

Briefing on Climate Change and Water

Alastair Morrison

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Independent Water and Climate Consultant

(former Senior Water Specialist at the Green Climate Fund 2017-2019)

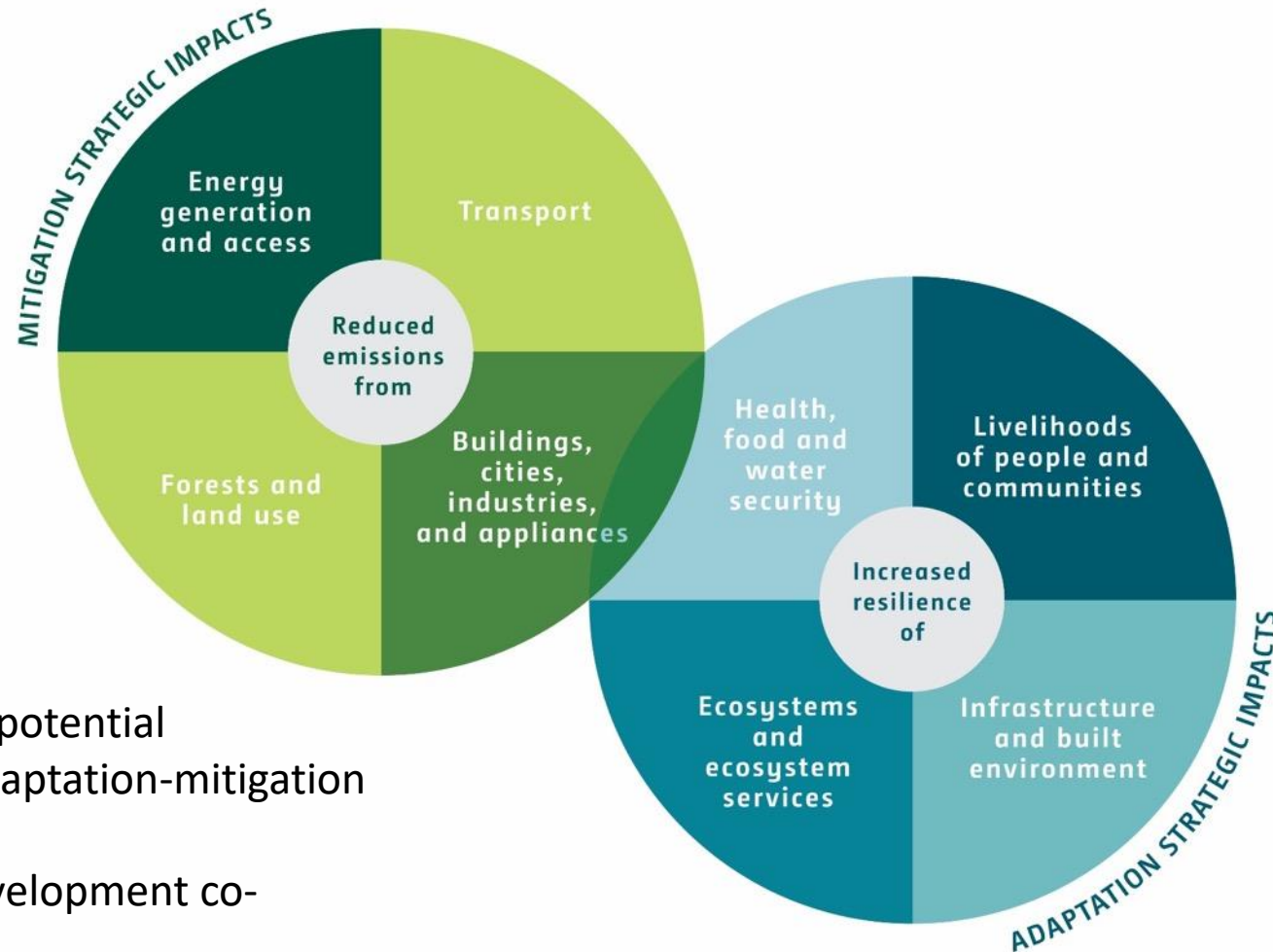
GCF Vision



With a Mandate:

To promote low-emission and climate resilient development in developing countries.







