



Assessing Climate Finance Quality in Practice: Lessons from Six Cases

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ABOUT CPI

CPI is an analysis and advisory organization with deep expertise in finance and policy. Our mission is to help governments, businesses, and financial institutions drive economic growth while addressing climate change. CPI has offices in Austria, Brazil, India, Indonesia, South Africa, the United Kingdom, and the United States.

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ABBREVIATIONS

Abbreviation	Full term
A&R	Adaptation & Resilience
AfDB	African Development Bank
AFD	Agence française de développement (French Development Agency)
AIIB	Asian Infrastructure Investment Bank
ASAP	Adaptation SME Accelerator Project
BRD	Development Bank of Rwanda
CRAFT	Climate Resilience and Adaptation Finance Technology Transfer Facility
DANIDA	Danish International Development Agency
DFC	U.S. International Development Finance Corporation
DFIs	Development finance institutions
DfN Conversion	Debt-for-Nature Conversion
EBRD	European Bank for Reconstruction and Development
FAO	Food and Agriculture Organization of the United Nations
FCDO	Foreign, Commonwealth and Development Office
FGMC	Forest Governance, Markets and Climate
FLEGT	Forest Law Enforcement, Governance and Trade
FONERWA	Rwanda Green Fund
GCAP	Green City Action Plan
GCF	Green Climate Fund
GrCP	Green Cities Programme
GEF	Global Environment Facility
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GLF	Galápagos Life Fund
IDB	Inter-American Development Bank
LDC	Least developed country
LoCAL	Local Climate Adaptive Living Facility
LLA	Locally led adaptation
MDBs	Multilateral development banks
M&E	Monitoring and evaluation

Abbreviation	Full term
MENA	Middle East and North Africa
MICI	Independent Consultation and Investigation Mechanism
MINECOFIN	Ministry of Finance and Economic Planning, Rwanda
MSMEs	Micro, small and medium-sized enterprises
NDF	Nordic Development Fund
OECD-DAC	Organisation for Economic Cooperation and Development, Development Assistance Committee
OFC	Oceans Finance Company
PBCRG	Performance-based climate resilience grant
SDG	Sustainable Development Goal
Sida	Swedish International Development Cooperation Agency
SIDS	Small Island Developing States
SME	Small and medium-sized enterprises
SPV	Special purpose vehicle
UNCDF	United Nations Capital Development Fund

EXECUTIVE SUMMARY

Assessing the quality of climate finance is a complex, frontier topic that is complicated by a lack of comprehensive, consistent data. CPI's work on climate finance quality to date has provided a holistic, theoretical framework for understanding the quality of public climate finance (CPI, 2025a), followed by an exploration of the existing indicator base that could be harnessed for assessments of quality at the project, market, and system levels (CPI, 2025b). A practical assessment tool has also been developed to assess the quality of adaptation finance specifically (CPI, 2026). The premise of this work has been the need to converge on a common understanding of the quality of climate finance across the many active public climate finance providers. However, moving toward implementation exposes a lack of comprehensive, consistent data needed for aggregate assessments of climate finance quality across (public) actors, sectors, and geographies.

This paper uses case studies to examine real-world public climate finance interventions, yielding insights into the question: What constitutes high-quality public climate finance?

Analyzing six cases that span different approaches to public climate finance facilitates a deeper discussion of the 10 dimensions of transformational public climate finance synthesized by CPI (see Figure ES1). It explores the design and delivery dimensions that make for high-quality public climate finance, yielding lessons and implications for future assessments.

The six cases were selected based on extensive and consistent screening. Collectively, they illustrate a diverse set of financial and delivery mechanisms through which public climate finance providers can support transformational change. The six cases span different geographies, sectors, climate objectives, provider types, funding sizes, implementation stages, and delivery pathways. They also cover a range of financing modalities:

1. The Local Climate Adaptive Living (LoCAL) Facility (UNCDF); a mechanism for channeling international adaptation finance to local governments.
2. The Forest Governance, Markets and Climate (FGMC) programme (UK FCDO); a bilateral grant-based program emphasizing governance reform.
3. The Climate Resilience and Adaptation Finance Technology Transfer Facility (CRAFT) (The Lightsmith Group); public financing for a private growth equity fund.
4. The Green Cities Programme (GrCP) (EBRD); an urban project preparation facility (PPF) sequenced with investment finance.
5. IREME Invest (FONERWA and BRD); a national blended finance structure combining a PPF with a credit facility.
6. The Galápagos Debt-for-Nature Conversion (DfN) (Government of Ecuador); a debt-for-nature swap.

Figure ES1: Ten dimensions for assessing the transformational potential of public climate finance

<p>ACCESSIBILITY</p> <p>Ensuring that beneficiaries can access climate finance without complex or confusing requirements, while also ensuring that fiduciary standards and safeguards are met. Includes access to finance for marginalized communities.</p> <p>Example:</p> <p><i>Simplifying access requirements and accreditation processes to multilateral climate funds (MCFs).</i></p>	<p>AFFORDABILITY</p> <p>Ensuring that climate finance is affordable—e.g., provided at below-market rates—and/or that financing instruments or structures are designed in innovative ways so as to alleviate the high cost of capital.</p> <p>Example:</p> <p><i>Deploying local currency financing instruments that tackle the high cost of capital (instead of lending in “hard” foreign currency)</i></p>	<p>CO-BENEFITS</p> <p>Aligning with the global SDGs to deliver on several complementary policy goals simultaneously via climate action.</p> <p>Examples:</p> <p><i>Reducing poverty</i> <i>Improving air quality</i> <i>Reducing gender inequality</i> <i>Protecting biodiversity</i></p>	<p>COMMERCIAL VIABILITY</p> <p>Ensuring that any positive changes derived from outputs and outcomes are commercially viable over the long term in the absence of external support (public climate finance providers). It is important that successful interventions are replicable and, possibly, scalable.</p> <p>Example:</p> <p><i>A clearly articulated exit strategy for the finance provider, with observed growth or continuation of a climate project/program/solution in the absence of public funding</i></p>	<p>MOBILIZATION</p> <p>Crowding in additional (often risk-averse) capital that would not have flowed to a climate project/program without the initial finance provider.</p> <p>Example:</p> <p><i>Pursuing blended finance approaches to improve risk-return profiles and thereby attracting private capital</i></p>
<p>ENABLING ENVIRONMENT</p> <p>Creating or facilitating (long-term) policies, strategies, legal frameworks, governance structures, and the capacity needed to raise ambition on—and ultimately implement—climate investments at a national or subnational level. A positive feedback loop may emerge whereby public climate finance is used to craft an enabling environment which, in turn, stimulates the flow of additional climate finance.</p> <p>Examples:</p> <p><i>Reforming fossil fuel subsidies and providing feed-in tariffs for renewable energy</i></p> <p><i>Safeguarding investments and anti-corruption measures.</i></p> <p><i>Legislation that sets a strategic direction for long-term, national climate change policy.</i></p>	<p>EQUITY AND JUSTICE</p> <p>Ensuring that climate finance is delivered with equity considerations in mind and is responsive to climate justice principles. Accordingly, climate finance is allocated equitably, based on needs and vulnerabilities.</p> <p>Examples:</p> <p><i>Allocating adaptation finance to the least developed countries or small island states.</i></p> <p><i>Allocating finance for just transition programs that address the socio-economic fallout from mitigation action.</i></p>	<p>OWNERSHIP</p> <p>Ensuring that finance—and the means by which it is delivered—supports and sustains country, if not local, ownership of climate projects/programs (as opposed to international/multilateral-led interventions).</p> <p>Example:</p> <p><i>Implementing climate projects and programs through country platforms (e.g. the Brazil Climate and Ecological Transformation Investment Platform (BIP) led by the Brazilian Government).</i></p>	<p>PROGRAMMATIC APPROACHES</p> <p>Moving toward coherent, multi-year (sectoral/thematic) programmatic funding and scalable work programs (that adequately reflect existing beneficiary-led work and priorities), rather than incremental, project-by-project financing. This may include country platforms, an emerging set-up for channeling and managing climate finance with a longer-term strategic approach.</p> <p>Example:</p> <p><i>CIF’s Clean Technology Fund; Pilot Program for Climate Resilience; Forest Investment Program, etc.</i></p>	<p>COORDINATION AND PARTNERSHIPS</p> <p>Liaising with relevant actors to avoid duplication or misalignment in climate finance across providers, and so as to realize synergies or multipliers where available. Identifying where collaboration among multiple actors can unlock transformational financing opportunities that would not be independently viable, and addressing any barriers to this collaboration.</p> <p>Examples:</p> <p><i>Multiple actors—e.g., MDBs, NDBs, MCFs, domestic government—engaging in country climate-development platforms</i></p> <p><i>Harmonization of processes, standards and methodologies across collaborating institutions</i></p> <p><i>Producing a sector-specific climate investment roadmap</i></p>

Source: [CPI, 2025a](#).

Figure ES2: Summary of selected cases

Case	Geography	Climate relevance	Priority sector/theme
LoCAL Facility	<ul style="list-style-type: none"> • Africa • Asia • Oceania 	Adaptation ●	Locally-led adaptation (LLA)
FGMC Programme	<ul style="list-style-type: none"> • Africa • Asia • Oceania 	Mitigation ○	Forestry & Governance
CRAFT Facility	<ul style="list-style-type: none"> • Africa • LAC • Asia • Oceania 	Adaptation ●	<ul style="list-style-type: none"> • A&R technologies • Climate analytics • Technology transfer
EBRD Green Cities Programme	<ul style="list-style-type: none"> • Eastern Europe & Central Asia • MENA 	Dual benefits ●○	Municipal (low-emissions, climate-resilient) infrastructure
IREME Invest	Rwanda	Dual benefits ●○	<ul style="list-style-type: none"> • Clean energy • Smart mobility • Sustainable cities • Climate-smart agriculture • Waste and circular economy
Galápagos Debt-for-Nature Conversion	Ecuador	Dual benefits ●○	Nature-based solutions

The analysis of each case study follows a structured approach, covering four key aspects:

1. The specific mechanism for channeling public climate finance;
2. The value-add of public climate finance;
3. The delineation of project or program results across multiple levels (project, market, and system); and
4. The assessment of intervention design and delivery.

The fourth aspect describes how the intervention design and delivery evidences the identified dimensions of transformational public climate finance (see Figure ES1), and also unpacks the limits and/or trade-offs that surface from those design and delivery choices. Importantly, the analysis should not be interpreted as a binary assessment: dimensions not highlighted in any given case may still be relevant, but were not selected as the most strongly evidenced dimensions for that intervention.

The detailed case study analysis yields several aggregate insights regarding what constitutes high-quality public climate finance.

High-quality public climate finance:

