



# Private Sector Programming in the Caribbean

Kavita Sinha, Director of PSF

GCF Technical Programming Dialogue  
with the Caribbean

20 May 2022

# PSF Portfolio in the Caribbean

6 projects approved in the region (FP097, FP151, FP152, FP180, FP181, SAP013)

3 adaptation (USD 52M), 1 cross-cutting (USD 9.9M), and 2 mitigation (USD 20M)\*

Bahamas, Dominica, Dominican Republic, Haiti, Jamaica, Trinidad and Tobago

74.6M beneficiaries and 77.8 MtCO<sub>2</sub>

*\* Reflects GCF funding allocated to Caribbean countries and not total project value*

# Challenges and Opportunities in the pipeline



## Challenges

- Size of demand small
- Risks level different across sectors and countries
- Local private capital available but unable to invest in climate due to risks (regulatory or perceptual)

## Opportunities

- Platforms and regional programmes – aggregate demand and spread risk
- Connect non-AEs with pipeline with the AEs for regional initiatives
- Green Banks can unlock
- Readiness programme can support regulatory environment changes to reflect true value of climate investments

FP097

## Productive Investment Initiative for Adaptation to Climate Change (CAMBio II)

GCF funding: USD 15.5 million

Total project funding: USD 28 million

Accredited Entity: CABI

*Adaptation*

7 – Guatemala, Honduras, Costa Rica, **Dominican Republic**, El Salvador, Nicaragua, Panama



- This initiative will provide concessional loans and technical assistance to encourage MSMEs to invest in adaptation. It is also designed to consolidate agricultural production systems adapted to climate change. A grant component of this programme will provide financial rewards to MSMEs and intermediary financial institutions for their successful implementation of adaptation activities.

# FP151 and FP152



## Global Subnational Climate Fund (SnCF Global) – Technical Assistance (TA) Facility

**Total project funding:** USD 28 million  
**GCF funding:** USD 18.5 million in grant  
**Project beneficiaries:**  
**Accredited Entity:** International Union for Conservation of Nature  
(IUCN)

## Global Subnational Climate Fund (SnCF Global) – Equity

**Total project funding:** USD 750 million  
**GCF funding:** USD 150 million in equity  
**Tonnes of emissions avoided:** 77.6 million tonnes of emissions avoided  
**Accredited Entity:** Pegasus Capital Advisors

- SnCF Global aims to catalyse long-term climate investment at the sub-national level and is designed to attract primarily private institutional investment to deliver certified climate and SDGs impacts and nature-based solutions at global scale.

### Mitigation

42 countries – Albania, Brazil, Burkina Faso, Cambodia, Cameroon, Chile, Costa Rica, Côte d'Ivoire, **Dominica, Dominican Republic**, Ecuador, El Salvador, Fiji, Gabon, Guatemala, **Haiti**, Honduras, Indonesia, **Jamaica**, Kenya, North Macedonia, Mauritania, Mexico, Montenegro, Morocco, Mozambique, Myanmar, Nigeria, Panama, Rwanda, South Africa, Togo, Tunisia, Uganda, Uruguay, Guinea, Mali, **Bahamas**, Democratic Republic of the Congo, Senegal, Jordan, Lebanon

FP180

## Global Fund for Coral Reefs Investment Window

**GCF funding:** USD 125 million in equity  
**Total project funding:** USD 500 million  
**Accredited Entity:** Pegasus Capital Advisors

### *Adaptation*

17 – **Bahamas**, Belize, Brazil, Colombia, Comoros, Ecuador, Fiji, Guatemala, Indonesia, **Jamaica**, Jordan, Mexico, Mozambique, Panama, Philippines, Seychelles, Sri Lanka



- As GCF's first at-scale private sector programme in the blue economy, the Global Fund for Coral Reefs Investment Window (implemented with Pegasus Capital Advisors LP) will create a private equity fund to encourage investments in the blue economy, protecting coral reefs. It aims to address critical financing and private investment barriers centred around the blue economy.

FP181

## CRAFT - Catalytic Capital for First Private Investment Fund for Adaptation Technologies in Developing Countries

**GCF funding:** Up to USD 100 million in equity  
**Total project funding:** USD 400 million  
**Accredited Entity:** Pegasus Capital Advisors

*Adaptation*

6 – **Bahamas**, **Brazil**, **Mexico**, **Rwanda**, **South Africa**, **Trinidad and Tobago**



- GCF's commitment of up to USD 100 million in catalytic capital to CRAFT will allow the programme to scale up adaptation finance and accelerate development, application and transfer of private sector technologies in climate adaptation and resilience, particularly in the context of promoting green recovery from COVID-19. Implemented with Pegasus Capital Advisors, the programme supports investment in six technologies (agricultural analytics, water harvesting and irrigation, food systems, geospatial mapping and imaging, catastrophe risk modeling, supply chain analytics) in six countries in Africa, Latin America and the Caribbean.

# SAP013

## Scaling Smart, Solar, Energy Access Microgrids in Haiti

**GCF funding:** USD 9.9 million in loan and grant  
**Total project funding:** USD 45.7 million  
**Accredited Entity:** NEFCO

*Cross-cutting*  
**Haiti**



- The Project aims to develop 22 community-scale solar plus battery storage micro-grids in southern Haiti in communities where currently no grid power exists. The Project will provide affordable and reliable 24/7 access to modern energy services in communities previously identified through extensive market scoping in this region of the country. This will be accompanied by technical assistance to build capacity for microgrid deployment and operation. The Project incorporates a battery storage solution, thus offering 24-hour service and a 100 per cent renewable energy-based viable economic alternative to diesel generators.

# Pipeline



Project Title	Description	Beneficiaries
Guarantees for project bonds /debt	Leverage its own equity and debt to provide up to 8x guarantees to mobilize global credit and capital markets and finance at lower costs climate mitigation and adaptation projects in developing countries	Companies providing mitigation and/adaptation solutions
Climate Project Platform (for first loss and credit guarantees)	A blended finance facility combining commercial and concessional capital, including first loss and credit guarantees, to mobilize institutional investors at scale for adaptation.	Companies with mitigation and adaptation projects
Climate Finance Facility	On-lending programme through national development banks and local financial institutions for mitigation and adaptation investments by MSMEs and households in the Caribbean	MSMEs and households investing in RE, EE, low-emission transportation, resilient agriculture, fisheries and land-use



GREEN  
CLIMATE  
FUND

**Raising  
ambition.**  
**Empowering  
action.**