8 Strategic Results Areas



With a focus on...

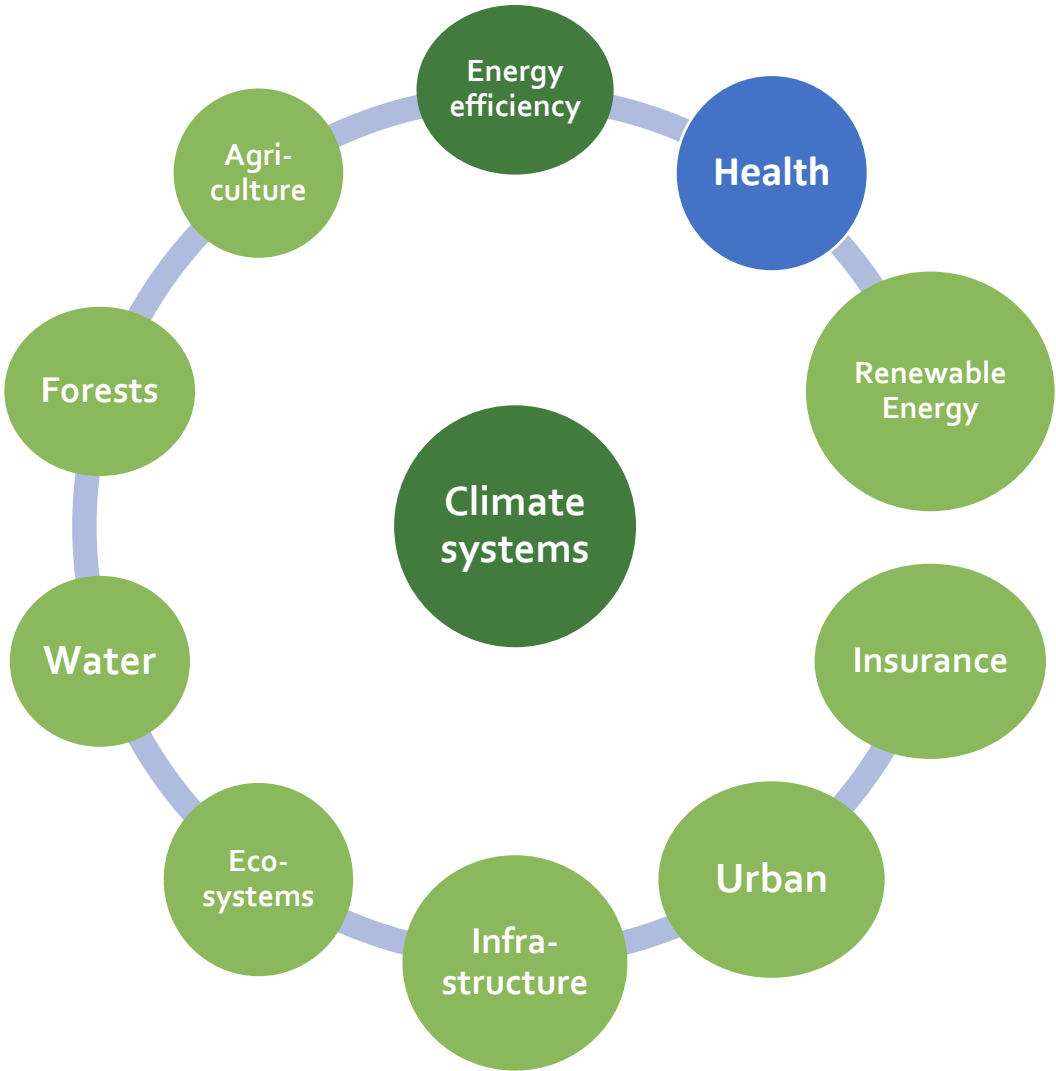
- Impacts
- Paradigm-shift potential
- Crosscutting adaptation-mitigation benefits
- Sustainable development co-benefits