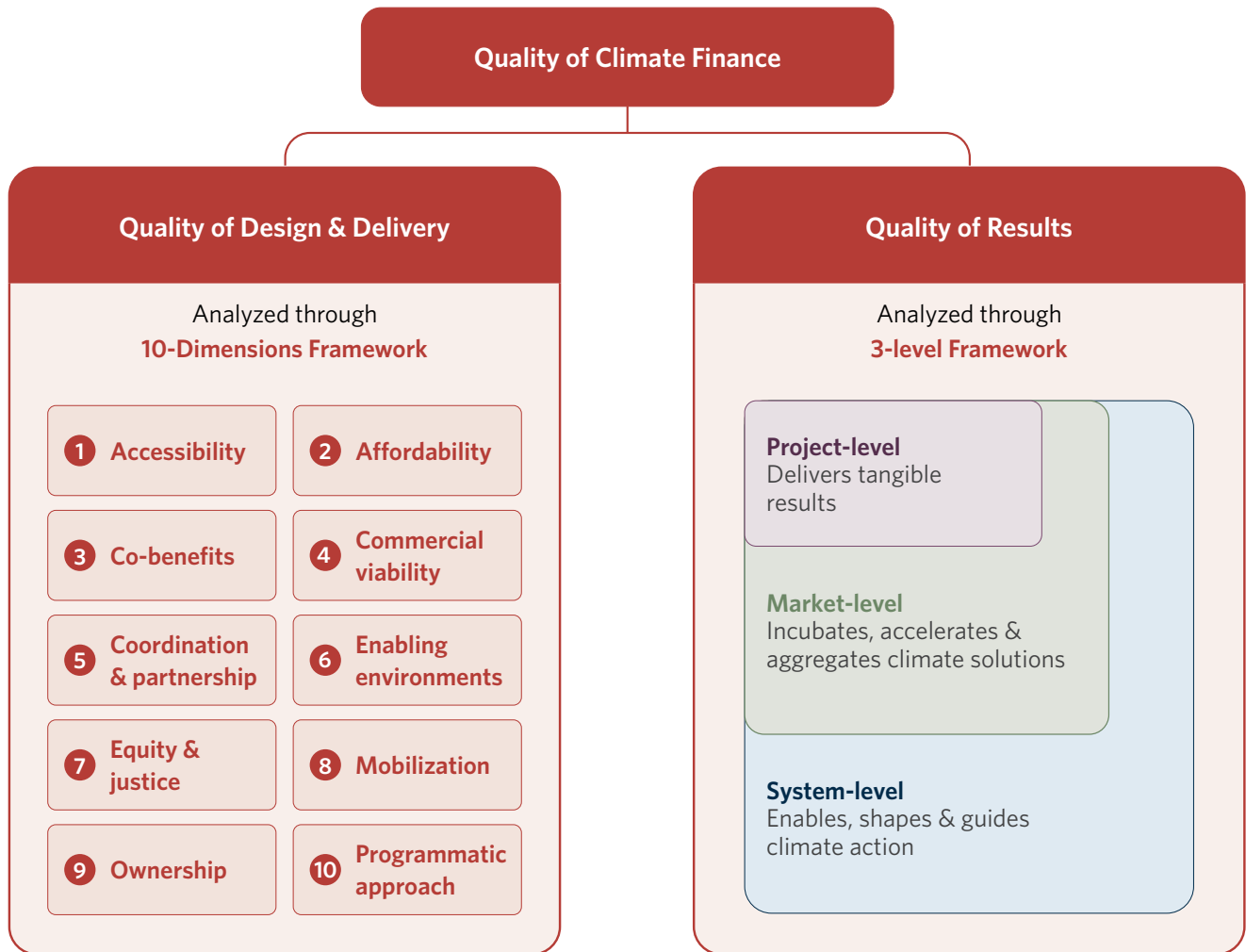
- **Is necessarily calibrated and additional relative to the specific context.** Across the six cases, public climate finance seeks to fill a market gap to catalyze additional investment. High-quality public climate finance is calibrated to particular sectoral, geographical, and climate-use (adaptation, mitigation, dual-benefit) contexts, unlocking further action at the market and system levels, beyond individual projects.
- **Cannot be characterized based on the financing modality or financial instrument alone.** The sample cases include a range of financing modalities, as detailed above, demonstrating how public climate finance can be used, channeled, or structured in different ways to support high-quality interventions. As such, reducing the complex topic of climate finance quality to the financing instrument alone—often in terms of whether the intervention is funded by grants or not—is, ultimately, unproductive and distortive.
- **Is not one-dimensional.** The results from each intervention can be delineated at multiple levels: the project, market, and system. Moreover, while none of the cases provide strong evidence for all 10 dimensions of transformational public climate finance (see Figure ES1), many demonstrate a mix of provider-centric and recipient-oriented priorities. CPI’s Climate Finance Quality Framework helps to tell a more holistic story of how high-quality public climate finance is calibrated rather than one-dimensional, contributing to change at broader levels of action while satisfying a mix of provider and recipient priorities.
- **Will build an enabling environment for further climate action.** The ‘Enabling Environment’ dimension was strongly evidenced as a core design and delivery feature in each case. CPI’s scoping study defined this dimension as creating or facilitating the policies, strategies, legal frameworks, governance structures, and the capacity needed to raise ambition on—and ultimately implement—climate investments at different levels (national; subnational; local; commercial).
- **Inevitably faces certain trade-offs and limitations.** In multiple cases, there were limits to the mobilization and scale of finance. Trade-offs also arose across cases, concerning commercial viability (requiring sustained grant financing for non-monetizable components) and the speed of delivery (where interventions required complex, multistakeholder coordination and partnerships, building trust and relationships with recipients over time). Different trade-offs are inherent to different design and delivery choices. Public finance providers should articulate which dimensions they are prioritizing in design and delivery, and why, thereby indicating where associated trade-offs may emerge.
- **Often faces challenges in terms of measuring and communicating impact.** Measurement and/or communication problems arose across cases, with actors struggling to attribute—in quantitative terms, or based on neat indicators—the broader market- or system-level changes associated with their interventions.¹

¹ This is especially true where there is misalignment between institutional reporting timelines and the timeframe which is needed to measure realized results in the mid-to-long-term.

In addition, this discussion paper pinpoints where and what the key data gaps are for assessing the quality of public climate finance within CPI's Climate Finance Quality Framework. Current monitoring and evaluation (M&E) systems used by public institutions are relatively well-developed for tracking project-level results. However, there is not yet a mature approach for consistently assessing the quality of intervention design and delivery across actors. Moreover, existing data often captures the breadth of quality considerations, but says less about the depth; that is, whether a dimension is simply present, meaningfully integrated, or central to the intervention's design and delivery. Overall, this paper calls for greater consensus on the key data points that public climate finance providers—and, where relevant, recipients—should jointly report. Building this evidence base is necessary in order to move from case-by-case assessments of climate finance quality toward systematic and consistent reporting.

Finally, the case study analysis facilitates reflection on how CPI's framework applies in practice, where it could be refined, and on options for operationalization. The application to six real cases demonstrated how the framework provides a structured vocabulary and format for interrogating the quality of a public climate finance intervention. The framework a) delineates intervention results at multiple levels (project, market and system); and b) helps to unpack the different design and delivery dimensions through which an intervention has transformational potential, while surfacing the limitations or trade-offs therein. This approach helps to tell a more holistic story of public climate finance, beyond monetary inputs. However, applying the 10-dimension framework also surfaced challenges. For example, a tension between distinct categorizations and the fluid realities in practice, and the absence of an explicit 'Transparency' dimension against which to assess quality. Normative questions also arose over how well-balanced a public climate finance intervention ought to be, between provider-centric and recipient-oriented priorities, and whether particularly high-performance on one dimension can offset lower performance in another.

A key implication arising from this discussion paper is the need to unpack climate finance quality in terms of quality of design and delivery; and quality of results (see *Figure ES3*). Until now, CPI had packaged its work on climate finance quality under one umbrella framework with little distinction between design and delivery, and then results. This paper recommends a clearer and conscious differentiation between the two aspects in future CPI work and the broader climate finance quality dialogue, in order to facilitate more holistic assessments that cover both efficiency and equity perspectives.

Figure ES3: Holistic, two-pronged approach to assessing quality of climate finance

This paper identifies two potential avenues for future work on climate finance quality: convening among public climate finance providers and engaging bilaterally with individual institutions. CPI's quality series has called for establishing a working group comprising representatives from various public climate finance institutions (multilateral climate funds, DFIs, and bilateral donors), alongside recipient entities (government ministries, national climate funds, and civil society organizations). The aim would be to develop a shared understanding of climate finance quality with a view toward operationalization and dedicated reporting mechanisms. Alternatively, or in parallel, there is scope for bilateral engagement with individual institutions interested in assessing the quality of their climate finance portfolios, harnessing the analytical approaches developed by CPI to date. Such engagement could facilitate direct access to the mix of qualitative and quantitative data—*ex-ante* and *ex-post*—needed to assess the quality of climate finance in practice.

1. INTRODUCTION

Assessing the quality of climate finance is a complex, frontier topic further complicated by a lack of comprehensive, consistent data. CPI's work on climate finance quality to date has provided a holistic, theoretical framework for understanding the quality of public climate finance ([CPI, 2025a](#)), followed by an exploration of the existing indicator base that could be harnessed for assessments of quality at the project, market, and system levels, respectively ([CPI, 2025b](#)). More recently, a practical assessment tool was developed to assess the quality of adaptation finance specifically ([CPI, 2026](#)). The premise of the work to date has been the need to converge on a common understanding of climate finance quality across the many active public climate finance providers. Moving toward implementation in practice also exposes a lack of comprehensive and consistent data, required for aggregate assessments of climate finance quality across (public) actors, sectors, and geographies.

This paper takes a case-study approach to analyze real-world public climate finance interventions, yielding insights into the question: What constitutes high-quality public climate finance? Spotlighting six cases of public climate finance deemed to have transformational potential that span different financing approaches, this paper facilitates deeper and more nuanced discussion of the 10 dimensions of transformational public climate finance synthesized by CPI ([CPI, 2025a](#)). It allows analysis of the design and delivery dimensions that contribute to high-quality public climate finance. In doing so, the paper distills lessons and implications for assessing and subsequently improving the quality of public climate finance. It is intended to inform public climate finance providers seeking to improve the quality of their interventions, as well as the broader climate finance community seeking to converge on a common understanding of climate finance quality.

Analyzing a sample of public climate finance interventions facilitate aggregate learnings, including, importantly, insights into where trade-offs may arise. As discussed in CPI's initial scoping study ([CPI, 2025a](#)), climate finance quality can mean a range of things, depending on whom you ask. Concurrently, CPI's 10 dimensions for assessing the transformational potential of public climate finance (see Figure 1) cut across a range of considerations for public climate finance providers when designing and delivering interventions. A single intervention cannot be expected to satisfy every dimension simultaneously, and trade-offs will inevitably occur. By analyzing a sample of public climate finance interventions deemed to have transformational potential, this paper derives insights into where those trade-offs and limitations arise, in turn allowing for a more nuanced discussion of what constitutes climate finance quality and how to assess it.

Figure 1: Ten dimensions for assessing the transformational potential of public climate finance

<p>ACCESSIBILITY</p> <p>Ensuring that beneficiaries can access climate finance without complex or confusing requirements, while also ensuring that fiduciary standards and safeguards are met. Includes access to finance for marginalized communities.</p> <p>Example: <i>Simplifying access requirements and accreditation processes to multilateral climate funds (MCFs).</i></p>	<p>AFFORDABILITY</p> <p>Ensuring that climate finance is affordable—e.g., provided at below-market rates—and/or that financing instruments or structures are designed in innovative ways so as to alleviate the high cost of capital.</p> <p>Example: <i>Deploying local currency financing instruments that tackle the high cost of capital (instead of lending in “hard” foreign currency)</i></p>	<p>CO-BENEFITS</p> <p>Aligning with the global SDGs to deliver on several complementary policy goals simultaneously via climate action.</p> <p>Examples: <i>Reducing poverty Improving air quality Reducing gender inequality Protecting biodiversity</i></p>	<p>COMMERCIAL VIABILITY</p> <p>Ensuring that any positive changes derived from outputs and outcomes are commercially viable over the long term in the absence of external support (public climate finance providers). It is important that successful interventions are replicable and, possibly, scalable.</p> <p>Example: <i>A clearly articulated exit strategy for the finance provider, with observed growth or continuation of a climate project/program/solution in the absence of public funding</i></p>	<p>MOBILIZATION</p> <p>Crowding in additional (often risk-averse) capital that would not have flowed to a climate project/program without the initial finance provider.</p> <p>Example: <i>Pursuing blended finance approaches to improve risk-return profiles and thereby attracting private capital</i></p>
<p>ENABLING ENVIRONMENT</p> <p>Creating or facilitating (long-term) policies, strategies, legal frameworks, governance structures, and the capacity needed to raise ambition on—and ultimately implement—climate investments at a national or subnational level. A positive feedback loop may emerge whereby public climate finance is used to craft an enabling environment which, in turn, stimulates the flow of additional climate finance.</p> <p>Examples: <i>Reforming fossil fuel subsidies and providing feed-in tariffs for renewable energy Safeguarding investments and anti-corruption measures. Legislation that sets a strategic direction for long-term, national climate change policy.</i></p>	<p>EQUITY AND JUSTICE</p> <p>Ensuring that climate finance is delivered with equity considerations in mind and is responsive to climate justice principles. Accordingly, climate finance is allocated equitably, based on needs and vulnerabilities.</p> <p>Examples: <i>Allocating adaptation finance to the least developed countries or small island states. Allocating finance for just transition programs that address the socio-economic fallout from mitigation action.</i></p>	<p>OWNERSHIP</p> <p>Ensuring that finance—and the means by which it is delivered—supports and sustains country, if not local, ownership of climate projects/programs (as opposed to international/multilateral-led interventions).</p> <p>Example: <i>Implementing climate projects and programs through country platforms (e.g. the Brazil Climate and Ecological Transformation Investment Platform (BIP) led by the Brazilian Government).</i></p>	<p>PROGRAMMATIC APPROACHES</p> <p>Moving toward coherent, multi-year (sectoral/thematic) programmatic funding and scalable work programs (that adequately reflect existing beneficiary-led work and priorities), rather than incremental, project-by-project financing. This may include country platforms, an emerging set-up for channeling and managing climate finance with a longer-term strategic approach.</p> <p>Example: <i>CIF’s Clean Technology Fund; Pilot Program for Climate Resilience; Forest Investment Program, etc.</i></p>	<p>COORDINATION AND PARTNERSHIPS</p> <p>Liaising with relevant actors to avoid duplication or misalignment in climate finance across providers, and so as to realize synergies or multipliers where available. Identifying where collaboration among multiple actors can unlock transformational financing opportunities that would not be independently viable, and addressing any barriers to this collaboration.</p> <p>Examples: <i>Multiple actors—e.g., MDBs, NDBs, MCFs, domestic government—engaging in country climate-development platforms Harmonization of processes, standards and methodologies across collaborating institutions Producing a sector-specific climate investment roadmap</i></p>

The paper is structured as follows:

- **Section 2** details the approach for case study selection;
- **Section 3** presents the case study analysis;
- **Section 4** distills lessons and implications across cases;
- **Section 5** concludes with a view toward future work on climate finance quality.

2. APPROACH

2.1 CASE STUDY IDENTIFICATION AND SELECTION

Case study identification was guided by how public climate finance providers themselves identify, describe, and communicate interventions with transformational potential. The screening began by examining what kinds of interventions public climate finance providers consider capable of creating market-level, system-level, or long-term impacts beyond project outputs. CPI used examples identified or highlighted by providers as the starting point for building the initial longlist, and then screened these using eligibility, diversity, and analytical criteria (see Tables 1 and 2).

The initial longlist ensured broad coverage across different types of public climate finance providers. CPI reviewed examples across different provider groups: multilateral climate funds; multilateral, regional, bilateral and national development finance institutions (DFIs); and donor governments and their development agencies. For each group, CPI reviewed annual reports, impact reports, project databases, evaluations, program webpages, and public communications, and invited recommendations from sectoral experts. To broaden the initial search, CPI complemented manual review with large-language-model-assisted horizon scanning. CPI's own conceptual framing of transformational public climate finance (see Figure 1) was used to generate additional case study options, which were then manually verified against public sources and screened using the eligibility, diversity, and analytical criteria displayed below. This process generated an initial pool of approximately 100 potential cases.

