per cent) of programmatic funding takes the form of loans, with US\$3.08 billion (28 per cent) in grants, US\$2.34 billion (21 per cent) as equity and US\$270 million (2 per cent) in guarantees. The distribution of instruments across public and private sectors varies considerably, however. Public sector programmes include US\$2.45 billion (50 per cent) grants, US\$2.42 billion (49 per cent) loans, US\$33 million (1 per cent) guarantees and US\$6.5 million (0.1 per cent) equity. Private sector programmes include US\$2.87 billion (47 per cent) loans, US\$2.34 billion (38 per cent) equity, US\$626 million (10 per cent) grants and US\$237 million (4 per cent) guarantees.



- The pace of GCF programme approvals has steadily increased over time. In 2025, programmes accounted for US\$1.91 billion (59 per cent) of the US\$3.23 billion in approved funding.¹⁰



¹⁰ Own analysis, based on [GCF Open Data Library](#) (accessed 27 September 2026).

There is no fixed limit on the size of subprojects, and some can be of considerable scale, which is a concern given the relative lack of Board scrutiny. Once a programme has been approved, individual subprojects are selected and approved by the Accredited Entity (AE) without returning to the Board. Under FP095, for example, the AE approved individual credit lines of EUR 102.5 million (approx. US\$106 million) to Nigeria's Bank of Industry and EUR 101.5 million (approx. US\$105 million) to the National Bank of Egypt.¹¹ Each of these single subproject decisions is larger than any of the 174 micro- and small-scale GCF funded activities (of up to US\$50 million each) that the Board has considered and approved individually. There is no overall data on the scale or number of subprojects and no plausible means to compile this from the GCF's existing datasets. As a result, there is no way of knowing whether these subprojects align with GCF policies and priorities, and communities affected by them may not even be aware of their link to the GCF (which is a basic condition should problems arise, as they need to know the connection in order to bring a complaint to the GCF's Independent Redress Mechanism).

11 Agence Française de Développement (2025) [FP095 Transforming Financial Systems for Climate. Annual Performance Report CY2024](#), pp.4-5. The amounts reported for each credit line combine GCF and AFD resources.

4. Issues arising from programmatic approaches

Transparency and accountability

GCF programmatic funding raises significant concerns regarding transparency and accountability across the whole activity cycle.

Prior to approval: Programmatic activities, by definition, do not set out the precise location or type of subprojects in advance, while setting out only upper limits on subproject size and risk that give little sense of how the subproject pipeline will develop in practice. In some cases, Board members have access to an indicative pipeline of potential subprojects or equity investments, via limited distribution documents, though this is not always the case. Such details are not generally made public, which reduces the ability of civil society observers to assess potential project impacts or seek relevant feedback from affected communities and other local stakeholders.

In the absence of clarity on what will be funded, the *ex ante* assessments of the potential mitigation and adaptation impacts of GCF-funded programmes are approximate at best, and conjectural to the point of meaninglessness at worst.

Although it is not formally acknowledged at a policy level, the assessment of programmes currently rests on a combination of the track record or perceived ‘trustworthiness’ of the AE bringing forward the proposal. In the case of the PSAA entities with no prior engagement with the GCF, the determining factors are the ‘reputation’ of some of the actors involved in previous endeavours, and a largely paper-based assessment of the subproject selection criteria and governance processes set out in the proposal. This tends to privilege established international entities, which account for around 80 per cent of the GCF financing approved so far despite the stated intention to increase the proportion of direct access financing.¹²

In the case of private sector programmes, in particular, the subproject selection criteria are also not publicly available to scrutiny as they are made available only in an unpublished annex to the main funding proposal. Cases where no clear selection criteria or pipeline was available include FP025, FP095, FP151/2, FP197 and FP253.

The lack of transparency prior to funding approval is a particular issue with private equity financing, since proposals generally contain no public information provided on the project pipeline and only vaguely worded eligibility criteria appear in funding proposals. Even ITAP,

¹² International access entities account for US\$16.22 billion (79 per cent) of the US\$20.41 billion in GCF funding approved up to and including B.45. Own analysis, based on [GCF Open Data Library](#) (accessed 28 September 2026).

which has access to the project pipeline and more detailed selection criteria, has acknowledged on a number of occasions that it cannot realistically assess the potential mitigation and adaptation results of private equity financing because subprojects are not decided and proposed funds do not set meaningful targets on sectoral and geographical distribution that would make such estimates possible.

Post-approval: GCF programmatic activities also raise transparency and accountability issues after funding is approved. There is no obligation for accredited entities to announce subprojects ahead of time. Environmental and Social Safeguard reports on some category A/I-1 or B/I-2 subprojects are publicised ahead of approval, but this is determined case-by-case rather than as a GCF-wide rule.

Reporting on approved subprojects (including equity investments) is similarly sporadic, and subject to significant delays. The GCF website does not list details of subprojects and investments on the pages that are maintained for each funded activity. There is no requirement to publish even basic subproject information – such as location, size of GCF allocation, financial instrument, ESS risk category, a brief description, the executing entity, or links to ESS documentation, subproject-specific gender assessments and action plans, and grievance redress mechanisms. If this information is made available at all, it is buried in Annual Performance Reports (APRs) which are published, at best, six months after the activities that they describe. Often – especially in the case of private sector activities – APRs are heavily redacted, and in many cases they are not published at all. Neither are there minimum standards on what information is made available in APRs (basic details such as subproject size, risk categorisation and locations are often missing).

Example 1: FP197. Green Guarantee Company (“GGC”).

A US\$40.5 million equity investment in the Green Guarantee Company, with MUFG Bank as the AE, was approved in 2022.¹³ The company intends to offer guarantees for climate bonds in eight countries with widely varying market structures and scale. ITAP recommended that funding should be disbursed in tranches, subject to greater clarity on how the subproject selection process would work. Despite this request, the entire US\$40.5 million GCF commitment was disbursed two weeks after a Funded Activity Agreement (FAA), the required legal arrangement between the entity and the GCF, was signed in February 2024.

The GCF observer network of civil society, Indigenous Peoples, and local communities and ITAP expressed several transparency and accountability concerns at the time of approval. The transaction selection process (TSP) relies on a scorecard that is not public, combined with subjective and unpredictable expert judgement. This concern is aggravated by the exclusion list of investments failing to exclude most fossil fuel technologies.

¹³ Approved under Green Climate Fund (2022) [Decision B.34/10](#) (October 2022), para. 8. The same decision also stated that MUFG Bank “may seek further approval of the Board” for additional funding, up to a total of US\$82.5 million (para. 9).