GCF Investment Criteria

 Impact potential	Potential to contribute to achievement of Fund's objectives and result areas
 Paradigm shift potential	Long-term impact beyond a one-off investment
 Sustainable development potential	Wider economic, environmental, social (gender) co-benefits
 Country ownership	Country ownership and capacity to implement (policies, climate strategies and institutions)
 Efficiency & effectiveness	Economic soundness, cost-effectiveness and co-financing for mitigation
 Responsive to needs of recipients	Vulnerability and financing needs of beneficiary in targeted group

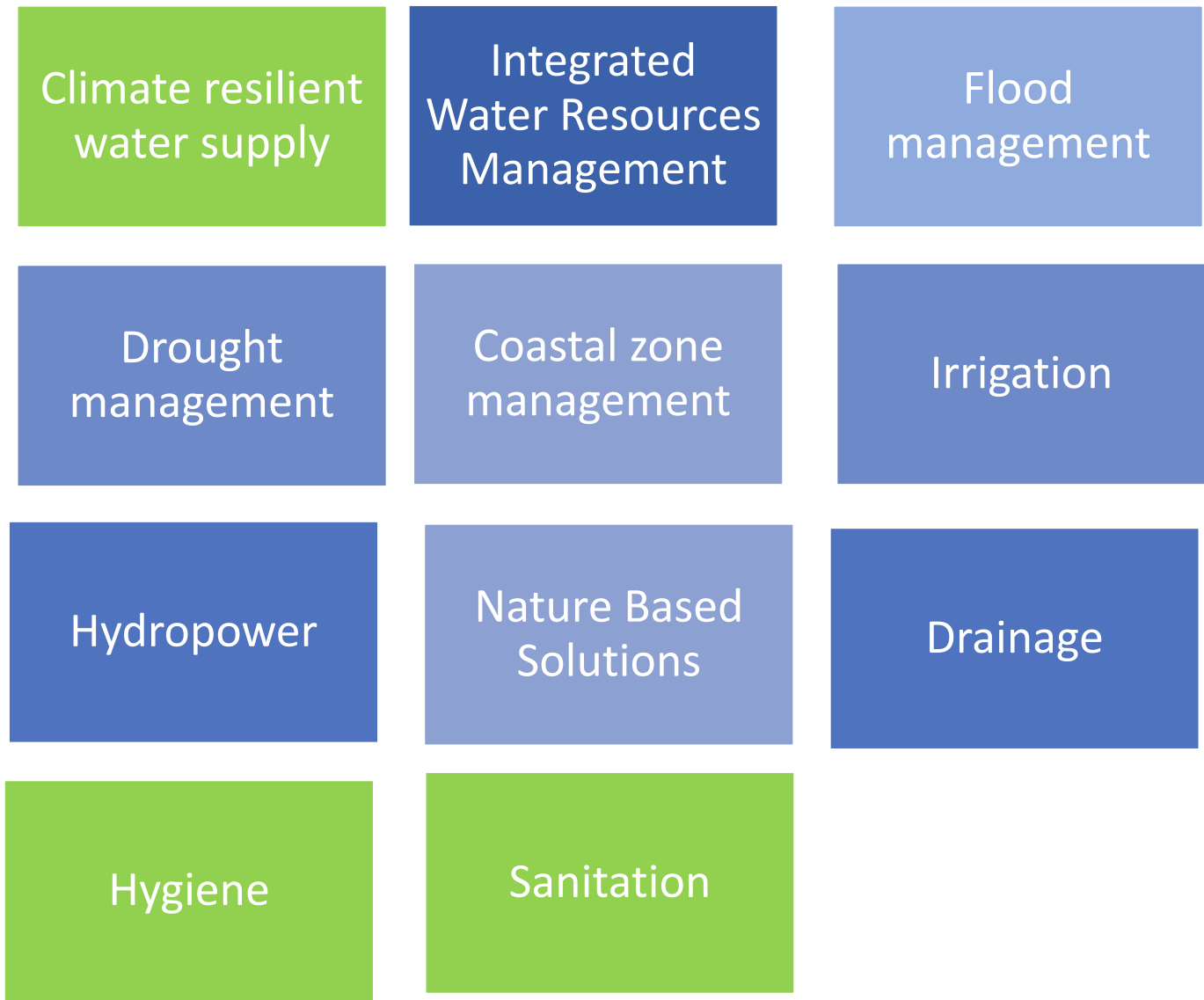
2. Water Sector and Climate Change

Climate Sectors at GCF