The longlist was first screened against basic eligibility criteria to ensure that each case was relevant, researchable, and sufficiently evidenced for analysis (see Table 1). These criteria were used to identify interventions with a clear public climate finance component, sufficient climate relevance, available evaluative evidence, and operational maturity. Applying these criteria helped ensure that the selected cases could support evidence-informed analysis of design, delivery, and transformational potential.

Table 1: Basic eligibility criteria for case screening

Core eligibility criteria	Requirements for intervention selection
Public climate finance	Includes an identifiable public climate finance source or catalytic public finance component. This could include finance from multilateral, regional, bilateral, or national DFIs, donor governments and agencies, and multilateral climate funds.
Climate relevance	Demonstrates clear relevance to mitigation and/or adaptation. Where climate relevance appeared marginal, the case was excluded. In practice, this meant prioritizing interventions where climate action was understood as a principal objective, consistent with the OECD-DAC Rio Marker approach
Evidence availability	Has sufficient publicly available information and/or accessible and available key in-formants/stakeholders for interviews to support case study analysis. Cases with limited disclosure and limited consultation access were deprioritized.
Operational maturity	Is under implementation, sufficiently operational, or completed, with evidence of delivery, early results, or implementation-informed learning. Concept stage or announcement-only interventions were excluded.

A second screening layer then ensured that the final sample captured diversity across certain characteristics. Descriptive diversity criteria covered geography, sector, climate use, provider type, and implementation stage, as summarized in Table 2.

Table 2: Diversity criteria for case screening

Diversity criteria	Description
Geography	Regional spread across different country and regional contexts.
Sector	Coverage across different sectors and themes.
Climate use	Mitigation, adaptation, or dual benefits interventions.
Provider type	Variation across types of public climate finance providers (multilateral climate funds, multilateral/regional/bilateral/national DFIs, and donor governments).
Implementation stage	Inclusion of cases at different stages of implementation, from relatively recent interventions that have reached financial close or become operational to more mature interventions with a longer implementation track record.

In addition, the final selection also considered two analytical criteria: the availability of evidence relating to CPI’s ten dimensions of transformational potential, and diversity in how public climate finance is structured or delivered. The six cases collectively illustrate a diverse set of financial and delivery mechanisms through which public climate finance providers can support transformational change. Together, these cases span different geographies, sectors, climate objectives, provider types, funding sizes, implementation stages, and delivery approaches. Table 3 summarizes the characteristics of the six selected cases.

The six selected cases provide a basis for discussion on what constitutes high-quality public climate finance. They facilitate analysis of how different finance mechanisms, as well as specific design and delivery features, can strengthen climate finance quality, while also yielding insights on trade-offs and limitations. Methodological limitations inherent to this case study approach are discussed in Section 2.3.

Figure 2: Case selection process

	Screening approach	Analysis purpose
Initial mapping of 100+ potential cases	Identify interventions that public climate finance providers describe as having transformational potential	Build a broad initial pool across different public climate finance provider groups
Eligibility screening to ~20 cases	Apply basic eligibility criteria: public climate finance component, climate relevance, evidence availability, operational maturity	Ensure cases are within scope, researchable, and sufficiently mature for evidence-informed analysis
Diversity screening to 6 cases	Apply diversity criteria: geography, sector, climate use, provider type, and implementation stage	Select a sample of cases deemed to have transformational potential, that captures variation across geography, provider, and financial/delivery models

Table 3: Selected cases and their characteristics

Case		Geography	Climate use	Sector/Theme	Implementation stage	Public finance provider type	Financing modality
3.1	Local Climate Adaptive Living (LoCAL) Facility	Transregional (Africa, Asia, Oceania)	Adaptation	Locally-led adaptation (LLA)	Mature, multi-phase	UN programs & funds; Bilateral donors; Multilateral DFI	Country-based mechanism to finance local adaptation (using performance-based climate resilience grants)
3.2	Forest Governance, Markets and Climate (FGMC) Programme	Transregional (Africa, Asia, Oceania)	Mitigation	Forestry & Governance	Mature, multi-phase	Bilateral donor government	Bilateral grant & technical assistance program
3.3	Climate Resilience and Adaptation Finance Technology Transfer Facility (CRAFT)	Transregional (Africa, LAC, South/East Asia, Pacific)	Adaptation	A&R technologies; climate analytics; technology transfer	Operational with a delivery track record	Multilateral DFI; Multilateral climate funds; Bilateral donor	Public investment into a growth equity fund, alongside a TA Facility
3.4	EBRD Green Cities Programme (GrCP)	Transregional (Eastern Europe & Central Asia, MENA)	Dual benefits	Municipal (low-emissions, climate-resilient) infrastructure	Mature, multi-phase	Multilateral DFI; Bilateral donor; Multilateral climate fund	Project preparation facility (PPF), sequenced with investment finance
3.5	IREME Invest	Rwanda	Dual benefits	Clean energy; smart mobility; sustainable cities; climate-smart agriculture; waste and circular economy	Recent, operational	Multilateral DFI; Bilateral DFI; Multilateral climate funds; Bilateral donor	Integrated green investment facility combining a PPF (grants, recoverable grants, and equity) with a credit facility providing concessional lending directly and via local financial institutions
3.6	Galápagos Debt-for-Nature Conversion	Ecuador	Dual benefits	Nature-based solutions	Recent, financial close	Multilateral DFI; Bilateral DFI	Debt-for-nature conversion/swap

2.2 STRUCTURED CASE STUDY ANALYSIS

The case study research combined desk-based review and key informant interviews to understand how each intervention was designed and delivered. This approach allowed the research to move beyond project descriptions and examine how public finance was used to address specific barriers and support broader market- and system-level change.

Desk research established the contours of each case and helped map the finance and delivery architecture. This review identified the stated objectives and theory of change underlying each intervention, traced the role and flow of public finance, mapped the main actors involved and assessed the publicly available evidence on results—outputs, outcomes and impact—and/or transformational potential. It also helped identify evidence gaps to be filled through interviews.

Key informant interviews were then triangulated with public information to capture design and delivery insights unavailable in formal documentation. The consultations were used to verify the finance and delivery mechanism, fill gaps in publicly available evidence, understand the rationale behind design choices and identify challenges, limitations or trade-offs in practice. Annex 1 lists the institutions and stakeholders consulted.

Each case was then analyzed using a common structure to support aggregate analysis and cross-case learning. The analysis focused on four core aspects of each case: the specific mechanism for channeling public climate finance; the value-add of public climate finance;² delineating results across the different levels derived in CPI's Climate Finance Quality Framework (project-, market-, and system-level) ([CPI, 2025a](#)); and assessing intervention design and delivery. The analysis describes how the intervention strongly evidences the dimensions of transformational public climate finance (see Figure 1) and unpacks limits and/or trade-offs that surface through the particular design and delivery choices. However, this is not intended as a binary assessment: dimensions not highlighted in each case may still be relevant (or secondary), but were not selected as the most strongly evidenced dimensions for that intervention.

2.3 CAVEATS

Given the breadth of sectors and modalities covered by public climate finance, the purpose of this report is not to provide an exhaustive illustration of the full landscape, but rather to apply and test CPI's Climate Finance Quality Framework across six different cases with transformational potential. The selected cases offer an illustrative sample of public climate finance interventions across locally-led adaptation, forestry and governance, adaptation and resilience technologies, urban climate infrastructure, domestic green finance market development, and marine conservation. They do not reflect the full landscape of public climate finance interventions. In sectoral terms, the sample does not cover large-scale mitigation deployment nor large-scale physical infrastructure investment. In terms of financing modalities, the sample also does not cover some of the instruments that move the largest volumes of public and public-mobilized capital, such as green or sustainability bond issuance, or domestic public finance delivered through national budgets. The selected cases also tend to be relatively advanced or high-profile interventions, rather than cases that have stalled or underperformed.

² Framed in terms of how the intervention contributes to the three levels of quality detailed in CPI's Quality of Climate Finance framework (see [CPI, 2025](#)). Here the intention is to capture the core value-add arising through the specific design and delivery of public finance.

As the initial pool of cases was identified primarily through engagement with public climate finance providers' documentation or publications, there is a potential bias toward providers' own understandings of transformational climate finance. That is, no analogous recipient-oriented identification exercise was undertaken, owing to the lack of recipient-oriented documentation or publications. The analysis sought to mitigate these limitations by triangulating funder, implementer, and recipient perspectives where possible. However, recipient perspectives are less systematically documented and were more challenging to capture consistently across cases. Recipient-level perspectives are more directly reflected in LoCAL and the Galápagos Debt-for-Nature Conversion, where recipient actors were accessible for stakeholder consultation (see Annex 1).

3. CASE STUDIES

3.1 UNCDF'S LOCAL CLIMATE ADAPTIVE LIVING FACILITY (LoCAL)



The LoCAL Facility demonstrates how public climate finance can be channeled to, and directly used by, local actors on the front line of the climate crisis, enabling access to affordable finance and direct ownership of adaptation activities.

The United Nations Capital Development Fund's (UNCDF) Local Climate Adaptive Living Facility (LoCAL) seeks to promote and fund climate-resilient communities and local economies by establishing a standard, internationally recognized and country-based mechanism to channel climate finance to local government institutions in developing countries ([UNDCP, 2022](#)). Launched in 2014, it is the UNCDF's flagship climate adaptation initiative, funded by a range of public donors, including the EU, the Government of Denmark, and SIDA, among others ([UNDCP, 2022](#)). It provides performance-based climate resilience grants alongside technical assistance and capacity-building support ([UNDCP, 2022](#)). Recent work has also sought to engage domestic financial intermediaries and private sector small- and medium-sized enterprises (SMEs) through concessional lending.

Established: 2014

Status: Ongoing (LoCAL+)

Lead implementer/funder: UN Capital Development Fund (UNCDF)

Geographic scope: Transregional (Africa, Asia, Oceania), with an emphasis on LDCs & SIDS

Climate focus: Adaptation & Resilience

Priority themes: Locally-led adaptation (LLA)

Financing modality: Country-based mechanism to finance local adaptation (using performance-based climate resilience grants)

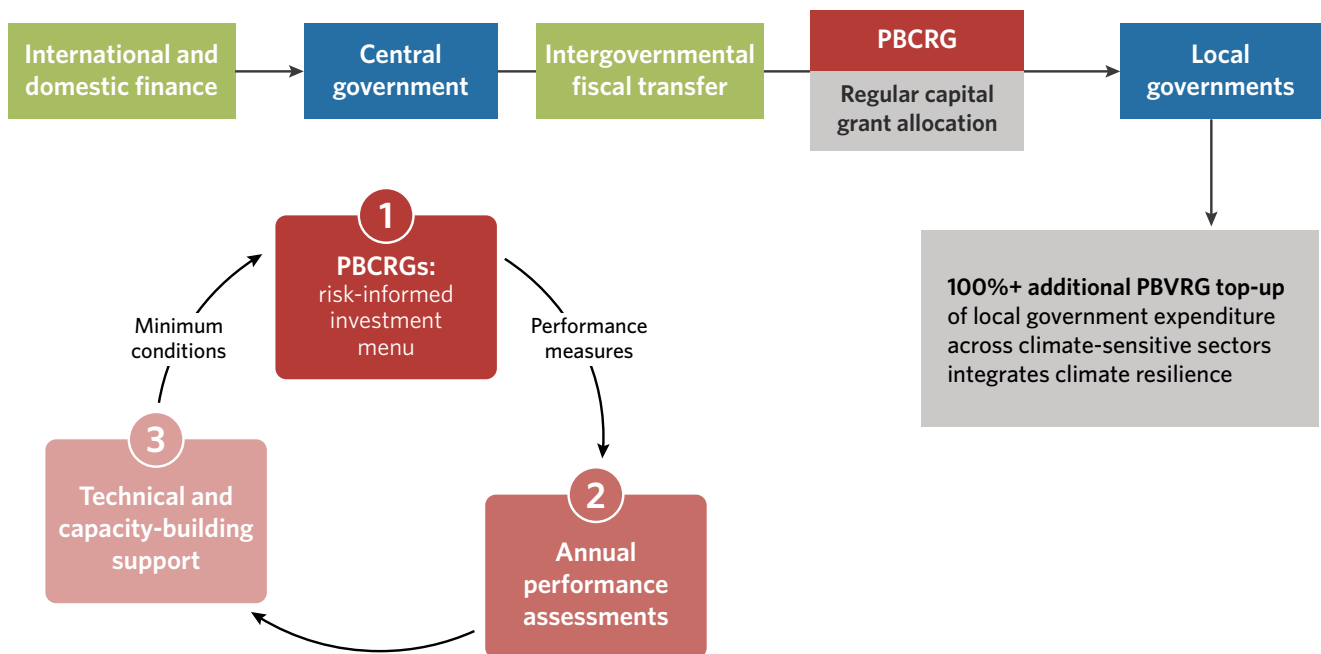
Core public finance provider(s): UN programs & funds;³ bilateral donors;⁴ multilateral DFI⁵

Committed public funds: USD 170 mn ([UNCDF, 2023](#))

MECHANISM

LoCAL pools international public climate finance from various donors and channels it to communities by integrating directly with existing national systems that facilitate the flow of funds from central to local governments. Key counterparts for UNCDF, which vary by country, tend to include the Ministry of Environment, the Ministry of Local Government/Interior, and the Ministry of Finance. As depicted in Figure 3, to date, LoCAL has primarily functioned under a performance-based climate resilience grant (PBCRG) model, whereby local governments must satisfy minimum conditions (e.g., in relation to accountability, transparency, and community engagement), as well as key performance measures (including indicators for assessing progress on adaptation itself). This model establishes strong incentives for performance improvement and links future grant allocation to past performance ([UNDCF, 2022](#))

Figure 3: LoCAL mechanism



Source: CPI adapted from [UNCDF, 2026](#)

3 UN programs/funds include: One UN/Mali; UNCDF; UNDP-GEF; UNDP Niger; UNICEF Joint SDG fund (Ghana); UNDP Pacific (Fiji).
 4 Bilateral donors include: EU; Sida; Governments of Belgium; Andorra; Liechtenstein; Italy; South Korea.
 5 The multilateral DFI is African Development Bank (AfDB)

VALUE-ADD OF PUBLIC CLIMATE FINANCE

Outside of models like LoCAL, international adaptation finance often enters at the national level and is intermediated downward. This approach systematically misses local variation in climate risk and can yield transaction costs that absorb scarce finance prior to reaching intended recipients (on the front line of the climate crisis). Stakeholder consultations emphasized that climate impacts differ sharply even within a single small country, so a national entry point will tend to miss the local specificity on which effective adaptation depends.