The proposal offered little detail on how climate impacts will be monitored. This is particularly problematic because the field of climate and sustainability-linked bonds is currently awash with “greenwashing”, with some of the proposed originators such as DWS, and its parent company Deutsche Bank, as well as Standard Chartered, facing similar complaints in the past. In April 2025, German prosecutors fined DWS EUR 25 million (approx. US\$27 million) over misleading sustainability claims, following a US\$19 million penalty from the US Securities and Exchange Commission in 2023,¹⁴ while Standard Chartered was among the banks criticised in 2024 for underwriting “green” bonds issued by the coal-dependent Korea Electric Power Corporation (KEPCO).¹⁵ This also highlights the limits of relying on the reputation of the actors involved when assessing programmes: such reputations tend to reflect how well known these institutions are and their financial expertise, rather than a thorough assessment of their past experience and impacts.

ITAP expressed concerns relating to governance, notably a lack of track record and proven institutional capacity of GGC and DGG (the Development Guarantee Group, a UK-registered platform that manages GGC under contract),¹⁶ and the disproportionate reliance on the CVs of the founding members and Cardano Development (an incubator and fund manager that is an institutional shareholder in DGG);¹⁷ potential conflicts of interest in the role of the AE (which is also one of the proposed originators); and a lack of engagement with a broader set of stakeholders in the proposed countries.

The AE’s relative lack of active oversight, together with the limited oversight exercised by the GCF Board and Secretariat, is particularly concerning given the layers of financial intermediation between a GCF-backed guarantee and the underlying investment financed by the bonds subject to this guarantee, the lack of clear sectoral focus or geographical allocations, and the lack of indicative projects.

ITAP also noted that “the expected fees and overall costs seem very high”, pointing to management fees estimated at US\$73 million for the first seven years (covering staff, consultants, regulatory and overhead costs) – close to the US\$82.5 million GCF contribution originally envisaged, and well above the US\$40.5 million that was actually approved.¹⁸

The only APR published so far (for 2025) reports that no guarantees had been issued by the end of 2025, nearly two years after the GCF’s full contribution was disbursed.¹⁹ The programme has a new website (<https://www.guarantee.green/portfolio>) which contains limited information on two transactions, dating from June 2026. One of these guarantees will support d.light, a distributed solar platform in sub-Saharan Africa that was also financed

14 Mirza, Z. (2025) “[German prosecutors slap \\$27M greenwashing fine on Deutsche Bank’s DWS](#)”, ESG Dive, 4 April.

15 Solutions for Our Climate (2024) “[Global banks under fire for facilitating coal company’s opaque green bond issuance](#)”, 5 August.

16 Green Climate Fund (2022) [GCF/B.34/02/Add.07/Rev.01: Funding proposal package for FP197](#) (Independent Technical Advisory Panel’s assessment), pp.96, 104, 110.

17 Cardano Development (2022) “[The Green Guarantee Company welcomes the Green Climate Fund as founding equity shareholder](#)”.

18 Green Climate Fund (2022) [GCF/B.34/02/Add.07/Rev.01: Funding proposal package for FP197](#) (Independent Technical Advisory Panel’s assessment), pp.107, 109, 111; Green Climate Fund (2022) [Decision B.34/10](#), paras. 8–9. The US\$73 million figure relates to overall costs, not the GCF’s share.

19 MUFG Bank (2026) [FP197 Green Guarantee Company \(“GGC”\). Annual Performance Report CY2025](#).

through an equity investment by the KawiSafi Fund (FP005).²⁰ No ESS disclosure for this transaction has been published on the GCF website.

Example 2: FP152. Global Subnational Climate Fund (SnCF Global) – Equity.

The GCF approved a US\$150 million equity investment for FP152, the Global Subnational Climate Fund (SnCF Global) with Pegasus Capital Advisors as AE in November 2020. The programme includes 46 potential countries across all GCF mitigation results areas except transport (although funding so far has included technical assistance for several e-mobility initiatives). The proposal made an indicative suggestion that subprojects could include “water and sanitation; restorative agriculture/aquaculture; urban development solutions; waste optimization; renewable energy generation and energy efficiency, including energy efficiency retrofits”²¹, a list so broad as to be of little use in determining what the overall portfolio will look like.

The proposal contains no information about actual subprojects. It contains no information about the anticipated balance between different sectors, and it contains no information about what the expected geographic distribution of subprojects will be. No evidence was made public to suggest that such a breakdown even exists, and there are no allocation targets. The SnCF Global rules state that individual equity investments can range from US\$5 to US\$75 million in scale, while smaller grant financing is made available via a related Technical Assistance Facility (FP151).

At the time of approval, the potential impacts of the programme were unknown, with ITAP stating prior to approval that it was “not in a position to assess and confirm the final impact of the programme” and that it had no means to assess the proposal against the GCF’s six investment criteria.²² In particular, ITAP reported that it “was not able to assess the country ownership of this programme” because “actual participant countries have not been identified at this stage.”²³

The GCF has reported a disbursement of US\$50 million in 2021, while the latest public disclosure (the 2025 APR) covers the first five years of the programme’s operations. It identifies six transactions: Cerro Verde Ecolodge (Galapagos, Ecuador), Dominican Republic Solar, Ifria Cold Storage (Morocco), Luxun Solar (Mexico), Aga Solar (Albania) and Curvalux (Mexico), four of which are reported to be still under development.²⁴ Only two of these projects (Luxun and Ifria) had subproject ESS disclosures on the GCF website. A third

20 The Green Guarantee Company (2026) “[The Green Guarantee Company closed its first two transactions mobilising USD 70 million to support the Mission 300 initiative in Africa](#)”, 23 June; Acumen (2018) [FP005 KawiSafi Ventures Fund. Annual Performance Report CY2017](#), p.11; Acumen (2023) [FP210 KawiSafi II. Funding Proposal](#), p.53; Acumen (2025) [FP005 KawiSafi Ventures Fund. Annual Performance Report CY2024](#), p.31.

21 Pegasus Capital Advisors (2020) [FP152 Global Subnational Climate Fund \(SnCF Global\) – Equity. Funding Proposal](#), p.20.

22 ITAP (2020) [GCF/B.27/02/Add.12: Independent Technical Advisory Panel’s assessment of FP152](#), pp.135, 141.

23 Ibid., p.138.

24 Pegasus Capital Advisors (2026) [FP152 Global Subnational Climate Fund \(SnCF Global\) – Equity. Annual Performance Report CY2025](#), pp.9, 15.

disclosure, for a Kenyan subproject named only as “Project Eden”, was posted in October 2026, although this does not appear among the transactions listed in the APR.