GCF Portfolio Overview

Water Subsectors



Project Distribution in the GCF Portfolio (submitted by Accredited Entities)

- numerous water supply projects
- few sanitation or hygiene projects
- links between water and health not commonly made

Most projects include components on:

- Infrastructure
- Water governance and enabling environment initiatives
- Capacity building

Water and Climate Change

“it is through the water sector that most of the impacts of climate change will be felt....

Runoff Flood Flows Erosion Drought

Sea levels Wave heights Storm frequency

Rainfall totals & intensity

Evapotranspiration Glaciation

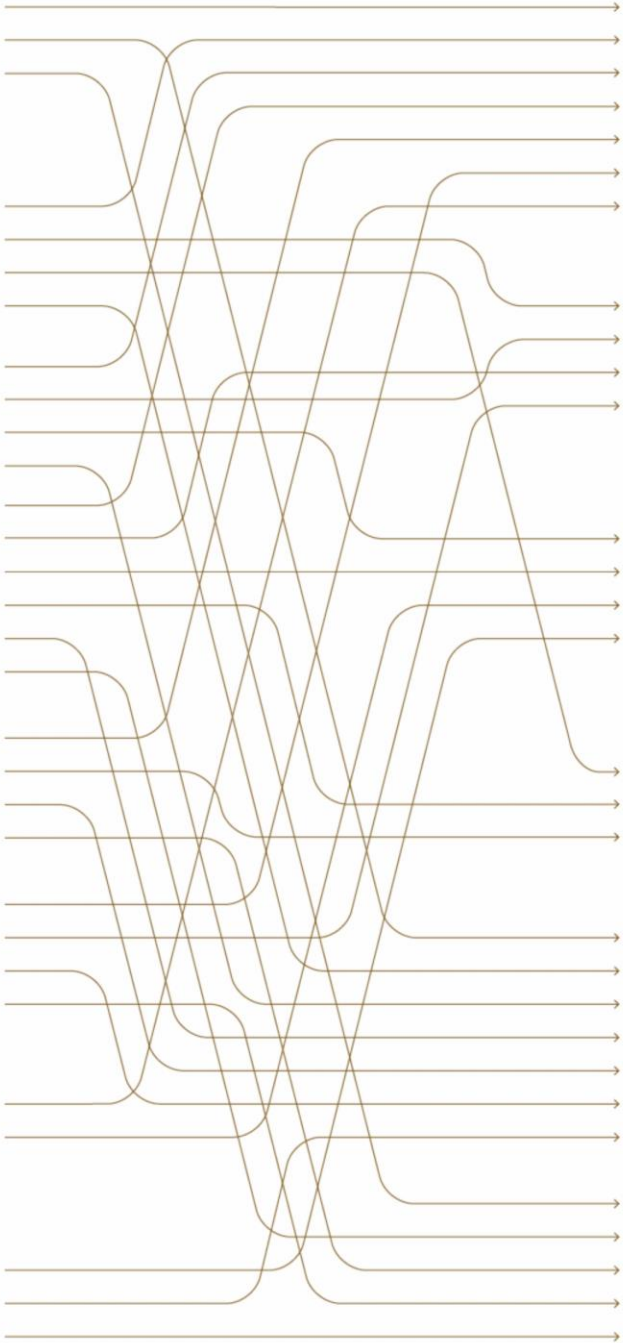
Water related challenges are inter-related