LoCAL's value-add above this baseline is twofold: it channels finance through existing central-to-local fiscal systems rather than parallel intermediaries, preserving the pool of finance that reaches frontline communities; and its PBCRG model ties allocation to locally demonstrated results, building the institutional habit of financing local adaptation rather than delivering one-off projects. LoCAL therefore occupies the underserved niche of *getting adaptation finance to, and owned at, the local level*, and proving, via a phased approach, that this can be institutionalized based on direct access to international climate finance (e.g., from the Green Climate Fund [GCF]).⁶

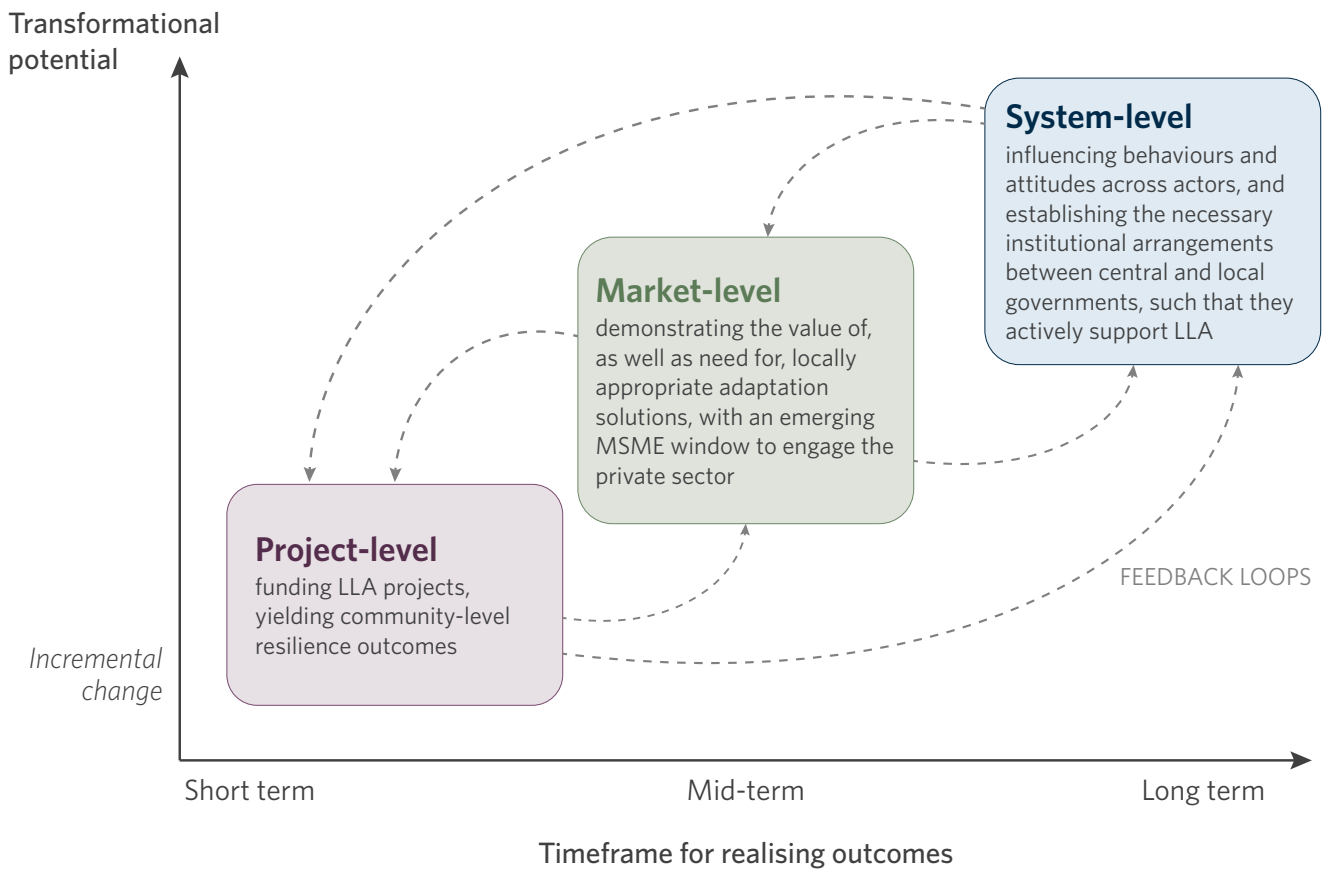
DELINEATING RESULTS

Locating the intervention in CPI's 3-level Climate Finance Quality Framework ([CPIa, 2025](#)), LoCAL delivers results at the project, market, and systems levels.

- **At the project level**, it funds locally-led adaptation projects or activities across various sectors/thematic areas (nature-based solutions, public infrastructure, climate-proofing buildings and strengthening agricultural resilience, among others).
- **At the market level**, it works to demonstrate the value of, and demand for, locally-appropriate adaptation solutions, while an emerging Market Finance and SME concessional lending window aims to explicitly engage the private sector.
- **At the system level**, it works to influence behaviors and attitudes across actors (including central government, local governments, and communities), and establish the institutional arrangements between central and local governments necessary to support locally-led climate adaptation.

⁶ For example, Benin (FNEC) has benefited from LoCAL, moving through the three-phase process to the stage where it was eligible to submit a proposal to the GCF for scaling LoCAL (moving from 9 municipalities to 25).

Figure 4: Three levels of results in LoCAL



ASSESSING DESIGN & DELIVERY

Based on publicly available evaluations and insights from stakeholder consultations, the design and delivery of the LoCAL Facility strongly demonstrate several dimensions of transformational public climate finance: accessibility; ownership; affordability; equity & justice; and enabling environment. At the same time, the case highlights certain limits or trade-offs regarding mobilization, commercial viability and speed of delivery. Table 4 unpacks the transformational design and delivery features, and Table 5 the identified limits or trade-offs.

Table 4: Transformational potential

Dimension	Design & Delivery Feature(s)
Accessibility	Accessibility is strongly evidenced since local governments are the target recipients of adaptation finance flowing through or via LoCAL, while associated local actors (communities; civil society organizations) on the front line of the climate crisis receive the PBCRGs to fund and implement adaptation activities.
Ownership	Ownership is strongly evidenced since local governments and associated local actors are the intended owners of adaptation activities, and are integral across the stages of design, implementation and monitoring.

Dimension	Design & Delivery Feature(s)
Affordability	Affordability is strongly evidenced since LoCAL operates primarily ⁷ through performance-based grants, provided to local governments across Africa, Asia, and Oceania, with an emphasis on LDCs and SIDS. Therefore, LoCAL facilitates non-debt-generating adaptation in the geographies where it is needed most.
Equity & Justice	Equity and justice is strongly evidenced since LoCAL targets local and vulnerable communities on the front line of the climate crisis (largely in LDCs and SIDS), with instances of gender-responsive approaches (including targeting women-led measures/ activities).
Enabling Environment	<p>An enabling environment is strongly evidenced since LoCAL seeks to institutionalize the flow of adaptation funds from central to local governments, demonstrating to central/ national actors that local adaptation is a) needed; b) viable; and c) has tangible benefits (improving lives and livelihoods).</p> <p>In parallel, LoCAL seeks to strengthen capacities, knowledge and understanding of adaptation (e.g., regarding climate risk in particular locales) leading to adaptation in practice, on the ground.</p>

Table 5: Unpacking limits and/or trade-offs

Dimension	Limits and/or trade-offs
Mobilization	To date, LoCAL has provided relatively small performance-based grants, acknowledging that the third phase involves scaled operations through direct access to public climate finance providers such as the GCF. There is also a tension between breadth of reach and scale: whether to invest more in a particular locality (by scaling the amount of finance provided) or to reach more places, each with less funding. Additionally, although an emerging SME concessional window will incorporate a parallel market finance track (guarantees, loans, blended finance) to unlock private capital for resilient SME supply chains, to date, there has been little-to-no evidence of private capital mobilization associated with LoCAL.
Commercial viability	As a primarily grant-funded intervention, LoCAL requires sustained political will among donors to continue financing affordable and equitable LLA. Nonetheless, the emergence of the SME concessional lending window under LoCAL+, seeking to leverage domestic commercial banks and national development banks to finance resilient SME supply chains, could improve the longer-term commercial viability of the intervention.
Speed of delivery	Building the enabling environment so that LLA can be institutionalized—in other words, designing and implementing the pilots—and engaging with various central and local government actors takes time. For example, in Benin, a success story for LoCAL – given their progression to phase three, whereby they accessed funds directly from the GCF—it took 10 years to get the mechanism in place and fully functional (GCF, 2023). There are significant time and resource costs incurred in inception, which means the realization of adaptation activities on the ground is by no means immediate. Moreover, there can be extensive bureaucratic processes to navigate, in the context of a multilateral agency that takes a risk-averse position and demands significant paperwork to enable finance to flow directly to local government actors.

7 The emerging MSME window will engage the private sector through concessional lending.

3.2 FOREST GOVERNANCE, MARKETS AND CLIMATE PROGRAMME (FGMC)



The FGMC programme demonstrates how public climate finance can be structured as a bilateral, country-driven programmatic approach for building an enabling environment conducive to sustainable forest management and, in turn, the proliferation of sustainable markets for forest commodities.

The UK Government's Forest Governance, Markets and Climate Programme (FGMC) seeks to tackle illegal logging and deforestation via both consumer (demand-side) and producer (supply-side) measures to curb the trade in illegal timber ([UK FCDO, 2024](#)). Approved in 2011, it is now in its second (expanded) phase (FGMC2) and became a flagship forestry program under the UK Government's International Climate Finance (ICF) ([Itad, 2017](#)). It operates as an accountable grants program, alongside technical assistance and facilitation activities ([UK FCDO, 2024](#)).

Established: 2011

Current Status: Ongoing (Phase 2)

Lead implementer/funder: UK Foreign, Commonwealth and Development Office (FCDO)

Geographic scope: Transregional (Africa, Asia & Pacific, LAC)⁸

Climate change relevance: Mitigation⁹

Priority themes: Forestry & Governance

Financing modality: Bilateral grant & technical assistance program

Core public finance provider(s): Bilateral donor government (UK FCDO)

Committed public funds: Phase 1: GBP 250 mn; Phase 2: GBP 500 mn

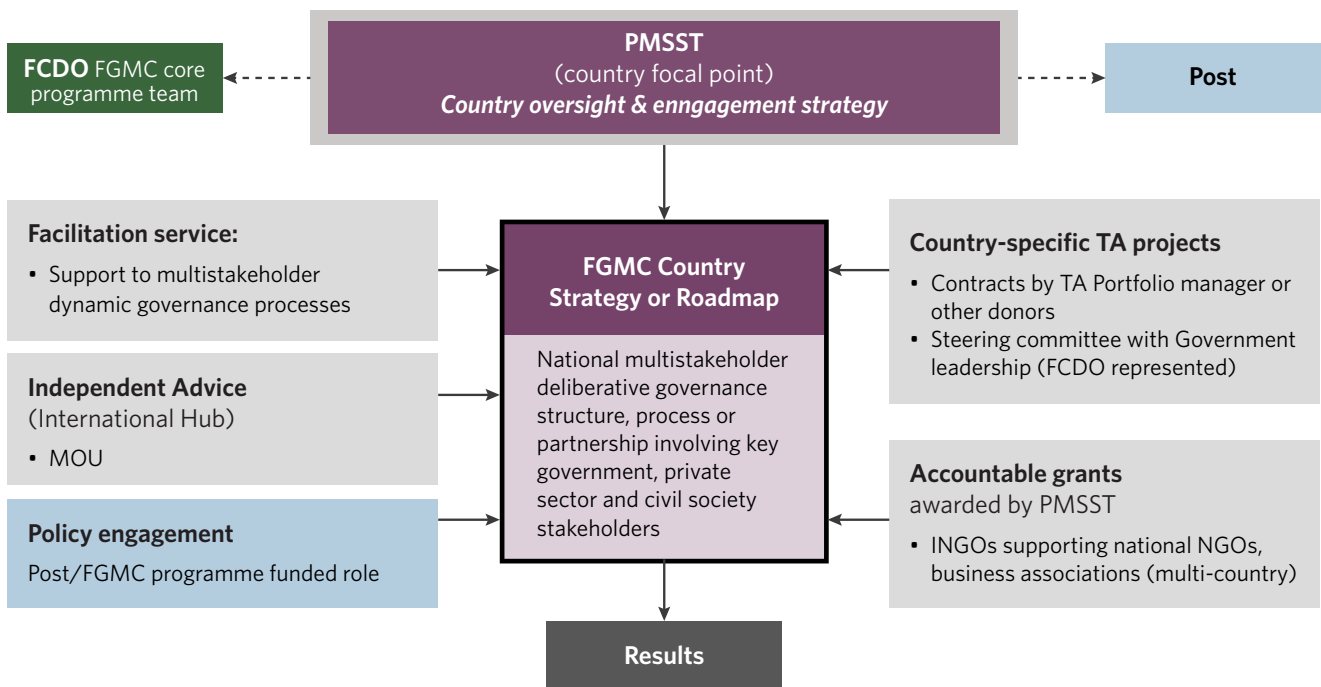
⁸ Phase 1 recipient countries included: Indonesia; Ghana; Guyana; Liberia; Republic of Congo; Myanmar. Phase 2 core recipient countries include: Cameroon; Ghana; Guyana; Liberia; Republic of Congo; Democratic Republic of Congo; Papua New Guinea

⁹ With possible adaptation co-benefits

MECHANISM

The FGMC is a grant-funded, bilateral donor government program, led by the UK FCDO. However, in its 15 years of activity, it has undergone variations in terms of program delivery and financing, receiving and/or combining funding with other bilateral donors, including, for example, the Government of Norway, the EU Commission, and the French Development Agency (AFD). FGMC works directly with or through a range of stakeholders in recipient countries, from central government ministries (via existing diplomatic engagements “at Post”) to think tanks and industry/trade associations, local communities and indigenous peoples, as well as competent authorities for forestry commodities (in both producer countries and consumer markets). Figure 5¹⁰ illustrates the varied types of support that FGMC provides, based on UK FCDO grant funding, which is delivered through or as: technical assistance for capacity building; facilitation services; in-kind specialist technical expertise to tropical forest countries; and accountable grants (FCDO, 2025).