The Fund’s website (<https://www.subnational.finance/projects/>) reports several further transactions – mostly categorised as waste management or sustainable agriculture - which mostly involve technical assistance (from FP151) rather than full scale equity investments. Details of the size or risk categorisation of investments are not reported.

The available information raises more questions than answers. For example, it is not clear why no ESS disclosure was made available via either the GCF or the Pegasus (the AE) or SnCF Global websites for the investment in the Six Senses Galapagos, given the potential risks implied in developing a five star luxury resort on San Cristóbal Island – a UNESCO World Heritage Site and Biosphere Reserve. We were able to find a copy of this assessment online, however, which confirms that it was assessed as a category B subproject.²⁵

Example 3: FP025. GCF-EBRD SEFF Co-financing Programme.

With US\$378 million in approved financing, FP025 (GCF-EBRD Sustainable Energy Financing Facilities) is the largest GCF-funded activity to date. Nearly all of the programme’s funding has now been disbursed to EBRD, the accredited entity, with implementation commencing in February 2018. Despite this, no substantive APR has ever been published. The only APR posted, in October 2026, states that a public version “will be prepared and shared with the GCF and the relevant NDA(s) in due course.”²⁶ No other breakdown of subprojects has been published on the GCF website.²⁷ As such, after eight years of implementation there is still no public assessment of the programme and its climate impacts, any social and environmental risks that have been encountered and mitigated, and any deviations from the original proposal or lessons learnt.

This lack of accountability became starkly apparent when US\$200 million for a successor programme, “Greening Financial Systems: Delivering Climate Finance for All” (FP253) was approved in October 2024. Concerningly, the lack of transparency extended to the fact that ITAP – which assessed the proposal prior to passing it to the Board for approval – also noted that it had no access to “the Secretariat’s evaluation of the earlier phase of the programme.”²⁸

25 Orgal S.A. (2023) [Environmental and Social Due Diligence Disclosures Report. Ecuador – Six Senses Cerro Verde Ecological project.](#)

26 European Bank for Reconstruction and Development (2026) [FP025 GCF-EBRD Sustainable Energy Financing Facilities. Annual Performance Report CY2025 \(public notice\)](#), p.1. The APR notice was posted in October 2026 (as is clear from the document properties) although it has been backdated to April 2026.

27 The only FP025 subproject details published by the GCF are in the form of a promotional article, which reveals neither the location of the subproject nor its scale: Green Climate Fund (n.d.) [“Jeans that don’t cost the earth”](#). The EBRD, which has rebranded the programme as Green Economy Financing Facilities, has made available a website that is searchable by funder though this does not reveal the scale of GCF financing for any individual subproject.

28 Green Climate Fund (2024) [GCF/B.40/02/Add.15: Funding proposal package for FP253](#) (Independent Technical Advisory Panel’s assessment), p.125.

Example 4: FP095. Transforming Financial Systems for Climate.

The Transforming Financial Systems for Climate programme (FP095), which was approved in 2018 to support credit lines through local financial institutions in up to 17 countries with the Agence Française de Développement (AFD) as the AE, reported in 2024 that its commitment period had ended with 10 credit lines approved in just seven countries (of the 17 potential countries at the time of proposal approval).²⁹ Some partner institutions are not named – the APR refers only to a “leading private sector bank” in Egypt, for example – and the report provides little information on the individual investments financed through these credit lines or on how their environmental and social risks have been categorised and managed, despite the programme’s high-risk (I-1) classification. As of September 2026, no ESS disclosures had been received for any credit line subprojects.

Example 5: FP173. The Amazon Bioeconomy Fund.

The Amazon Bioeconomy Fund (FP173), a US\$279 million programme implemented by IDB Invest as the AE, reported in its 2024 and 2025 APRs that it has disbursed US\$56 million (20 per cent) in financing, but the APRs disclose only minimal identification data and a list of executing entities, while sections on finances, results and environmental and social safeguards were withheld in their entirety.³⁰

Country ownership

Country ownership is a core principle that is supposed to guide all GCF funding decisions. Several procedural guidelines, including the issuance of a no-objection-letter (NOL) by the country in which a GCF funded activity is to be hosted, are supposed to ensure alignment of a funded activity with a country’s priorities and legal frameworks. However, the inclusion of countries in multi-country programmes is no guarantee of country ownership. In fact, the Independent Evaluation Unit (IEU) has repeatedly found that country ownership is weaker in the case of multi-country programmes and projects.³¹

The IEU has identified various shortcomings at both the project/programme design and implementation stages. Notably, in the case of multi-country proposals, “NDAs [National Designated Authorities] have very limited involvement in the project design phase. These projects are largely formulated and designed by IAEs [International Access Entities] and

29 Agence Française de Développement (2025) [FP095 Transforming Financial Systems for Climate. Annual Performance Report CY2024](#), pp.3-5.

30 IDB Invest (2025) [FP173 The Amazon Bioeconomy Fund. Annual Performance Report CY2024](#), pp.1-2; Inter-American Development Bank (2026) [FP173 The Amazon Bioeconomy Fund. Annual Performance Report CY2025](#); disbursement data from [GCF project page for FP173](#).

31 Independent Evaluation Unit (IEU) (2023) [Independent Evaluation of the Relevance and Effectiveness of the Green Climate Fund’s Investments in the African States](#), para. 158; Independent Evaluation Unit (2022) [Independent evaluation of the relevance and effectiveness of the Green Climate Fund’s investments in the Least Developed Countries](#), paras. 91-94; Independent Evaluation Unit (2024a) [Independent Evaluation of the Green Climate Fund’s Energy Sector Portfolio and Approach](#), para. 146.

large regional DAEs [Direct Access Entities] with little to no direct contribution from NDAs.”³² Put simply, international accredited entities do little to involve national authorities in the project design phase. Research by Germanwatch was equally critical of this one-size-fits-all approach that fails to address context-specific issues and account for the needs of recipients, noting its particular prevalence in Africa, where multi-country proposals are more common.³³

This is a particular issue with multi-country private sector programmes, which according to the IEU’s findings tend to follow a “top-down, supply-driven” model where the AE devises the concept and then sends the NOL to multiple countries. In such cases, “NDAs have no visibility of the project selection and implementation, and the projects generally do not appear to consult the NDAs beyond receiving the NOLs.” While “stakeholder consultation is limited only to individual subprojects and stakeholders directly connected to the private investment” rather than having any broader coherence with country priorities.³⁴

After implementation, the AEs of multi-country programmes often fail to involve the NDA any further. Many multi-country programmes are operating with no in-country presence of AEs or EEs,³⁵ while there is a lack of publicly available information on the GCF’s website concerning the implementation status and progress of these multi-country programmes.

