



PRESS RELEASE

## GCF reaches effectiveness, can begin allocating resources ahead of Paris Climate Conference

Japan latest country to sign contribution arrangement with the Fund

**(Tokyo, Japan, 21 May 2015)** – The Government of Japan and the Green Climate Fund (GCF) today signed a contribution arrangement confirming the conversion of Japan’s pledge of USD 1.5 billion equivalent, which brings the Fund over the 50 percent threshold required to start allocating its resources for projects and programmes in developing countries.

With the Japanese announcement, GCF has formally reached ‘effectiveness’ and can begin the critical phase of considering funding proposals with a view to submit to the Fund’s Board some initial projects later this year, ahead of the 21st Conference of the Parties (COP 21) to the UN Framework Convention on Climate Change (UNFCCC) in Paris.

This latest contribution brings the total of signed contribution agreements to USD 5.47 billion equivalent, or 58.5 percent of the amount that countries committed at GCF’s High-level Pledging Conference in Berlin in November 2014. Achieving the 50 percent threshold was a necessary requirement set by the Fund’s governing Board to declare the Fund effective.

“The Green Climate Fund commends the Government of Japan for the timely conversion of its pledge to a contribution arrangement with the Fund at such a crucial point in the negotiations ahead of COP 21,” said Ms. H la Cheikhrouhou, GCF Executive Director. “This achievement means the Fund has reached an important milestone and can now start making financial commitments to developing countries.”

“The Government of Japan appreciates the finalization of the contribution arrangement, just in time for the 7th Pacific Islands Leaders Meeting which will be held in Japan this week and address financing for climate adaptation of small islands states,” said Mr. Atsuyuki Oike, Ambassador Director-General for Global Issues in Japan’s Ministry of Foreign Affairs. “We now look forward to

---

### Green Climate Fund

Songdo International Business District  
175 Art Center-daero  
Yeonsu-gu, Incheon 406-840  
Republic of Korea

### Communications

T + 82 32 458 6062 (UTC+9)  
F + 82 32 458 6094  
press@gcfund.org  
gcfund.org

Not an official document  
For use of the media only



reviewing GCF's first projects and programmes to achieve the Fund's objectives, with a particular emphasis on vulnerable countries including SIDS and LDCs. We also hope that the effective operationalization of GCF will contribute to successful negotiations for a Paris Agreement," he explained.

Between now and the Paris Climate Change Summit, the Fund aims to finalize its first set of projects for approval by the GCF Board, expected to take place at its eleventh meeting in November this year. An initial version of the Fund's project proposal form has been published online for use by GCF national designated authorities (NDAs) and accredited entities that will channel GCF resources into projects and programmes.

GCF's declared effectiveness today sends a strong signal to global financial markets. The corporate sector would easily have the capacity and liquidity to fund additional investments into mitigation and adaptation projects in developing countries. The Fund will likely be able to leverage some of its capital multifold with private-sector cash, under measures aimed at reducing risks for investors, according to estimates made by Bank of America Corporation.

To accelerate private sector investment in low-emission, climate-resilient activities, GCF's Private Sector Facility will work hand in hand with international businesses, capital markets and the local private sector in developing countries. In order to be paradigm-shifting, the Fund is designed to provide concessional financing, to offer the full range of financial instruments to match project requirements, and to intervene at sub-sovereign level. One of the Fund's key innovations is its risk-bearing capacity, allowing it to bear more risk and thus leverage other less risky financing, notably from the private sector.

In its recent Impact Analysis, the Fund identified strategic priority areas and global investment opportunities which are not adequately supported by existing climate finance mechanisms, and that can be used to maximize GCF's impact, in particular investments into efficient and resilient cities, land-use management and resilience of small islands.

Given the scale and urgency of financial needs for climate change action, the Fund continues to mobilize additional resources on an ongoing basis. A strong financial base is important for GCF to be able to fulfill its mandate under the UNFCCC. The Fund calls upon countries, state-owned entities and local governments that are able and willing to come forward and invest in the Fund.

---

**Green Climate Fund**

Songdo International Business District  
175 Art Center-daero  
Yeonsu-gu, Incheon 406-840  
Republic of Korea

**Communications**

T + 82 32 458 6062 (UTC+9)  
F + 82 32 458 6094  
press@gcfund.org  
gcfund.org

Not an official document  
For use of the media only



“Governments that have not yet pledged to the Fund are encouraged to step forward,” said Ms. Cheikhrouhou. “All other governments that have not yet signed their agreement with the Fund should do so urgently, she added.” To date, 33 governments, including 8 developing countries have pledged close to USD 10.2 billion equivalent to GCF; 21 of them have signed a part or all of their contribution agreement since GCF’s Pledging Conference.

UNFCCC’s Conference of the Parties established the Green Climate Fund as the main operating entity under the financial mechanism of the Convention. The Fund is independently managed to enable a paradigm shift towards low-emission and climate-resilient development pathways in developing countries and help achieve the goal of keeping a global temperature rise under 2 degrees Celsius.

(Annex: overview of status of signed contributions to GCF)

---

**Green Climate Fund**

Songdo International Business District  
175 Art Center-daero  
Yeonsu-gu, Incheon 406-840  
Republic of Korea

**Communications**

T + 82 32 458 6062 (UTC+9)  
F + 82 32 458 6094  
press@gcfund.org  
gcfund.org

Not an official document  
For use of the media only



# Status of Pledges and Contributions made to the Green Climate Fund

Status Date: 21 May 2015

A total of 33 governments have made a pledge to the Green Climate Fund (GCF) to date, including 8 representing developing countries. The objective is for all pledges to be converted into contribution agreements within one year from the time at which they are made. The combined pledges and contributions made to the Fund are indicated in the table below.