Figure 5: FGMC mechanism



Source: CPI adapted from [FCDO, 2025](#)

¹⁰ Noting partnerships and actors involved therein have varied over the years of implementation and the range of actors shown in Figure 5 may, therefore, not be fully captured in this simplification.

VALUE-ADD OF PUBLIC FINANCE

Contested and weak forest law enforcement, governance, and trade (FLEGT) is a binding constraint for sustainable forestry and forest commodities. This constraint is typically unaddressed because it is politically difficult to navigate in tropical forest countries, while a conventional project-based approach will not resolve a systemic problem of this kind.

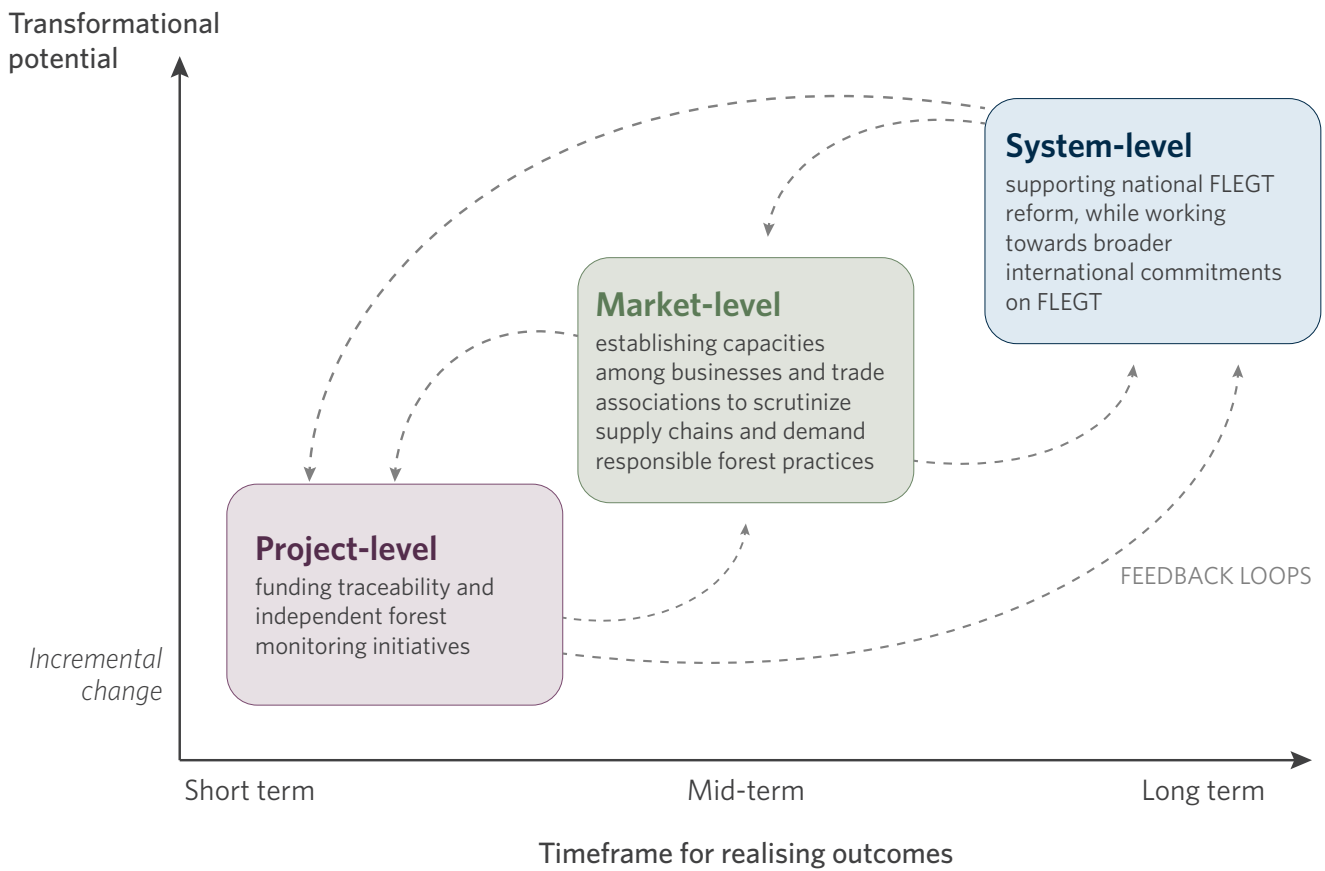
FGMC's value-add above this baseline lies in doing the patient, non-monetizable governance work that other actors will not: brokering national deliberation that incorporates civil society organizations, indigenous peoples and local communities; and connecting producer countries to consumer markets to promote and facilitate sustainable markets (e.g., working with Chinese think tanks and trade associations to clean up supply chains in tropical forest countries). Its additionality has been expressed in three terms: 1) entering geographies where other donors are absent; 2) complementing donors where already active; and 3) building the relationships and governance foundations on which sustainable forestry practices and associated markets can develop.

DELINEATING RESULTS

Locating the intervention in CPI's 3-level Climate Finance Quality Framework ([CPIa, 2025](#)), FGMC delivers results at multiple levels.

- **At the project level,** it funds traceability and independent monitoring initiatives such that small businesses and/or local communities can a) report on wrongdoing regarding FLEGT; and b) are, themselves, supported to work within the constraints of a more stringent system.
- **At the market level,** it seeks to establish the capacities and confidence needed—among businesses and trade associations—to scrutinize supply chains and demand responsible practices, in compliance with laws and regulations.
- **At the system level,** it works to reform FLEGT based on collaborative national deliberation, contributing to broader, international political commitments on FLEGT.

Figure 6: Three levels of results in FGMC



ASSESSING DESIGN & DELIVERY

Based on publicly available evaluations as well as insights from stakeholder consultations, the design and delivery of the FGMC program strongly evidences several dimensions of transformational public climate finance: programmatic approach; enabling environment; ownership; coordination & partnerships; and equity & justice. At the same time, the case surfaces certain limits or trade-offs in relation to coordination & partnerships; commercial viability; speed of delivery; and measuring/communicating impact. Table 6 unpacks the transformational design and delivery features, and Table 7 the identified limits or trade-offs.

Table 6: Unpacking transformational potential

Dimension	Design & Delivery Feature(s)
Programmatic approach	<p>FGMC is, in name, a programmatic approach for improving FLEGT, providing a multi-year funding envelope per recipient country. This long-term approach has allowed the pursuit of systemic change rather than implementing short-to-mid-term work (<5 years) and subsequently extending on an incremental basis.</p> <p>Anecdotal information from stakeholders in beneficiary countries confirms the positive reception of a programmatic approach, noting, for example, how FGMC “is a long-term partnership that provides the sustained support needed to close the gap between law and practice” (FCDO, 2026).</p>

Dimension	Design & Delivery Feature(s)
Enabling environment	<p>An enabling environment is strongly evidenced since FGMC works toward forest governance reform in producer tropical countries, while also promoting reforms in consumer markets, underpinned by facilitation of inclusive national deliberations that can overcome disagreement among various stakeholders, such that new legal agreements are widely held to be socially legitimate (FCDO, 2025).</p> <p>Stakeholder consultation noted the importance of FGMC for building relationships in tropical forest countries and for demonstrating a successful track record in FLEGT reform, making it easier for other forestry-related development programs to follow and be well received by national governments.</p>
Ownership	<p>Ownership is strongly evidenced since FGMC operates on the basis of country-led regulatory reform processes. Ensuring that national deliberations are inclusive, incorporating bottom-up perspectives, while also building capacities and providing resources for local communities and indigenous peoples to actively participate in traceability and independent forest monitoring initiatives, evidences national/local ownership of program activities.</p> <p>A Programme Completion Review noted that FGMC “has not sought to drive agendas, but rather has focused on enabling informed stakeholders to do so, and to make informed decisions” (FCDO, 2024).</p>
Coordination & partnerships	<p>Coordination and partnerships is strongly evidenced since FGMC works directly with, or channels grants to, an assortment of actors, including but not limited to: in-country facilitators who support multistakeholder governance processes; international and national NGOs or civil society organizations who are awarded accountable grants for specific activities (e.g., forest monitoring); national governmental actors, engaged via FCDO’s existing diplomatic presence at “Post”; and the European Forestry Institute and its International Forest Governance Hub (FCDO, 2025) (see Figure 5).</p> <p>FGMC also encourages and prioritizes South-South learning where possible, rather than bringing in (expensive) experts from the Global North.</p>
Equity & justice	<p>Equity and justice is strongly evidenced since FGMC actively ensures stakeholder deliberations include representatives from indigenous peoples and forest-dependent local communities (and especially women therein), and small businesses; and that those people have the preparation and support needed to actively contribute to those deliberations, such that other stakeholders recognize why their perspectives must be understood and addressed.</p> <p>FGMC also responds to equity and justice principles by improving clarity on rights and benefit sharing (in relation to forests and forest commodities); for example, ensuring local communities receive the revenue dues they are entitled to, making that a condition for granting businesses licenses for export.</p>

Table 7: Unpacking limits and/or trade-offs

Dimension	Limits and/or trade-offs
Coordination & partnerships	<p>The Business Case for FGMC2 notes that the multistakeholder partnerships approach, coordinating across actors at the local, national and international levels, incurs “relatively high transaction costs” (FCDO, 2025), given the complexity of the program and the variety of actors who need to be engaged for it to work effectively.</p>
Commercial viability	<p>As a grant-funded program, FGMC requires sustained political will on the part of the UK Government to continue funding its public-good governance reform activities that cannot be monetized. Traceability and monitoring activities, which are not monetizable, also hinge on the provision of grant finance. While the FGMC2 Business Case notes that “exiting is important,” it is unclear what the threshold is for ending bilateral support in beneficiary countries, in a way or at a time that ensures sustainable forestry is the norm or “business-as-usual.”</p>

Dimension	Limits and/or trade-offs
Speed of delivery	The reality is that it takes time to develop relationships based on trust with various stakeholders in tropical forest producer countries, and legal reform processes can be highly time-intensive due to the need for negotiation and deliberation among and across actors. In addition, establishing the necessary traceability and control systems typically requires between 3-5 years, if not more, to become fully functional. Ultimately, the long-term, 10-year horizon of the program provides countries with the assurance that they can count on sustained support to properly instigate forest governance reform (FCDO, 2025), however, it suggests a tension between building the enabling environment versus the timeframe for, or velocity of, realizing results.
Measuring/communicating impact	Stakeholders noted the difficulty in attributing change (e.g., reduced forest loss) directly to FGMC-supported processes and activities. This is consistent with CPI's prior findings on measuring the kind of market- and system-level change supported by FGMC (CPI, 2025b). Aside from attribution, stakeholder consultation also noted that the approach to ensuring FGMC is nationally owned can mean that program achievements are not framed as FCDO results per se but rather as stakeholder-led outcomes. As such, there is a dichotomy between communicating program impact—from the perspective of the bilateral donor—and ensuring that the target stakeholders see the work and associated change as self-created, achieved within the national fabric.

3.3 CLIMATE RESILIENCE AND ADAPTATION FINANCE TECHNOLOGY TRANSFER FACILITY (CRAFT)



CRAFT illustrates how public climate finance can help make adaptation products or services investable, by supporting the creation and scaling of a private investment vehicle for A&R companies.