The mismatch between no-objection letter issuance and actual financing is particularly stark in the case of SIDS and LDCs, which have often been included in the scope of large programmes without then seeing any subprojects. Likewise, in the case of the World Bank-implemented Cooling Facility programme (FP177), for example, several of the included countries (Bangladesh, El Salvador, North Macedonia) are reported to have “no viable pipeline.”³⁶

Example 1: Cameroon.

Cameroon was included in five multi-country programmes (FP092, FP095, FP099, FP151 and FP152) but only one of these (FP092) has approved subprojects in the country, and when consulted by civil society organisations in 2022, Cameroon’s NDA reported that no activities were being implemented, that the AEs and executing entities had no representation there, and that it was unable to describe the programmes’ governance structures. As of September 2026, the most recent APRs suggest little has changed, with no other financing from these programmes reported in Cameroon.

32 Independent Evaluation Unit (2024b) [Independent Evaluation of the Relevance and Effectiveness of GCF Investments in the Latin American and Caribbean States](#), para. 44.

33 Germanwatch (2022) [The Challenges of the Green Climate Fund’s Multi-Country Projects and Programmes](#), p.6; IEU (2023) p.xxi.

34 IEU (2024b) para. 182.

35 Germanwatch (2022) p.6.

36 World Bank (2025) [FP177 Cooling Facility. Annual Performance Report CY2024](#), p.8.

Example 2: Malawi.

In Malawi, civil society groups found that neither the NDA nor the Department of Energy Affairs, which the NDA identified as the relevant national institution, had any information about the FMO-implemented Climate Investor One (FP099) even though the programme was already reporting progress in other countries.³⁷ As of September 2026, no other financing from this programme was reported in Malawi.³⁸ Malawi is also included in the scope of five other multi-country programmes: FP177 (Cooling Facility), FP211 (Hardest-to-Reach), FP222 (REPP 2), FP257 (RE-GAIN) and FP291 (ASCENT-GREEN), though there is little evidence that any of these has yet funded subprojects in the country. Only FP257 reports a country allocation for Malawi – a US\$10.7 million grant, of which US\$1.6 million had been disbursed – to fund preparatory activities rather than subprojects.³⁹

Duplication, delays and restructuring

The GCF is slow at distributing funds, with just 36 per cent (US\$7.3 billion) of its US\$20.4 billion in approved financing disbursed as of September 2026.⁴⁰

This issue is particularly acute in the case of programmatic funding. Only 30 per cent (US\$3.3 billion) of the US\$11.0 billion approved for programmes has been disbursed, and just 25 per cent of the funding for private sector programmes approved since July 2023, across 17 of the 29 private sector programmes approved since that date.⁴¹ By comparison, around 43 per cent (US\$4.0 billion) of the US\$9.4 billion approved for stand-alone projects has been disbursed. This points to either significant delays in the GCF disbursing these funds or, at minimum, significant delays in reporting on the progress of ongoing programmes.

Some of the issues faced are by no means unique to programmatic approaches, as they are related to debt and currency risk. FP177 and FP194 have both reported that high levels of debt in Sri Lanka and (in the case of FP194) Djibouti made it unfeasible for these countries to take on the loan financing being offered, in effect excluding them from the programmes.⁴²

37 Germanwatch (2022) pp.5, 7.

38 FMO (2026) [FP099 Climate Investor One. Annual Performance Report CY2025](#).

39 AGRA (2026) [FP257 RE-GAIN: Scaling solutions for food loss in Africa. Annual Performance Report CY2025](#), pp.9-11, 23, 26. 2025 APRs for FP099, FP177, FP211 and FP222 were also checked. FP291 has not published an APR.

40 Own analysis, based on Green Climate Fund (n.d.) [“Portfolio dashboard”](#) (accessed 29 September 2026).

41 Own analysis, based on disbursement data reported on individual project pages in the GCF’s [Portfolio Explorer](#) (accessed 28 September 2026).

42 World Bank (2025) [FP177 Cooling Facility. Annual Performance Report CY2024](#), p.9; Agence Française de Développement (2025) [FP194 Programme for Energy Efficiency in Buildings \(PEEB\) Cool. Annual Performance Report CY2024](#), pp.9–10. In the case of FP177, the GCF Board has been asked, at its October 2026 meeting, to approve a restructuring that would keep Sri Lanka in the programme by moving its US\$36 million allocation onto more concessional terms – a 40-year rather than a 20-year loan, with the grant component increased from US\$1 million to US\$5 million. See Green Climate Fund (2026) [GCF/B.46/07: Status of approved funding proposals – revisions with respect to FP177 “Cooling Facility”](#), paras. 4–9 and Table 2.

In other cases, the funding model itself has had to be restructured. FP098 and FP106, both implemented by the Development Bank of Southern Africa (DBSA), were converted into credit lines because, under their original structure, subprojects would have had to bear the foreign exchange risk of the GCF's US dollar-denominated loans.⁴³ FP105's problems, by contrast, stemmed from its design. Most of the renewable energy projects appraised under FP105 did not meet its eligibility criteria, and it has yet to finance a single subproject more than seven years after approval.⁴⁴

In other instances, however, programmes appear to have over-promised and under-delivered, or there is insufficient data to compare the initial pledge and the actual outcomes. In the case of co-financing, there is no systematic public reporting that compares what is promised at approval with what is actually mobilised, even though high leverage ratios are often a key selling point for programmes and equity investments. Despite the lack of overall data, some examples have emerged of a clear gap between promise and delivery, as outlined below (see, for example, the FP177, FP181 and FP128 cases).

Another concerning tendency is for programmes to sell themselves on the promise of activities geared towards supporting more vulnerable communities and countries, or smaller companies that lack market access, only to eventually orient financing towards more established markets and populations that already have more secure access to finance. As noted in the country ownership section, private sector multi-country programmes that include LDCs, and countries with less established markets, have nevertheless tended to direct most of their financing to larger and more established markets where returns might be greater.