Drivers

Population growth
Economic growth;
Urbanisation

Climate change
Rising temperatures;
Changing precipitation
patterns

- Water-related challenges**
- Growing demand for water
 - Increasing consumption and waste
 - Increasing agricultural production
 - Expanding cities and informal settlements
 - Increasing production of renewable energy (hydropower/biomass)
 - Desertification; Drought
 - Extreme weather events
 - Warming of oceans and sea level rise



- Water and food production 
- Water pollution and human health 
- Flooding 
- Water-related energy production 
- Ecological quality of aquatic ecosystems 
- Water, migration and conflict 

Types of projects GCF is seeking:

Financial Instruments

- Water projects often grant-financed, despite income-generating potential

Private sector participation

- Limited private investment in the water sector - lack of a 'business case'
- Highly politicised issue

Water as a human right

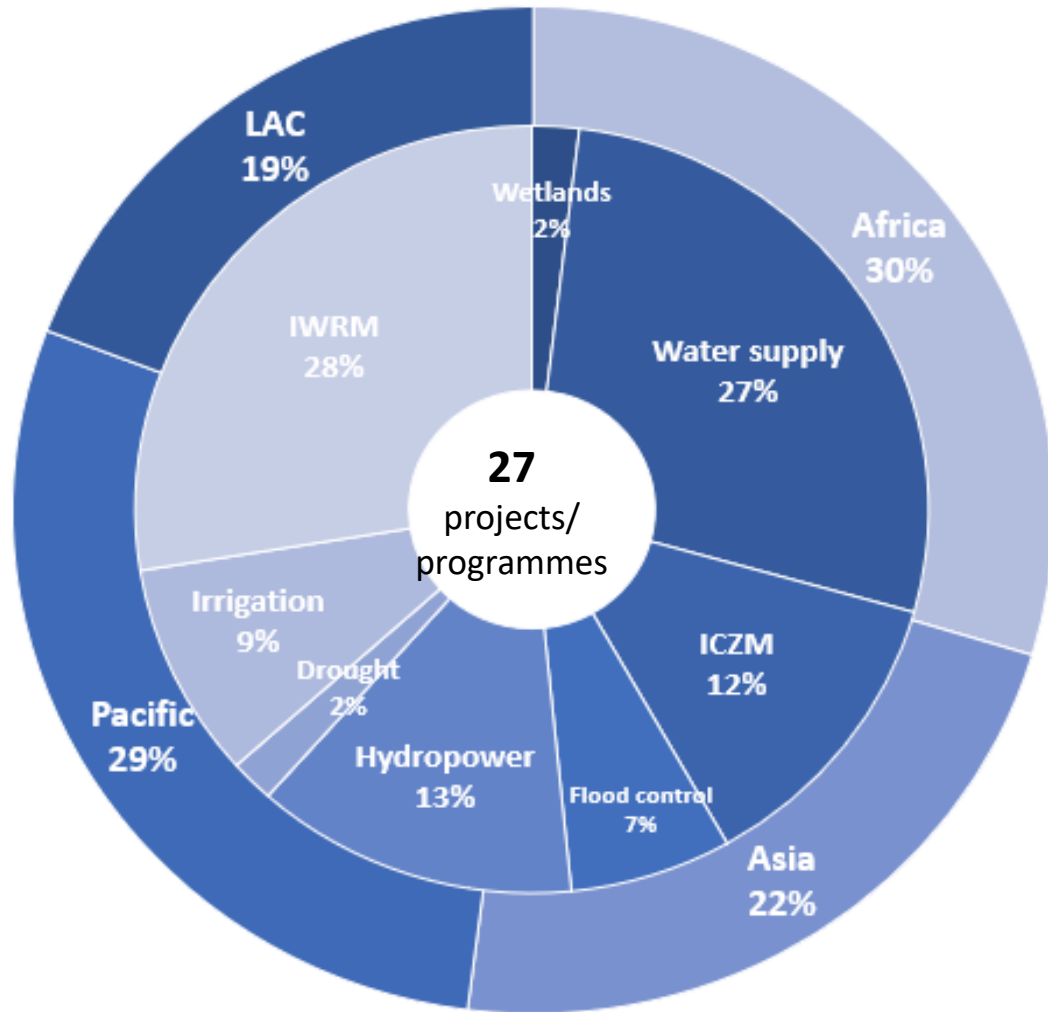
- Progress on WASH services to most vulnerable at risk due to climate change
- LDCs and SIDS