The Climate Resilience and Adaptation Finance Technology Transfer Facility (CRAFT) is a growth equity fund that seeks to invest in companies—located in both developed and developing countries—that have proven technologies and solutions for climate resilience and have demonstrated market demand and revenue ([CPI, 2017](#)). CRAFT was supported by the [Global Innovation Lab for Climate Finance](#) incubator program and has received support from a mix of public, private, and philanthropic actors since 2017, including the Nordic Development Fund (NDF), the Asian Infrastructure Investment Bank (AIIB), the European Investment Bank (EIB), the Global Environment Facility (GEF), the Rockefeller Foundation, the Green Climate Fund (GCF) and commercial investors. Managed by the Lightsmith Group, CRAFT operates a global mandate to invest in both developed and developing countries—alongside a grant-based technical assistance (TA) facility that complements the broader CRAFT investment platform by providing dedicated funding for market studies, technology deployment, and capacity building in developing nations. Regarding the public finance component, only the developing country sleeve (with higher risk) is eligible (for both concessional and non-concessional public funds). The TA Facility is also fully-funded by public actors ([CPI, 2017](#)).

Established: 2017

Current status: Ongoing (invested in eight portfolio companies)

Lead implementer/funder: Lightsmith Group

Geographic scope: Transregional (Africa, LAC, South Asia, East Asia & Pacific)

Climate change relevance: Adaptation

Priority themes: A&R technologies; climate analytics; technology transfer

Financing modality: Public investment into a growth equity fund, alongside a TA Facility

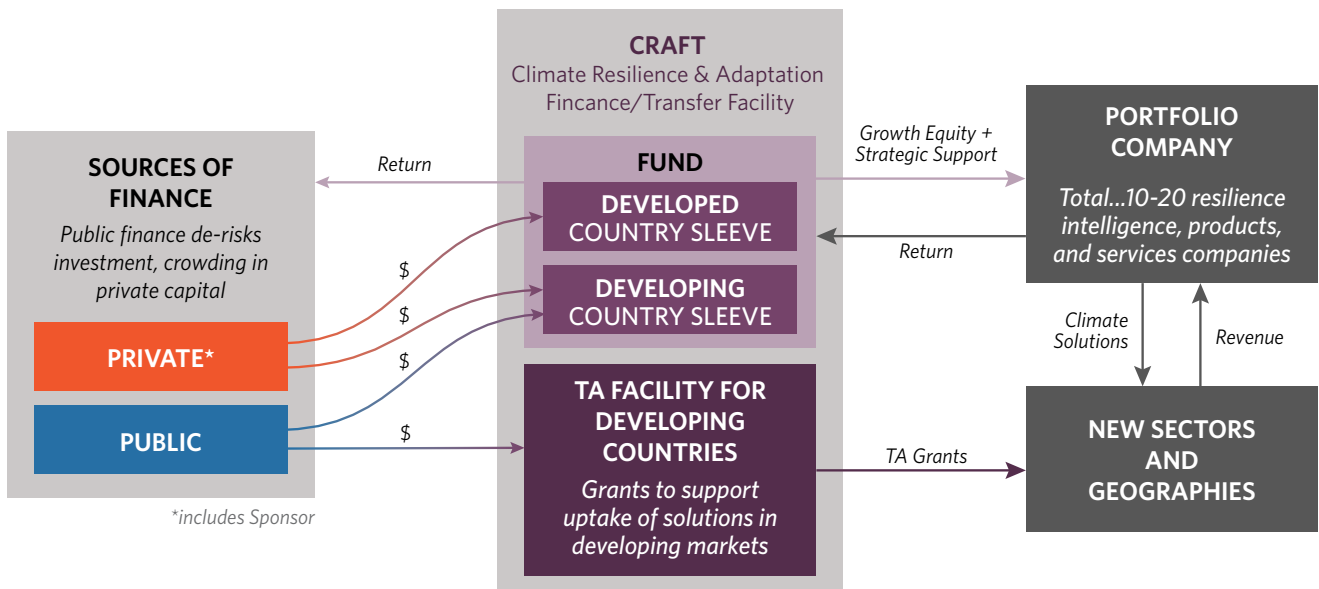
Core public finance provider(s): Multilateral DFI; multilateral climate funds; bilateral donor

Committed public funds: USD 139.2 million, as of 2025

MECHANISM

CRAFT leverages public climate finance to build and de-risk a private investment vehicle for adaptation and resilience solutions. Early grant support from NDF and GEF helped move CRAFT from concept to execution by funding the preparation work needed to establish the fund, including legal setup, investor materials, operating systems, and impact-measurement approaches (NDF, 2017; GEF, 2017). Once the fund structure was in place, capital entered the blended finance structure, including GCF funding through a junior equity layer for eligible developing country investments (GCF, 2021). This junior layer was designed to reduce perceived risk for private investors in a first-of-its-kind adaptation investment strategy, while remaining limited enough to preserve the fund’s commercial credibility. Lightsmith manages the fund as a private equity vehicle, investing in growth-stage companies that help users manage physical climate risks. The grant-funded TA Facility supports selected portfolio companies to test, enter, or expand in developing country markets that may otherwise be harder to reach.

Figure 7: CRAFT mechanism



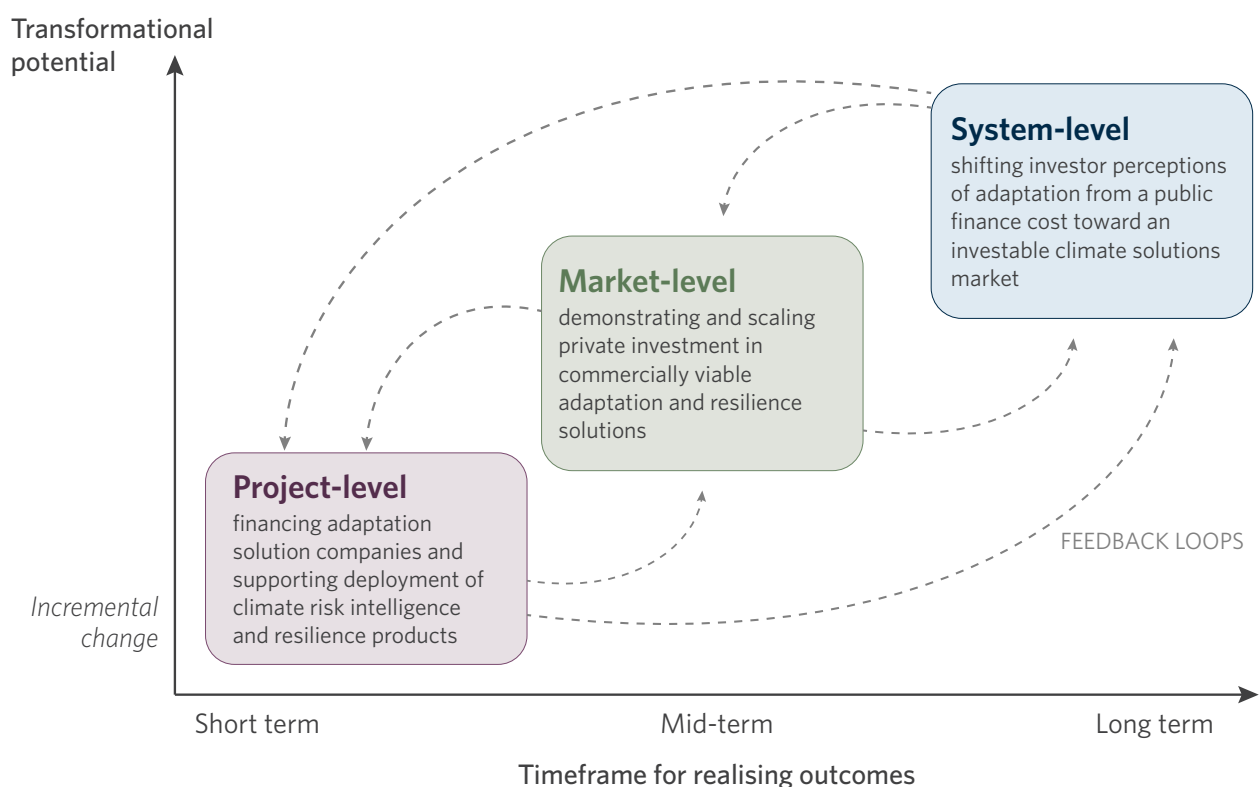
VALUE-ADD OF PUBLIC CLIMATE FINANCE

CRAFT helps demonstrate that adaptation can be financed commercially, addressing a critical barrier of market perception. While private capital does flow to firms that manage physical climate risk, many such firms are embedded in climate-sensitive sectors and do not present as "adaptation businesses." Therefore, adaptation is under-recognized as a coherent, investable theme. CRAFT's value-add above this baseline is to make that adaptation investment thesis legible and bankable by defining eligible companies, screening climate relevance, and building impact-measurement practice, and then de-risking early entry through a calibrated concessional junior layer. This layer must be large enough to give investors' confidence but not so large as to signal that adaptation could not stand on its own commercially; that calibration is central to the additionality case. In market-positioning terms, CRAFT does not subsidize adaptation returns indefinitely; it helps demonstrate and consolidate a category that is already viable but underserved, positioning public finance as the catalyst that shifts adaptation from a perceived public cost toward a recognized investment strategy.

DELINEATING RESULTS

Locating the intervention in CPI's 3-level Climate Finance Quality Framework, CRAFT delivers results at multiple levels: at the project level, it finances companies that provide adaptation and resilience solutions; at the market level, it seeks to stimulate the supply of investable adaptation solutions by demonstrating that these companies can absorb private equity and subsequently scale through commercial markets; and at the system level, it contributes to a broader shift in how investors understand adaptation (that is, changing behaviors and attitudes), contradicting the narrative that it is a public finance cost by evidencing the opportunity for private investment, supported by clear definitions and impact-measurement practices.

Figure 8: Three levels of results in CRAFT



ASSESSING DESIGN & DELIVERY

On the basis of publicly available documentation as well as insights from stakeholder consultation, the design and delivery of CRAFT strongly evidences several dimensions of transformational public climate finance: enabling environment; mobilization; and commercial viability. At the same time, the case surfaces certain limits or trade-offs in relation to: mobilization and accessibility. Table 8 unpacks the transformational design and delivery features, and Table 9 the identified limits or trade-offs.

Table 8: Unpacking transformational potential

Dimension	Design & Delivery Feature(s)
Enabling environment	An enabling environment is strongly evidenced since CRAFT makes adaptation solutions more identifiable and measurable for private investors. Indeed, CRAFT built taxonomy-based screening and impact measurement into the investment process. The Adaptation SME Accelerator Project (ASAP) Taxonomy provided a structured way to identify companies offering adaptation solutions (ASAP, 2020), while the Climate Resilience Investments in Small and Medium Enterprises Project (CRISP) later expanded this into a broader framework for identifying climate adaptation and resilience solution companies. Lightsmith's impact-measurement system then translates this classification into investment-level practice, requiring each company to define the climate risk it addresses, the users expected to benefit, and the KPIs that can be tracked over the investment lifecycle (Lightsmith, 2026)
Mobilization	Mobilization is strongly evidenced since CRAFT uses junior public capital to improve the risk-return profile for private investors. The junior layer takes a higher risk position in the fund structure, reducing the downside risk faced by senior investors in an adaptation investment strategy that did not yet have a long track record. Stakeholder consultation noted that the fund targeted a junior layer of around 20%, large enough to give private investors confidence and help mobilize substantially larger public and private commitments over time (reportedly over 100 times the initial public finance used to develop the concept), but not so large that it undermined the signal that adaptation and resilience solutions could be commercially viable.
Commercial viability	Commercial viability is strongly evidenced since CRAFT provides early evidence that private adaptation finance can operate through a commercial investment model. Stakeholder consultation described CRAFT as now operating as a self-sustaining private investment vehicle, with approximately USD 185 million raised and investments completed across eight portfolio companies.

Table 9: Unpacking limits and/or trade-offs

Dimension	Limits and/or trade-offs
Mobilization	While CRAFT provides strong evidence of public finance being used catalytically, it also illustrates the limits of mobilization in a still-nascent adaptation and resilience investment market. The fund initially targeted a total size of USD 400 million, with GCF expected to provide USD 100 million, but ultimately closed at USD 185.3 million, with a GCF commitment of USD 45.3 million (GCF, 2026). Stakeholder consultation suggested that COVID-19 affected fundraising, but mobilization at scale also remains constrained by the maturity of the asset class and investors' familiarity with adaptation and resilience solutions.
Accessibility	Private equity improves access to finance for adaptation investment: growth-stage companies developing and scaling adaptation products and services. However, the model is not intended to directly improve access to adaptation finance amongst local communities on the front line of the climate crisis. The technical assistance facility is, nonetheless, designed to deploy and transfer the solutions supported through the private equity vehicle to more vulnerable geographies. The private equity model raises a potential trade-off between investing in commercially scalable companies and ensuring that adaptation benefits are accessible to vulnerable communities on the front line of the climate crisis. In pursuing commercial viability, the model may place less emphasis on whether investable solutions directly reach the most climate-vulnerable or underserved groups.

3.4 EBRD GREEN CITIES PROGRAMME (GrCP)



The GrCP demonstrates how public climate finance can be used and sequenced in a city-led, programmatic approach that combines policy and investment to catalyze climate-aligned urban development.

The EBRD Green Cities Programme (GrCP) is a project preparation facility (PPF) that seeks to identify and prioritize environmental challenges in eligible cities, subsequently connecting them with infrastructure investment ([EBRD, 2026](#)). As an in-house MDB PPF, it has the benefit of connecting policy preparation directly with investment finance, working across three central components: (i) designing Green City Action Plans (GCAPs); (ii) direct infrastructure investment; and (iii) capacity building and technical support. It operates through donor-funded grants (for technical cooperation components), with additional (sequential) investment finance provided by EBRD and/or other actors ([EBRD, 2023](#)).