This also calls into question the GCF's reported portfolio shares for LDCs, SIDS and African states. The GCF reports that LDCs and SIDS account for 29.5 per cent and 12.0 per cent, respectively, of its cumulative approved financing, and separately reports the share of its adaptation funding going to LDCs, SIDS and African States as a group.⁴⁵ These figures are based on amounts approved by the Board, with funding for multi-country programmes apportioned between countries using estimates made "on the basis of the best information available to the Secretariat."⁴⁶ The IEU has found that, for many multi-country projects, these estimates assume that funding will be distributed equally across participating countries "which is often not the case" and that they do "not ensure that an LDC will receive funding at the implementation stage."⁴⁷ Although the GCF states that its estimates will be updated once

43 Development Bank of Southern Africa (2024) [FP098 DBSA Climate Finance Facility. Annual Performance Report CY2023](#), pp.2, 22; Development Bank of Southern Africa (2025) [FP106 Embedded Generation Investment Programme \(EGIP\). Annual Performance Report CY2024](#), pp.6, 20. The restructurings were approved at B.36 (FP098) and B.38 (FP106). According to their 2025 APRs, FP098 had still not committed any subprojects, while FP106 reached financial close on its first subproject in May 2025 (Development Bank of Southern Africa (2026) [FP098 Annual Performance Report CY2025](#), p.6; Development Bank of Southern Africa (2026) [FP106 Annual Performance Report CY2025](#), p.4).

44 Banque Ouest Africaine de Développement (2025) [FP105 BOAD Climate Finance Facility to Scale Up Solar Energy Investments in Francophone West Africa LDCs. Annual Performance Report CY2024](#), pp.5–6; Banque Ouest Africaine de Développement (2026) [FP105 Annual Performance Report CY2025](#), pp.5–6.

45 Green Climate Fund (2026) [GCF/B.46/Inf.10: Status of the GCF resources, pipeline and portfolio performance](#), paras. 66–67 and Figure 22 (cumulative approved financing as at 31 August 2026, in nominal terms).

46 Green Climate Fund (2026) [GCF/B.46/02: Consideration of funding proposals](#), Figure 1, note a.

47 Independent Evaluation Unit (2022) [Independent evaluation of the relevance and effectiveness of the Green Climate Fund's investments in the Least Developed Countries](#), paras. 141, 145 and p.10, footnote 17.

expenditure information is received, it publishes no ex-post data on how programme funding is actually apportioned between countries, so the share that actually reaches these country groups is unknown.

In a few instances, the GCF has been asked to co-finance the same activities, or provide more than one equity investment or guarantee to the same entity (as in the case of d.light mentioned above, which is financed by FP005 and FP197). The GCF has not yet established a policy regarding the co-financing of projects that it already supports directly or through other programmes, despite the fact that this type of ‘double dipping’ can expose the Fund to additional risks (as shown in the SOURCE water case below) and undermines its ability to control and accurately account for co-financing.

Example 1: FP177. Cooling Facility.

US\$157 million in GCF funding to the World Bank’s Cooling Facility was approved in 2021 with the intention to operate in nine countries with diverse profiles across four continents. As of September 2026, the GCF has disbursed just US\$5.25 million and progress has been slow, and from the outset there have been challenges in terms of ensuring alignment with country needs and priorities.⁴⁸ According to the programme’s 2024 Annual Performance Report, released in July 2025, there is “no viable pipeline” in Bangladesh, El Salvador, and North Macedonia, and no pipeline in Panama. Sri Lanka’s debt crisis means that it, too, is not in a position to take on any of the loan financing that is at the core of the programme.⁴⁹ Of the remaining four countries, only São Tomé & Príncipe and (with some delays) Somalia are moving forward with procurement and implementation, while potential funding for sustainable cooling in Kenya and Malawi is being assessed in the context of the World Bank’s Accelerating Sustainable and Clean Energy Access Transformation (ASCENT) programme.

In October 2026, the GCF Board was asked to approve the withdrawal of North Macedonia, Panama and El Salvador from the programme – none of which had received any GCF funds – reducing GCF financing from US\$157 million to US\$133.5 million alongside a reduction in expected co-financing.⁵⁰ This would cut the programme’s expected mitigation impact by 35 per cent, more than twice the 15 per cent reduction in GCF financing (co-financing falls by 18 per cent).⁵¹

To add to the confusion, the World Bank has since secured separate GCF funding for the ASCENT programme, which includes proposed activities in Kenya and Malawi: US\$250 million for 21 countries, approved in March 2026 as FP291 (ASCENT-GREEN: Resilient Energy Access for Inclusive Development). Its first two subprojects, disclosed in October

48 IEU (2024a) para. 146.

49 World Bank (2025) [FP177 Cooling Facility. Annual Performance Report CY2024](#), pp.8-9.

50 Green Climate Fund (2026) [GCF/B.46/07](#), paras. 4–6, 11–14 and Tables 1–2.

51 Own analysis based on Green Climate Fund (2026) [GCF/B.46/07](#), Tables 1–2. GCF financing falls by US\$23.5 million (15.0 per cent) and co-financing by US\$127.4 million (17.6 per cent). Expected mitigation falls from 16,240,201 to 10,524,005 tCO₂e (35.2 per cent). Part of this is accounted for by a proposed change in scope in Sri Lanka, to focus more on adaptation, although there is no equivalent increase in expected adaptation outcomes.

2026, would allocate additional financing to existing World Bank ASCENT platforms but the disclosure simply lists all 21 countries in the programme's scope, making it no easier to see where GCF funding will actually go.⁵²

Example 2: SAP054. SOURCE Pacific Drinking Water Project.

The GCF agreed to directly provide a US\$9 million loan to SOURCE Global (SAP054) in July 2025 through the Asian Development Bank as AE, without any acknowledgement (or apparent knowledge at Board level) of the fact that the GCF already made an equity investment in the same company through the "CRAFT - Catalytic Capital for First Private Investment Fund for Adaptation Technologies in Developing Countries" programme (FP181).⁵³ However, GCF Civil Society Network concerns regarding untested technology and inflated claims made by the company proved to be well founded, with the individual project lapsing (in effect, being withdrawn) in March 2026.⁵⁴ The company had reportedly run out of money, and has stopped updating its social media accounts (which are now littered with complaints of faulty products), although the programmatic funding was approved even as evidence of these shortcomings was mounting.⁵⁵

Example 3: FP181. CRAFT - Catalytic Capital for First Private Investment Fund for Adaptation Technologies in Developing Countries.

FP181, implemented by Pegasus Capital Advisors as AE, stated that it was targeting investments of a total fund size of US\$400 million, including US\$100 million from the GCF, but the fund closed at US\$185 million – less than half of this projected size – with the GCF's own commitment reduced to around US\$45 million and a corresponding reduction in the expected impact.⁵⁶ The AE estimates that quantitative impact targets, such as the number of direct beneficiaries, will be reduced by roughly the same proportion, with funding and impacts both coming in at around 46 per cent of the original projections.⁵⁷

52 World Bank (2026) [Environmental and social safeguards \(ESS\) report for FP291/1: Additional Finance: Accelerating Sustainable & Clean Energy Access Transformation \(ASCENT\) – Regional Energy Access Financing Platform](#); World Bank (2026) [Environmental and social safeguards \(ESS\) report for FP291/2: Additional Finance: ASCENT – Regional Energy Access Acceleration Platform \(REAAP\)](#). Both disclosed on 2 October 2026.