Operations and Maintenance

- Remains challenging; much infrastructure operated sub-optimally

Nature Based Solutions

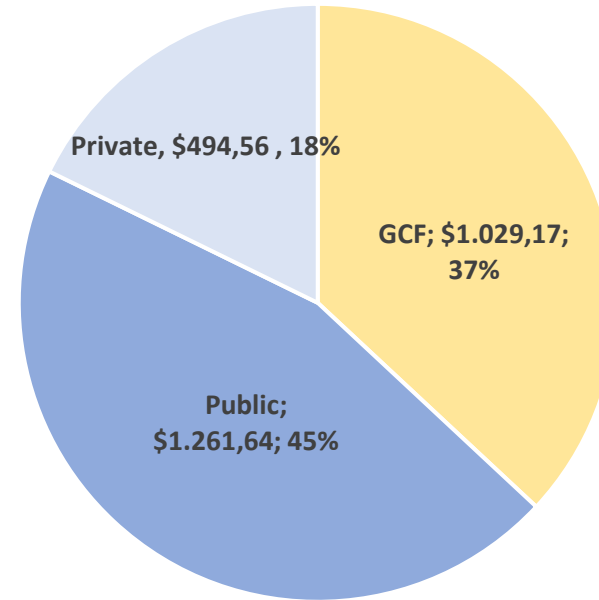
Water in the GCF portfolio



Funding

as of B.22 (total \$ 2,785m)