Established: 2016

Current status: Ongoing (2nd phase, GrCP2)

Lead implementer/funder: European Bank for Reconstruction and Development (EBRD)

Geographic scope: Transregional (Eastern Europe, Central Asia, North Africa)

Climate change relevance: Dual benefits

Priority themes: Municipal (low-emissions, climate-resilient) infrastructure

Financing modality: Grant-based project preparation facility (PPF), sequenced with investment finance.

Core public finance provider(s): Multilateral DFI; bilateral donors; multilateral climate fund¹¹

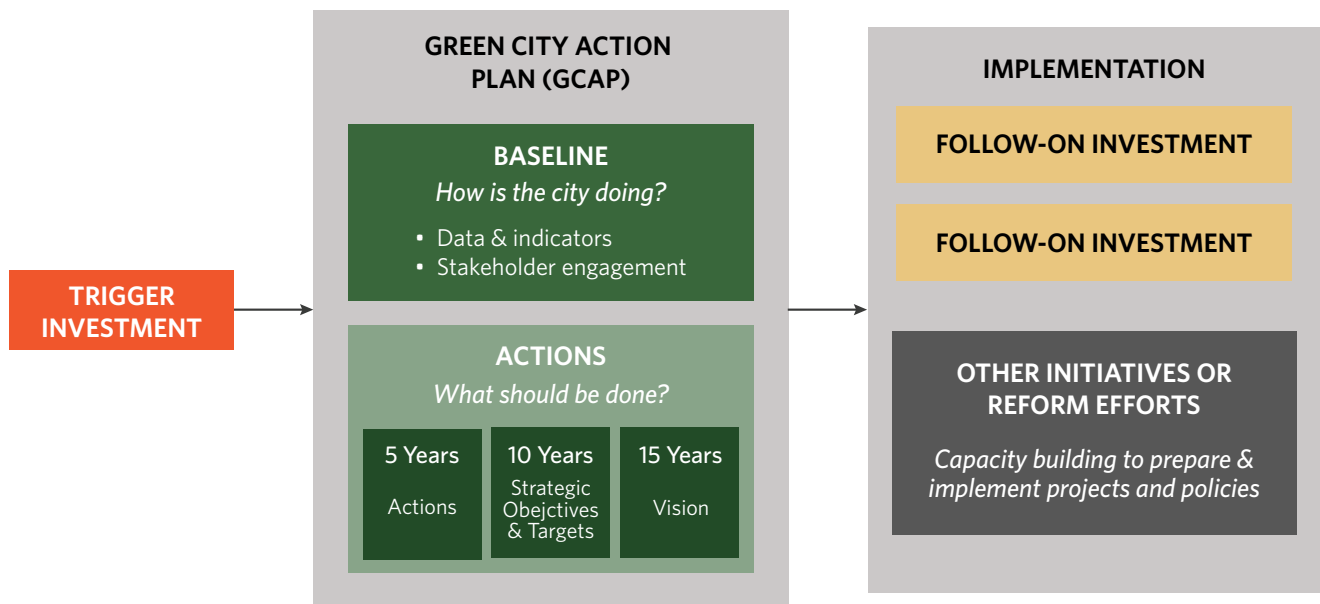
Committed public funds: EUR 7 bn, since 2016

¹¹ The multilateral DFI is the European Bank for Reconstruction & Development (EBRD); bilateral donors included the institution's Shareholder Special Fund (SSF), with contributions from: Austria; Taiwan; Sweden (SIDA); Japan; Czech Republic; South Korea; and the multilateral climate fund was the GCF.

MECHANISM

The GrCP takes a sequenced programmatic approach to subnational climate investment: following a so-called “trigger” investment on the part of an eligible city, the EBRD supports the formulation of a GCAP—by the city, for the city—which identifies the current state-of-play, including the priority environmental challenges, and the associated actions needed to address those challenges. The city then pursues investment, which can be with and through the EBRD, other actors, or a mixed co-financing arrangement, to finance those priorities. In terms of financing instruments, GCAPs are funded via grants, while follow-up investment is typically debt lending, with the possibility for CAPEX grants blended into the project or technical assistance grants for technical support. In terms of key counterparts, depending on the country context, the EBRD and the GrCP therein can work at the sovereign level, with city governments, at the level of utilities (e.g., a water company) and the private sector.

Figure 9: GrCP mechanism



VALUE-ADD OF PUBLIC FINANCE

The urban climate finance gap persists not only for lack of capital but also because the project preparation landscape is fragmented: prepared projects repeatedly fail to cross the “valley of death” between planning, feasibility and financeable transaction (CCFLA, 2024a). Cities account for over 70% of global CO₂ emissions (WB, 2022), yet tracked urban mitigation finance flows fall short of estimated needs by at least five times (CCFLA, 2024b).

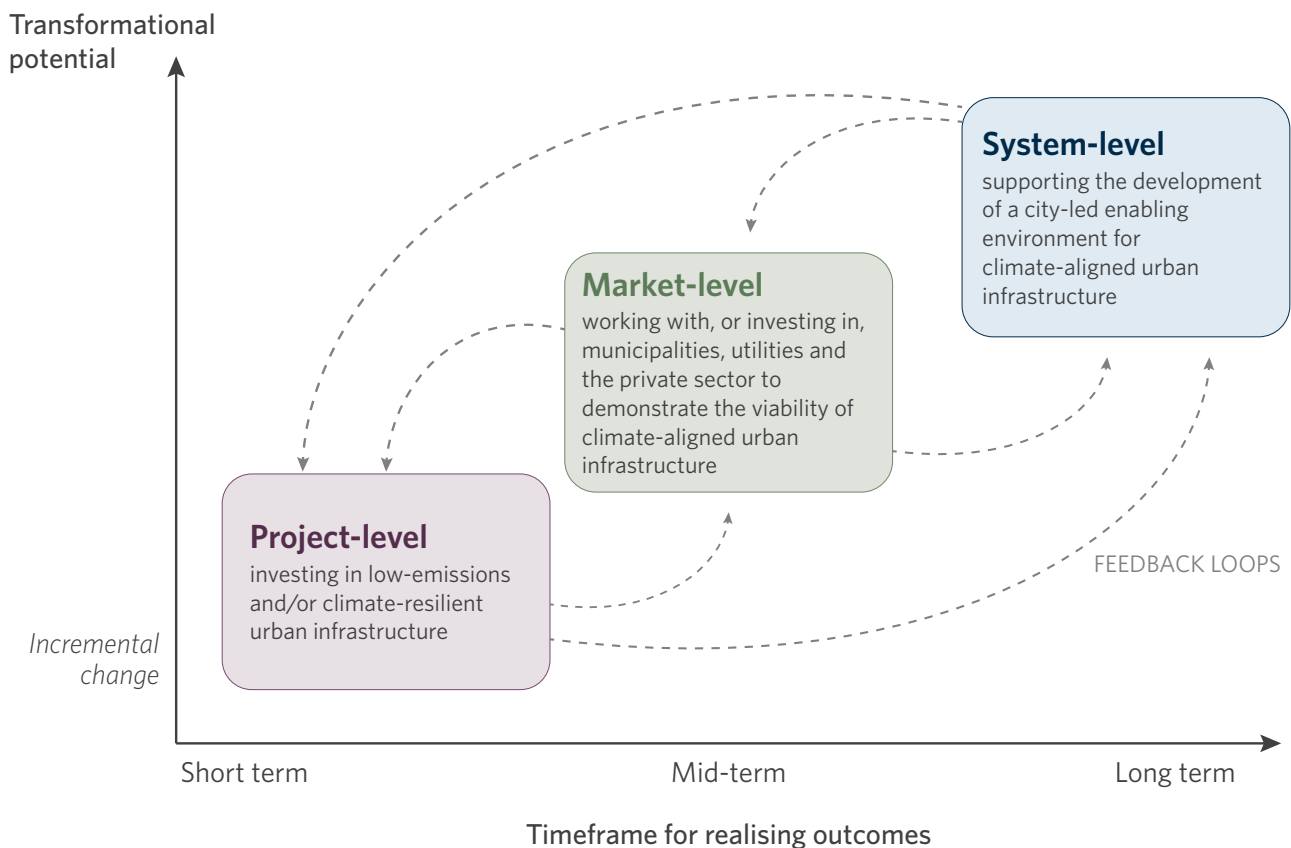
The GrCP's value-add above this baseline is its one-stop-shop sequencing: pairing development of Green City Action Plans with sequenced investment finance to carry a climate-aligned municipal project from planning through to structured transaction, thereby directly addressing the missing-link problem documented across the PPF landscape (CCFLA, 2025). Its market position is, thus, not simply “another PPF” but an *integrator* that closes the handoff gap between planning and capital that standalone facilities, otherwise, leave open.

DELINEATING RESULTS

Locating the intervention in CPI's 3-level Climate Finance Quality Framework, GrCP delivers results at multiple levels.

- **At the project level**, it finances low-emission and/or climate-resilient municipal infrastructure projects.
- **At the market level**, it seeks to work directly with, and invest in, municipalities, utilities and the private sector, to demonstrate the viability of climate-aligned municipal infrastructure investments.
- **At the system level**, it contributes to a shift in the enabling environment, at the city-level, to catalyze climate-aligned urban development.

Figure 10: Three levels of results in GrCP



ASSESSING DESIGN & DELIVERY

Based on publicly available evaluations and insights from stakeholder consultation, the design and delivery of the GrCP strongly evidences several dimensions of transformational public climate finance: programmatic approach; ownership; enabling environment; coordination & partnerships; commercial viability; accessibility; and co-benefits. At the same time, the case highlights certain limits or trade-offs regarding mobilization and commercial viability. Tables 10 unpacks the transformational design and delivery features and Table 11 the identified limits or trade-offs.

Table 10: Unpacking transformational potential

Dimension	Design & Delivery Feature(s)
Programmatic approach	GrCP is, in name, a programmatic approach that has been running for a decade, housed within EBRD's Sustainable Infrastructure work pillar. The multi-year programmatic funding approach finances an array of activities within that vision, with the aim of delivering sustainable urban development.
Ownership	Ownership is strongly evidenced since priorities and actions are defined and driven by local stakeholders. The premise underlying the GCAP is: "for the city, by the city." The GrCP also leverages EBRD's existing network of on-the-ground residential offices, ensuring local ownership is integrated into multilateral financing.
Enabling environment	An enabling environment is strongly evidenced through the GCAPs component, which is dedicated to building the subnational enabling environment for climate-aligned urban infrastructure investment. By establishing a baseline, identifying priorities, and outlining practical actions, the GCAPs form the backbone of subsequent targeted investment. Throughout the process, TA support also enables the infrastructure investment to proceed.
Coordination & partnerships	Coordination & partnerships is strongly evidenced since the GrCP involves coordinating across and pursuing partnerships with a range of external actors: from sovereign to local governments, utilities, the private sector and similar multi-city networks (including C40 Cities and NetZeroCities) to avoid duplicate action and harness synergies. Additionally, there is extensive internal coordination within the Bank, given that the program serves as a one-stop shop for banking, climate strategy, policy and partnerships.
Commercial viability	Commercial viability is strongly evidenced by the GrCP's role as a project preparation facility: it is intent on bringing climate-aligned infrastructure investment proposals through to bankable, structured transactions that are commercially viable for debt lending, if not other forms of investment.
Accessibility	Accessibility is strongly evidenced by the GrCP's direct engagement with subnational actors (e.g., municipal governments or utilities) to facilitate their access to international public climate finance. In addition, the second phase from 2021 ("GrCP2") has worked to help cities access local capital markets beyond public climate finance (EBRD, 2023).
Co-benefits	Co-benefits are strongly evidenced since the GrCP explicitly targets non-climate-related sustainable development goals: SDG 9 (Industry, Innovation and Infrastructure), SDG 11 (Sustainable cities and communities), and SDG 17 (Partnerships for the goals). Internal documentation also notes contributions to other areas, such as gender equality, clean water and sanitation, and reduced inequalities. For example, gender-sensitive approaches are pursued during the GCAP formulation, including relevant questions and gender-disaggregated data collection, while gender-targeted training programs (e.g., for women bus drivers) have also been implemented, among others.

Table 11: Unpacking limits and/or trade-offs

Dimension	Limits and/or trade-offs
Mobilization	<p>An interim evaluation after the first five years of GrCP noted that, to date, the GrCP had not been a vehicle for private-sector mobilization in public-sector projects (EBRD, 2023), which instead tend to be co-financed with other public actors (e.g., large transport projects). Despite common calls for more so-called innovative approaches to financial instruments and structuring, GrCP-structured transactions have been dominated by traditional debt lending, given the urban infrastructure context.</p> <p>More broadly, given the emphasis on channeling finance directly to cities and subnational actors (e.g., utilities), there are limits on the scale of financing that can realistically be deployed. This is because there is a limit to the size of investment that a utility or city-level authority can realistically take on, illustrating a tension between improving (subnational) accessibility and the scale of finance.</p>
Commercial viability	While the sequenced approach yields bankable (commercially viable) infrastructure projects, the GrCP nonetheless relies on donor funds to cover an array of non-monetizable activities: policy advice; technical expertise (including feasibility studies); corporate governance activities; capacity building; and investment grants for blended operations (EBRD, 2023). Ultimately, these grant-funded activities require sustained political will among donors to continue financing a one-stop-shop approach that combines policy, investment and technical support.

3.5 IREME INVEST



IREME Invest demonstrates how public climate finance can be effectively anchored in domestic green finance institutions and used to build a pipeline of bankable private sector green investments, supporting domestic ownership, affordability, and market development.