53 Pegasus Capital Advisors (2025) [FP181 CRAFT - Catalytic Capital for First Private Investment Fund for Adaptation Technologies in Developing Countries. Annual Performance Report CY2024](#), p.8.

54 GCF Observer Network (2025) "[Letter to the Board on SAP054: SOURCE Pacific Drinking Water Project](#)".

55 Company records for SOURCE Global show its registered address changed to a legal office and that its business licence is "pending administrative revocation" for a failure to supply annual reporting ([Arizona Corporation Commission, eCorp business record](#)). Instagram, Facebook and LinkedIn accounts associated with the company stopped posting in early 2025, while employment forum Glassdoor includes comments (which we have been unable to independently verify) reporting that manufacturing had stopped and workers had been laid off.

56 Pegasus Capital Advisors (2025) [FP181 Annual Performance Report CY2024](#).

57 Pegasus Capital Advisors (2025) [FP181 Annual Performance Report CY2024](#), pp.7, 24; Pegasus Capital Advisors (2026) [FP181 Annual Performance Report CY2025](#), p.4.

Example 4: FP128. Arbaro Fund – Sustainable Forestry Fund.

In the case of Arbaro Fund (FP128) implemented by the Japanese MUFG Bank, US\$175 million in co-financing was promised but only US\$86 million was raised by the close of its investment period in 2022.⁵⁸ In parallel, the mitigation target was scaled down from 20 million to 11.12 million tCO₂eq, although the GCF contribution has remained the same.⁵⁹

High risk projects

One of the major concerns regarding programmatic funding is that it results in the GCF financing activities that would not otherwise be approved as individual projects, including cases where the reputational risk (and/or distance from the GCF's core climate mission) would otherwise be too great under project-level scrutiny, as well as those where environmental and social risks are not rigorously scrutinised or responsive to public comment. GCF programmes include several examples of under-scrutinised, high risk subprojects. In other cases, problematic subprojects have not yet been put forward but the potential scope is worryingly broad.

Example 1: SAP037. Avaana Sustainability Fund.

The Avaana Sustainability Fund (SAP037), implemented by the Small Industries Development Bank of India (SIDBI), which is supposed to support technology incubation in relation to sustainable resource management, mobility and supply chains, and sustainable agriculture and food systems, was approved as a category C low risk programme, which significantly understates the potential risk of its subprojects.⁶⁰ The low risk rating appeared to only take into account the direct activities of the potential investee companies (such as their manufacturing processes) without considering the impact of the technologies they are developing. Yet the projected results and estimated mitigation impacts put forward were premised on assumptions regarding the deployment and use of the technologies that investee companies would develop. This is simply inconsistent. If the GCF assumes the end-use benefits of technology companies, it should consider the risks on the same footing. This is a particular concern in the case of SAP037 because the potential investments could include technologies, such as those used in carbon sequestration, that may have significant environmental and social impacts beyond the low risk categorisation the programme received.

58 MUFG Bank (2023) [FP128 Arbaro Fund – Sustainable Forestry Fund. Annual Performance Report CY2022](#), section 2, p.13.

59 Ibid.

60 Green Climate Fund (n.d.) [“SAP037: Avaana Sustainability Fund”](#).

Example 2: FP205. Infrastructure Climate Resilient Fund (ICRF).

In the case of the Africa Finance Corporation's ARISE Integrated industrial Platforms (FP205), to which the GCF has disbursed US\$145 million of its US\$254 million in approved financing, the first subproject disclosure outlines plans to invest in the development of infrastructure in a series of Special Economic Zones – including road building and port construction. While climate-proofing new infrastructure clearly falls within the scope of adaptation financing, GCF investments should not be driving significant climate impacts. To this end, it is concerning that according to the environmental and social management system (ESMS) assessment submitted to the GCF, ARISE IIP has yet to develop and adopt either a "Climate Policy that embeds climate adaptation and resilience strategies" or "a biodiversity framework consistent with IFC Performance Standard 6."⁶¹

Gender Equality

Although the GCF Gender Policy requires a gender assessment and a project-level gender action plan (GAP) as part of every funding proposal, there is no specific provision for programmes, where the pipeline of subprojects and their potential impacts are not known at the time of approval.⁶² As a result, programme-level gender assessments and GAPs tend to be vague and generic, drawing on broad national or regional information rather than an analysis of the communities that subprojects will affect. These documents are supposed to be followed up by subproject-specific gender assessments and GAPs but there is little public evidence that these exist. Unlike environmental and social safeguards reports, which are disclosed for some higher-risk (category A/I-1 or B/I-2) subprojects, albeit inconsistently and on a case-by-case basis, subproject-level gender assessments and GAPs are not published on the programme pages of the GCF website, and APRs rarely report on them.

There is already evidence that programmes perform markedly worse than projects in terms of ensuring gender equal implementation for gender equitable outcomes. In an analysis by Heinrich Böll Stiftung and Gender Action, four of the five weakest performers (FP122, FP024, FP128 and FP099) took a programmatic approach. Programmes involving financial intermediation also fared poorly, accounting for five of the nine worst-performing projects/programmes (FP028, FP024, FP122, FP128 and FP099).⁶³ These poor results are directly related to the transparency and accountability challenges associated with such programmes, where information is redacted as proprietary, with subproject details unknown at the time of approval and not reported on subsequently.⁶⁴

61 Africa Finance Capital Partners (2025) [Assessment Report on ARISE's Environmental and Social Management System](#), pp.8-9.

62 Green Climate Fund (2019) [Gender Policy](#), para. 29(b).

63 Schalatek, L., E. Zuckerman and E. McCullough (2021) [More than an add-on? Evaluating the integration of gender in Green Climate Fund projects and programs](#), Heinrich Böll Stiftung Washington, DC and Gender Action, pp.27-28.

64 Ibid., p.28.

At a minimum, subproject-specific gender assessments and GAPs should be published on programme webpages alongside ESS disclosures (which are not, in themselves, a substitute for a full subproject description), and reported on in APRs. Ultimately, the GCF should consider whether it should even be supporting some of the complex, financially intermediated programme types that lack accountability at subproject level.⁶⁵

Example 1: FP099. Climate Investor One.