Co-finance

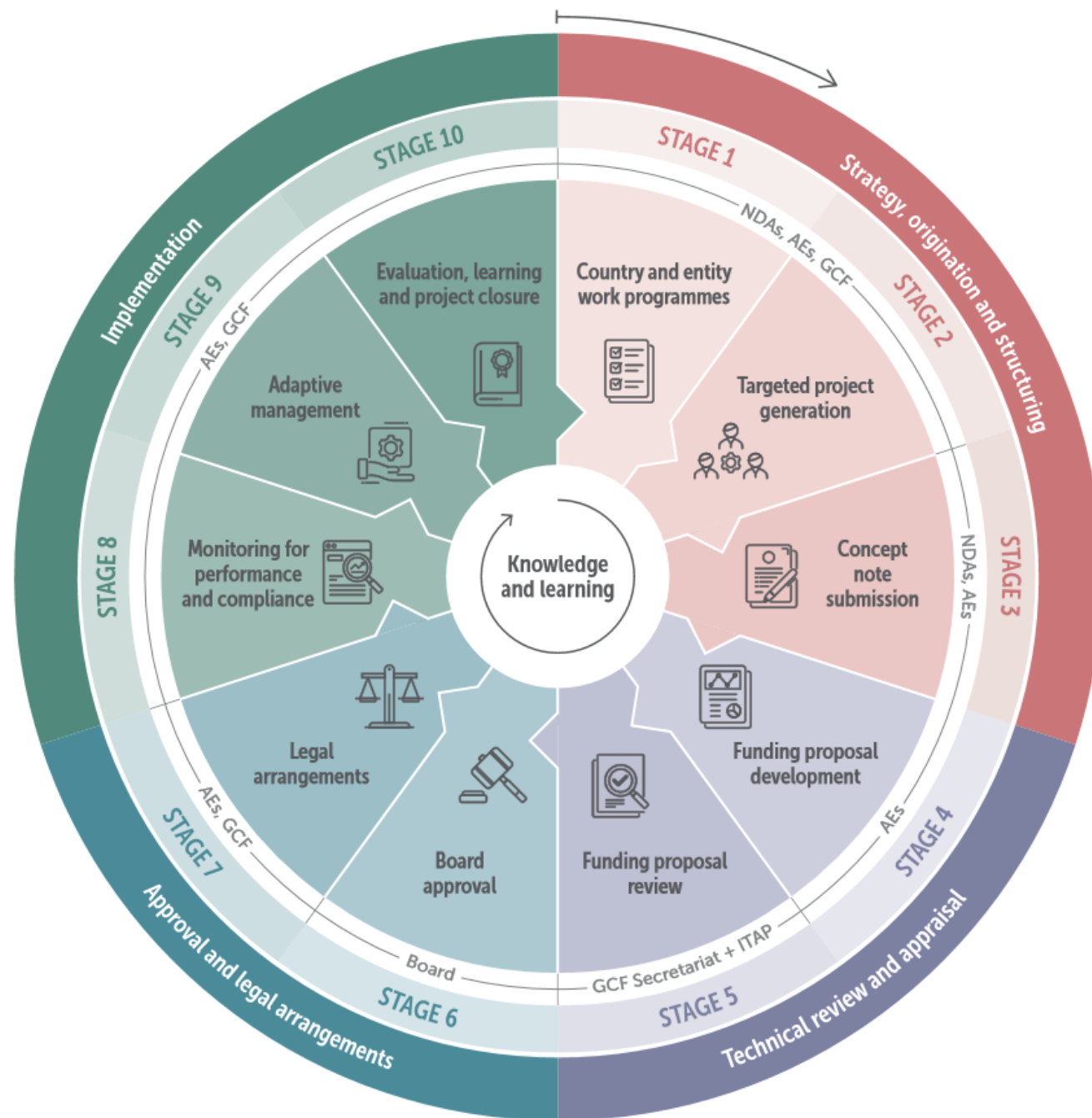


Unit: million USD

- 2.3 million people provided with year-round water access
- Over 1 million people protected from flooding
- Water management enhanced in 26 countries

Project / Programme Activity Cycle

– by Accredited Entities and Government





Funding proposal and components

Accompanying documents:

- Feasibility Study
- Term Sheet
- Environmental and social impact assessment or environmental and social management framework
- Stakeholder consultations at national and project level implementation including with indigenous people if relevant
- Gender assessment and action plan
- Operations and maintenance plan if relevant
- Co-financing commitment letters
- NDA No Objection letter

