

# CLIMATE INVESTMENT FUNDS

# SCF

## Strategic Climate Fund



Taking action to manage climate change has become an imperative to effectively reduce poverty and advance development.

However, even if efforts to reduce greenhouse gas (GHG) emissions are successful, some degree of climate change impact will continue to occur in the next decades. An effective response to climate change must combine both mitigation, to avoid the unmanageable, and adaptation, to manage the unavoidable.

The Strategic Climate Fund (SCF), one of two Climate Investment Funds (CIF), is an overarching fund uniquely designed to support developing countries in their efforts to achieve climate-resilient, low-emissions development.

The SCF's unique structure is built on a series of targeted programs with dedicated funding to pilot new approaches to climate action, each with potential for scaled-up, transformational action aimed at a specific climate change challenge or sectoral response.

Through the targeted programs, the SCF is designed to provide experience and lessons through learning-by-doing, channel new and additional financing for climate change, provide incentives for scaled-up and transformational mitigation and adaptation action in the context of poverty reduction, provide incentives to maintain, restore and enhance carbon-rich natural ecosystems, and maximize co-benefits of sustainable development.

### SCF AT A GLANCE

#### Funding

\$2 billion total pledged by contributors

FIP	\$609 million,
PPCR	\$1 billion
SREP	\$360 million

#### Implemented by

Multilateral Development Banks (MDBs), in close collaboration with other development partners including UN and bilateral agencies

#### Governance

SCF Trust Fund Committee with 8 recipient and 8 contributor countries as Decision-Making Members; 2 MDBs as Non-Decision-Making Members; MDBs, Trustee, GEF, UNDP, UNEP, UNFCCC, and 4 self-selected civil society, 2 self-selected indigenous peoples and 2 self-selected private sector as Observers.

**SCF is a feature of the CIF.** SCF, along with the Clean Technology Fund (CTF), is one of two CIF Funds implemented jointly by the African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, and World Bank Group.

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## SCF Targeted Programs

### Forest Investment Program (FIP) (\$609 million pledged)

FIP is designed to significantly increase investments to help countries reduce greenhouse gas emissions from deforestation and forest degradation, and promote sustainable management of forests, leading to emission reductions and the enhancement and protection of carbon reservoirs (REDD+). FIP is also a vehicle to build on readiness-activities experience and create new means for broad-scale sharing of knowledge on REDD+. FIP is at work in eight countries: Brazil, Burkina Faso, Democratic Republic of Congo, Ghana, Indonesia, Lao PDR, Mexico, and Peru.

### Pilot Program for Climate Resilience (PPCR) (\$1 billion pledged)

PPCR is designed to support countries as they undertake scaled-up climate action and transformational change by integrating climate resilience in their national development planning:



PPCR helps countries build on their National Adaptation Programs of Action and helps fund public and private sector investments identified in climate resilient development



ment plans. PPCR is at work in nine pilot countries: Bangladesh, Bolivia, Kingdom of Cambodia, Republic of Mozambique, Nepal, Republic of Niger, Republic of Tajikistan, Yemen, and Zambia and regional programs in the Caribbean and South Pacific.

### Scaling Up Renewable Energy Program in Low Income Countries (SREP) (\$360 million pledged)

SREP is a unique program that aims to demonstrate in a small number of low income countries how to initiate energy sector transformation by helping them take renewable energy solutions to a national programmatic level. It aims to achieve widespread deployment of renewable energy technologies and assist transformation in government policy, barrier removal and availability of capital and revenue funding through an inclusive process engaging all stakeholders. SREP is at work in six countries: Ethiopia, Honduras, Kenya, Maldives, Mali, and Nepal.