The Climate Investor One (FP099) programme ranked last in the hbs/Gender Action survey. Although its own gender assessment identified significant gender risks in the countries where the fund planned to invest, these were ignored entirely in the programme's risk assessment. The programme included no gender safeguards, provided only a rudimentary GAP without targets, budget, timeline or responsible entities, and failed to consider how privatising energy provision could deepen gender inequities in energy access, offering instead a vague promise that subprojects would "intentionally impact women."⁶⁶ The programme has been under implementation since 2019, with 11 subprojects now disclosed, but the original programme-level gender assessment and GAP from 2018 has not been updated, nor have any of the subproject-specific gender assessments or GAPs been disclosed, if they exist at all. The latest APR for 2025 provides no further information: the published report is a heavily redacted document running to just two pages and containing no mention of gender at all.⁶⁷

Example 2: FP128. Arbaro Fund – Sustainable Forestry Fund.

The Arbaro Sustainable Forestry Fund (FP128) included no gender-related risks or safeguards in its funding proposal, ignoring how women could be excluded from subproject benefits and harmed by subproject activities. When such omissions occur at the programme level, they are potentially replicated across every subproject financed under it.⁶⁸ The Fund, which has been under implementation since 2020 and now has seven subprojects, reports in its 2025 APR that it "has made solid progress across all Gender Action Plan (GAP) implementation activities, all of which are currently rated GREEN, indicating they are on track to be achieved" and that "All portfolio companies have a Gender Assessment and Action Plan".⁶⁹ However, none of this documentation has been publicly shared on the GCF programme page, or on the websites of MUFG or the Arbaro Fund itself.

65 Ibid, pp.73, 78.

66 Ibid., pp.27, 50, 56.

67 FMO (2026), [FP099 Climate Investor One Annual Performance Report 2025](#).

68 Ibid., pp.48, 50.

69 MUFG (2026), [FP128 Arbaro Fund – Sustainable Forestry Fund Annual Performance Report 2025](#), pp.35–36.

Example 3: FP122. Blue Action Fund.

The Blue Action Fund (FP122), implemented by the German Kreditanstalt für Wiederaufbau (KfW), stated in its proposal that each of its subprojects will conduct country-specific gender assessments that are to inform its GAP.⁷⁰

As with the country ownership gap noted above, the lack of sectoral or local detail at the time of approval, and the generic, context-free approach that some programmes take, requires detailed follow up, with the programme's GAP conceived of as a 'living document' that is subject to updates as the programme develops.

This programme shows far greater transparency than the other examples, with environmental and social management plans (ESMPs) published for all nine subprojects on the Blue Action Fund website and linked from the GCF programme page.⁷¹ Two of these ESMPs include a full subproject gender assessment and GAPs containing meaningful indicators and quantitative targets.⁷²

While Blue Action Fund (FP122) is one of the best-performing programmes in this regard, this is a low bar and there remains considerable room for improvement. Most of the Fund's ESMPs do not include published gender assessments or GAPs, stating only that these will be developed during the inception phase or first year of implementation, with no follow-up documents yet published. Nor has the programme-level GAP, which dates from 2019, been updated to reflect the subprojects now under way. The 2025 APR is also a mixed bag, reporting against gender equality progress overall to a far greater degree than most existing programmes (which offer minimal to no details) but without providing any links or specifics to how gender equality is implemented by individual subprojects, including those whose GAPs have been published.

70 McCullough, E. and E. Zuckerman (2021) [More than an add-on? Compendium: Individual project/program gender analysis reports and pattern analysis overview table](#), Heinrich Böll Stiftung Washington, DC and Gender Action, p.233.

71 See the ESS reports for FP122/1 to FP122/9 on the [GCF FP122 programme page](#), each of which links to the subproject ESMP on the Blue Action Fund website.

72 Rare (2023), [Gender Action Plan: Coastal Lifeline – A provincial approach to the empowerment of Fisher-Farmer Communities to adopt Nature-based Solutions in Mozambique](#), version 0.2 (working draft), Annex E to the ESMP for subproject FP122/8, pp.41–51; Wildlife Conservation Society (2023), [Preliminary Gender Assessment and Action Plan for Blue Action Fund Ecosystem-based Adaptation to Climate Change in the Western Indian Ocean](#), Annex 5 to the ESMP for subproject FP122/9, pp.23–26.

5. Conclusion

Programmatic approaches are now the dominant funding approach in the GCF in terms of funding volume, accounting for more than half of all approved GCF financing, yet they operate without a clear definition or a fit-for-purpose accountability framework. This gap remained unaddressed when the GCF updated its Monitoring and Accountability Framework in July 2025, with no programme-specific accountability requirements and a broad, non-committal statement that performance reports should include disaggregated reporting on individual subprojects “where applicable as determined by GCF.”⁷³

While programmes are intended to deliver climate finance at scale and with flexibility, and allow the GCF to programme larger amounts of funding fast, the absence of rules or guidance has led to various shortcomings. By definition, programme funding is approved before subprojects are identified, which limits proper assessment of climate impacts, or an understanding at the time of decision making on sectoral focus and geographic allocations. As a result, *ex ante* assessments of mitigation and adaptation outcomes are often speculative, and even the Fund’s Independent Technical Advisory Panel (ITAP) has acknowledged that it is sometimes unable to assess final impacts or country ownership at the time of approval.

The briefing further shows that transparency shortcomings are particularly acute in private sector and equity-based programmes. Selection criteria are generic at best and subproject pipelines are undisclosed. In several cases, substantial equity investments have been approved with minimal information about the scale of financing, risk categorisation, who the eventual beneficiaries are, or alignment with national priorities. Post-approval reporting to the wider public is similarly uneven. Subproject details are frequently buried in delayed or heavily redacted Annual Performance Reports, and in some instances no meaningful public reporting has been made available even years into implementation. This lack of transparency weakens public scrutiny, limits learning, and undermines confidence that scarce climate resources are being deployed effectively, equitably and responsibly.

Country ownership – central to the GCF’s mandate – has repeatedly been found to be weaker in multi-country programmes. National Designated Authorities often have limited involvement in project design beyond issuing no-objection letters, and inclusion in a programme’s geographic scope does not guarantee that a country will ultimately host subprojects. Least Developed Countries and countries with less developed markets are frequently included in broad programme frameworks but see little or no concrete investment, while vulnerable communities are not prioritised. At the same time, programmes have faced delays, restructuring, and pipeline shortfalls, with disbursement rates lagging, envisioned co-financing not materialising, and some countries excluded due to debt constraints or lack of bankable subprojects.

73 Green Climate Fund (2025) [Decision B.42/13](#); Green Climate Fund (2025) [GCF/B.42/04/Add.03: Updated monitoring and accountability framework for accredited entities](#), para. 20(a).