GCF's initial resource mobilization (IRM) period continues to be in progress, and the Fund accepts new pledges on an ongoing basis.

Total amount pledged to date	USD	10.2 billion *
Total amount in contributions signed	USD	5.5 billion *
In percent		58.5% **

\* Amounts indicated are in United States dollars equivalent (USD eq.).

\*\* Percentage is based on the amount in signed contributions divided by the total amount of USD 9.35 billion pledged up until GCF's High-Level Pledging Conference in Berlin in November 2014.

A detailed overview of pledges and contributions by country is shown on the reverse side.

## Status of Pledges for GCF's Initial Resource Mobilization (IRM) as of 21 May 2015

Calculated on basis of reference exchange rates established for GCF's High-Level Pledging Conference (GCF/BM-2015/Inf.01)

(In millions)

Contributor	Pledges				Grant Equivalent <sup>1</sup>		
	Announced		Signed	Announced Pledge Per Capita	of Pledged Amount	of Signed Amount	
	In Currency	USD eq. <sup>2</sup>	USD eq. <sup>2</sup>	USD eq. <sup>2</sup>	USD eq. <sup>2</sup>	USD eq. <sup>2</sup>	
Australia	AUD	200.0	186.9	-	7.9	186.9	-
Austria <sup>3</sup>	USD	25.0	25.0	26.8	2.9	25.0	26.8
Belgium	EUR	51.6	69.0	54.3	6.2	69.0	54.3
Canada (Grant) <sup>4</sup>	CAD	300.0	277.0	-		TBD	-
Canada (Loan)	CAD	TBD	TBD	-	7.8	TBD	-
Canada (Cushion)	CAD	TBD	TBD	-		TBD	-
Chile	USD	0.3	0.3	0.3	0.0	0.3	0.3
Colombia	USD	6.0	6.0	-	0.1	6.0	-
Czech Republic	CZK	110.0	5.3	0.5	0.5	5.3	0.5
Denmark	DKK	400.0	71.8	71.8	12.8	71.8	71.8
Finland	EUR	80.0	107.0	-	19.8	107.0	-
France (Grant)	EUR	432.0	577.9	577.9		577.9	577.9
France (Loan)	EUR	285.0	381.3	-	16.0	105.1	-
France (Cushion)	EUR	57.0	76.3	-		-	-
Germany	EUR	750.0	1,003.3	1,003.3	12.1	1,003.3	1,003.3
Iceland	USD	0.2	0.2	0.2	0.5	0.2	0.2
Indonesia <sup>5</sup>	USD	0.3	0.3	0.3	0.0	0.3	0.3
Italy	EUR	250.0	334.4	-	5.5	334.4	-
Japan	JPY	154,028.7	1,500.0	1,500.0	11.8	1,500.0	1,500.0
Latvia	EUR	0.4	0.5	0.5	0.2	0.5	0.5
Liechtenstein	CHF	0.1	0.1	0.1	1.5	0.1	0.1
Luxembourg	EUR	5.0	6.7	6.7	13.4	6.7	6.7
Mexico	USD	10.0	10.0	-	0.1	10.0	-
Monaco	EUR	0.3	0.3	0.3	8.8	0.3	0.3
Mongolia	MNT	90.0	0.0	-	0.0	0.0	-
Netherlands	EUR	100.0	133.8	133.8	8.0	133.8	133.8
New Zealand	NZD	3.0	2.6	2.6	0.6	2.6	2.6
Norway	NOK	1,600.0	257.9	257.9	50.6	257.9	257.9
Panama	USD	1.0	1.0	0.5	0.3	1.0	0.5
Peru	USD	6.0	6.0	-	0.2	6.0	-
Poland	PLN	0.4	0.1	0.1	0.0	0.1	0.1
Republic of Korea <sup>5</sup>	USD	100.0	100.0	14.2	2.0	100.0	14.2
Spain	EUR	120.0	160.5	-	3.4	160.5	-
Sweden	SEK	4,000.0	581.2	581.2	60.5	581.2	581.2
Switzerland <sup>6</sup>	USD	100.0	100.0	30.0	12.2	100.0	30.0
United Kingdom (Capital)	GBP	576.0	968.8	968.8		968.8	968.8
United Kingdom (Grant)	GBP	144.0	242.2	242.2	19.1	242.2	242.2
United States of America	USD	3,000.0	3,000.0	-	9.3	3,000.0	-
<b>Total</b>			<b>10,193.5</b>	<b>5,473.9</b>		<b>9,564.1</b>	<b>5,473.9</b>
<b>EU Member States (Total)</b>	USD		<b>4,745.0</b>	<b>3,667.7</b>		<b>4,392.6</b>	<b>3,667.7</b>

### Notes:

<sup>1</sup> Grant equivalent is calculated based on the terms in Policies for Contributions.

<sup>2</sup> United States dollars equivalent (USD eq.), based on the reference exchange rates established for GCF's High-Level Pledging Conference (GCF/BM-2015/Inf.01).

<sup>3</sup> The pledge from Austria was announced in USD but signed in EUR (20 million). The amount shown as signed is calculated in accordance with <sup>2</sup>.

<sup>4</sup> Type of pledge is indicative. A portion of a grant may be provided as a loan and/or capital.

<sup>5</sup> Signed amount includes contributions made prior to GCF's High-Level Pledging Conference.

<sup>6</sup> Switzerland intends to sign the remainder of its USD 100 million pledge upon confirmation that GCF's effectiveness has been reached (i.e., when 50% of the USD 9.35 billion pledged by GCF's High-Level Pledging Conference has been signed).