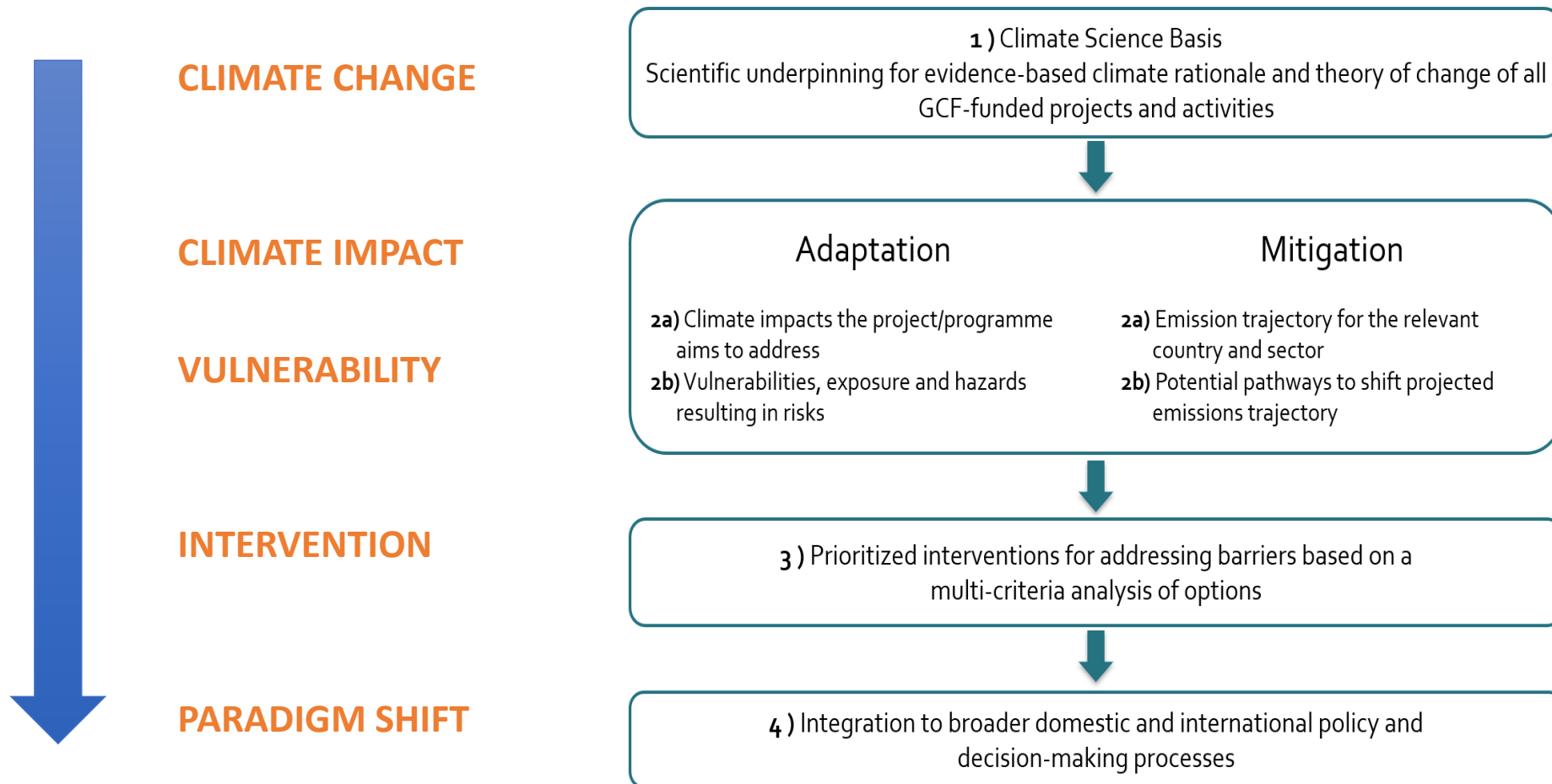
1. Planning, water governance, IWRM

2. Infrastructure

3. Capacity Building
Replication and paradigm shift

3. Climate Rationale in a successful project

Climate Rationale and the Project Intervention



Climate Rationale – Egypt FP053

Enhancing climate change adaptation in the North coast and Nile Delta Regions in Egypt

Approved October 2017, \$105.2M

GCF \$32M, \$74M cofinance

Delta regions are in a natural equilibrium

- Sediment flow
- Easily disturbed by both climate change and other human activities

GCF will finance the ‘climate additionality’

Uses Nature Based Solutions



Climate Rationale – Egypt FP053

Enhancing climate change adaptation in the North coast and Nile Delta Regions in Egypt

Climate adaptation (GCF):

- Changing storm paths, frequency, magnitude
- Rising sea levels
- Higher temperatures & evapo(transpi)ration
- Climate changed induced migration

Other impacts (co-finance)

- Population growth
- Higher per capita water use
- Aswan Dam traps sediments
- Higher agricultural production