Finally, the briefing highlights the risk that programmatic structures can obscure high-risk or weakly justified investments, including luxury resorts and companies linked to environmental or governance controversies. Without stronger disclosure requirements, clearer exclusions, and enhanced Board oversight of large or high-risk subprojects, there is a danger that the programmatic model enables financing inconsistent with the Fund's climate mandate and safeguard principles, causing reputational risk for the GCF and real harm to the communities GCF funding is intended to provide benefits to.

Programmatic approaches clearly have the potential to mobilise climate finance at scale, and should remain a key part of the GCF's portfolio if it is to meet its objective of contributing to a paradigm shift towards low-carbon and climate-resilient development. However, their current design and implementation falls well short of the required standards of transparency, accountability, and country ownership.⁷⁴

74 Green Climate Fund (2011) [Governing Instrument for the Green Climate Fund](#), para. 3.

6. Suggested Policy guidance on programmatic approaches

Transparency, accountability and country ownership must be placed at the centre of a dedicated policy on programmatic approaches, which the GCF should develop as a matter of urgency. The following recommendations respond directly to the governance gaps, transparency failures, country ownership weaknesses, delays, restructuring challenges and high-risk investments identified in the current programmatic financing portfolio.

Definition and Scope

- **Adopt a clear operational definition of programmatic financing.** A formal definition should differentiate programmes from projects on the basis that they establish a financing facility for subprojects (individual activities of >US\$1 million) that are not fully defined at the time of Board approval. The definition should clarify minimum requirements regarding sectoral coherence, geographic scope, results areas, and implementation arrangements.
- **Clarify eligibility and minimum design standards.** Programmes should be required to define: (i) clear sectoral or thematic boundaries; (ii) allocation principles; and (iii) expected mitigation/adaptation contributions that relate to an indicative subproject pipeline. Broad, open-ended mandates that allow financing across multiple sectors and regions without prioritisation should not be eligible.

Strengthening Board Oversight Prior to Approval

- **Exclude (quasi-) “blind pool” structures.** Financing through investment vehicles where clear investments goals, as well as indicative sectoral and geographical scopes are not clearly defined in advance (as in FP152, FP180, FP181) should not be eligible. At minimum, programmes should offer transparent allocation targets and publicly disclosed selection criteria that relate to GCF results areas and operationalising the Fund’s investment framework.
- **Develop specific guidance for private equity investments and guarantees.** Given the inability to conduct meaningful *ex ante* impact assessments on these investments, the GCF should adopt stricter rules for private equity and guarantee-based programmes, including through tranching/phased funding disbursements and taking on a more proactive role in the governance of investment vehicles. Approved amounts should always be made conditional to fundraising targets, automatically reducing the GCF’s contribution by a set proportion if less than a specified amount of co-financing is raised.

- **Introduce tranche-based approvals.** Programmatic funding should be approved in tranches of no more than a third of overall planned GCF funding commitment so that the GCF Board has the opportunity to assess performance and lessons learned before releasing further funds. A simplified approvals process could be developed for programmes that are a continuation of previously approved activities.
- **Conduct additional due diligence on high-risk and large subprojects.** Category A subprojects over US\$25 million should require Board approval. Category A and B subprojects over US\$10 million should be subject to enhanced due diligence overseen by the GCF Secretariat. Such due diligence should be based on a full subproject description, not just an ESS disclosure (see also the disclosure recommendations below).
- **Ensure risk ratings reflect end-use impacts.** For equity investments in new technologies, risk categorisation should consider the environmental and social implications of the technologies' deployment, not only the investee company's internal operations.
- **Develop clear and inclusive allocation criteria.** Where programmes include LDCs, SIDS and African states, the allocation criteria should explicitly address how subprojects in these countries will be encouraged, as well as set a minimum allocation amount for subprojects to be implemented in these country groups.
- **Adopt clear disclosure rules on repeat financing.** Accredited Entities should be required to disclose whether any proposed subproject or investee company has already received GCF funding (directly or via another programme). Repeat financing requests should be subject to Board approval. This could be on a no-objection basis and requiring streamlined documentation akin to existing documentation required in the case of restructuring requests.

Transparency and Disclosure During Implementation

- **Require subproject ESS disclosures.** ESS disclosures for Category B/I-2 and above subprojects must be disclosed on the GCF website prior to approval with clear timelines in line with the Information Disclosure Policy, with opportunity for public comment.
- **Require standardised subproject information.** For all subprojects over US\$10 million, programme webpages should include, in a timely manner:
 - Location (or HQ of company for equity investments), including a listing of all countries in which the subproject will be implemented
 - Size of GCF allocation
 - Financial instrument
 - ESS risk category

- Brief description (up to 500 words)
- Executing entity (if applicable)
- Link to ESS documentation and/or project website
- Link to subproject-specific gender assessment and gender action plan
- Link to subproject-specific Grievance Redress Mechanism
- **Establish national contact points for multi-country programmes.** Accredited Entities should identify in-country contacts or executing entities for every country included in their scope and set out brief outreach strategies for each included country as part of stakeholder engagement plans.
- **Improve and disclose subproject-level gender analysis.** Gender Assessments and Gender Action Plans (GAPs) for programmes must move beyond generic programme templates. Programme-level GAPs should be updated as “living documents” to account for programme-portfolio updates and changes. Context-specific gender assessments and GAPs should be required for each subproject, published on programme webpages alongside ESS disclosures, and reported on in detail in Annual Performance Reports.

Reporting at Subproject and Portfolio Level

- **Require country-level allocation transparency.** Multi-country programmes should publish indicative country allocations at approval, and report on actual allocations and disbursements by country during implementation, so that it is clear how they contribute to the GCF’s reported portfolio shares for SIDS, LDCs and African states. The GCF should in turn report these portfolio shares – as well as the balance between mitigation and adaptation – at three stages: at approval, as committed during implementation, and as disbursed.
- **Improve Annual Performance Report (APR) standards.** APRs should be published within a maximum of six months from the end of the reporting period. Minimum content standards should include subproject portfolio breakdown by country and sector, disbursement status, and reporting of any significant environmental and social safeguard risks encountered, status on implementation of gender requirements (including on the subproject level) or grievances received. Redactions should be limited to narrowly defined commercially sensitive data.

Taken together, these measures would help to introduce a greater balance between the flexibility that programmes offer and the fiduciary responsibility, environmental and social integrity and gender equality standards that drawing scarce highly concessional resources from the GCF warrants, helping to ensure that funded programmes uphold the principles of transparency, accountability and country ownership.