IREME Invest is Rwanda's green investment facility, established to address financing and bankability gaps that constrain private investment in low-carbon and climate-resilient projects. Launched in November 2022, it is led by the Rwanda Green Fund and the Development Bank of Rwanda (BRD), with support from the Rwandan Government and multiple development partners (BRD, 2026). The facility operates through an integrated model that combines project preparation support through grants (including reimbursable grants) with a credit window that provides debt financing for eligible investments (BRD, 2026). By linking early-stage preparation with concessional finance, it is intended to build a stronger pipeline of bankable green projects and crowd-in additional investment for Rwanda's green transition.

Established: 2022

Current status: Ongoing (mid-term)

Lead implementer/funder: Rwanda Green Fund (FONERWA) and Development Bank of Rwanda (BRD)

Geographic scope: National (Rwanda)

Climate change relevance: Dual benefits

Priority themes: Clean energy; smart mobility; sustainable cities; climate-smart agriculture; waste and circular economy

Financing modality: Integrated green investment facility combining a Project Preparation Facility (grants, recoverable grants, and equity) with a credit facility providing concessional lending directly and via local financial institutions

Core public finance provider(s): Multilateral DFI; national DFI; multilateral climate funds; bilateral donors; other¹²

Committed public funds: USD 242 mn (committed) - USD 335 mn (estimated)

¹² The multilateral DFI is the European Investment Bank & African Development Bank, the national DFI is the Development Bank of Rwanda; the multilateral climate fund is the GCF; bilateral donors are the Swedish International Development Agency (Sida); UK Foreign, Commonwealth and Development Office (FCDO); Danish International Development Agency (DANIDA); Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ); support also came from the Bill & Melinda Gates Foundation.

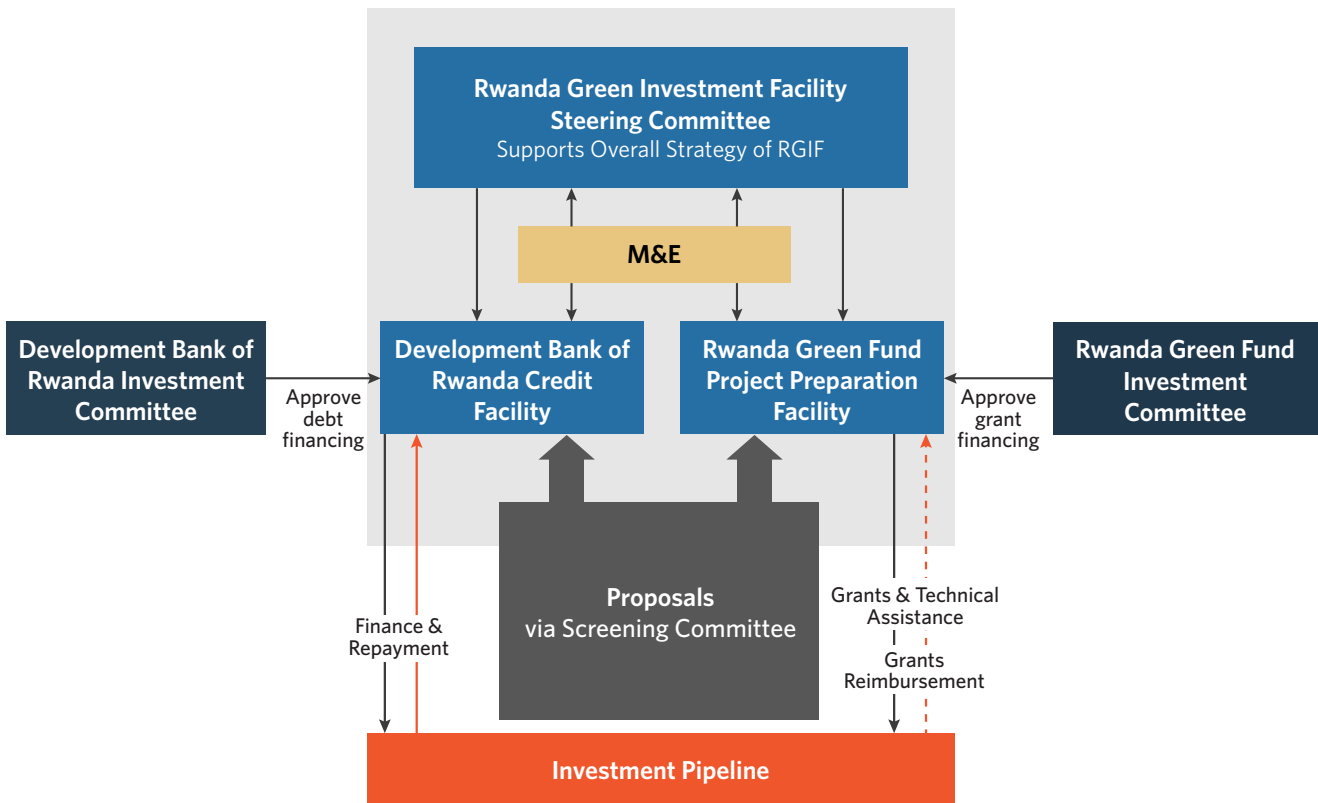
MECHANISM

IREME Invest is a country-led blended finance platform that channels international public climate finance into two linked windows:

- **Project Preparation Facility**, implemented by the Rwanda Green Fund, which supports early-stage project development through grants, reimbursable grants and technical assistance, helping project promoters improve feasibility, readiness and bankability
- **Credit Facility**, implemented by the Development Bank of Rwanda. The Credit Facility, which provides concessional lending and risk-sharing instruments, either directly through BRD or indirectly through partner financial institutions, to help eligible green investments reach financial close

As illustrated in Figure 11, the model is designed to connect international funders, Rwanda’s domestic green finance institutions, and private-sector project developers through a shared pipeline, while preserving separate operational roles for the preparation and credit windows. A Steering Committee provides strategic guidance across the facility and helps coordinate the movement of projects from preparation support toward financing, while project-level decisions remain with the respective implementing institutions.

Figure 11: IREME Invest mechanism



Source: CPI adapted from Rwanda Green Fund Annual Report 2023-2024

VALUE-ADD OF PUBLIC CLIMATE FINANCE

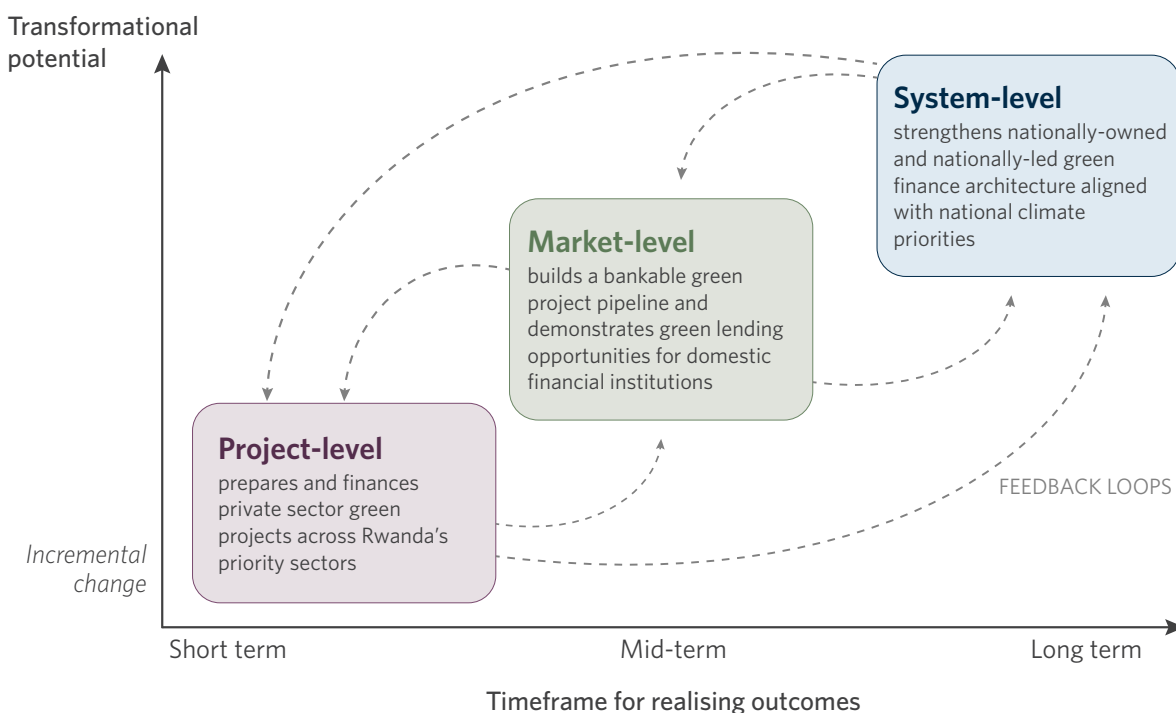
The growth of low-carbon and climate-resilient businesses in Rwanda is hindered by early-stage preparation costs, limited documentation, high financing costs, collateral constraints, and domestic banks' limited experience in green lending. IREME's value-add above this baseline is to deploy concessional finance across the full investment lifecycle: grants and technical assistance move developers from ideas to bankable proposals, while concessional lending and risk-sharing carry mature projects to scale. Critically, IREME routes this process through BRD and FONERWA, so the capability is built domestically rather than delivered from outside. Its market position is that of a domestic-market-builder: not a one-off financing window, but one that establishes a working national green finance architecture and a local banking sector that has learned to lend green.

DELINEATING RESULTS

Locating the intervention in CPI's 3-level Climate Finance Quality Framework, IREME Invest delivers results at multiple levels.

- **At the project level**, the facility is designed to prepare and finance private sector green investments across Rwanda's priority sectors, including clean energy, smart mobility, sustainable cities, climate-smart agriculture, and waste and circular economy.
- **At the market level**, it builds a stronger pipeline of bankable green projects, testing concessional green lending through BRD and partner financial institutions, and helping shift perceptions among local financial actors about the viability of green investment.
- **At the system level**, IREME strengthens Rwanda's domestic green finance architecture by embedding climate finance delivery within FONERWA and BRD, aligned with national climate and development priorities.

Figure 12: Three levels of results in IREME Invest



ASSESSING DESIGN & DELIVERY

Based on publicly available documentation and insights from stakeholder consultation, the design and delivery of IREME Invest strongly evidence several dimensions of transformational public climate finance: affordability; coordination & partnerships; enabling environment; equity & justice; and ownership. The case also highlights certain trade-offs regarding affordability, commercial viability, and delivery speed. Table 12 unpacks the transformational design and delivery features, and Table 13 the identified limits or trade-offs.

Table 12: Unpacking transformational potential

Dimension	Design & Delivery Feature(s)
Affordability	Affordability is strongly evidenced since IREME Invest makes green finance more affordable for borrowers through concessional capital. For example, the Credit Facility (CF) provides concessional lending at 11.45%, below market rates of around 18%, directly addressing Rwanda's high-cost finance environment.
Accessibility	Accessibility is strongly evidenced since IREME Invest expands access through the combined design of the two facilities: the PPF provides reimbursable grants and technical assistance before projects are bankable, helping them move from ideas toward investment readiness, while the CF broadens reach by on-lending through local partner financial institutions, including commercial banks and microfinance institutions.
Coordination & partnerships	Coordination and partnerships are strongly evidenced since IREME Invest is structured as a two-window model, with FONERWA managing the PPF and BRD managing the CF. The two institutions maintain operational autonomy, but are connected through information sharing and a common Steering Committee, creating a shared strategic architecture across the facility.
Enabling environment	An enabling environment is strongly evidenced since IREME Invest builds Rwanda's domestic green finance architecture and market capacity. It translates national priorities, including Rwanda's NDC, Green Growth and Climate Resilience Strategy, and Vision 2050, into eligibility criteria and investment areas, while building domestic systems for screening, preparing, appraising, and financing climate-aligned investments.
Equity and justice	Equity and justice are strongly evidenced since gender is built into IREME Invest's access logic through financing terms and project KPIs. Under the CF, women-owned/led businesses can receive up to 70% collateral support, compared with 50% for other businesses, while supported projects are expected to generate at least 30% of jobs for women.
Ownership	Ownership is strongly evidenced since IREME Invest is anchored within Rwanda's existing green finance architecture, with FONERWA managing the Project Preparation Facility and BRD managing the CF. International climate finance is therefore not only brought into Rwanda, but also used to build domestic capacity to prepare, appraise, and finance green private sector projects.

Table 13: Unpacking limits and/or trade-offs

Dimension	Limits and/or trade-offs
Affordability	While IREME Invest makes green finance more affordable for borrowers, this affordability partly depends on BRD absorbing or managing currency conversion costs. Much of IREME Invest's funding is provided in hard currency, whereas Rwandan businesses typically need local-currency financing. Over time, the facility's ability to scale will depend partly on whether it can access more local currency resources or manage currency risk at a lower cost.
Commercial viability	IREME Invest's longer-term commercial viability depends on whether it can move from donor-supported delivery toward a more sustainable domestic green finance market. While loan repayments to the CF can replenish the facility and support additional projects, further resource mobilization via green bonds, carbon markets, and private equity investment is needed. Stakeholder consultation suggests that, in practice, private equity has not yet entered the facility.
Speed of delivery	IREME Invest's design can slow delivery in practice. The facility brings together different capital sources, each with its own eligibility criteria and reporting requirements, making it time-consuming to match projects with the right capital source before finance can be deployed. This is compounded by the limited number of finance-ready projects, especially under the CF. While the PPF is designed to address this gap, evidence of the full pipeline-to-finance pathway remains limited.

3.6 GALÁPAGOS DEBT-FOR-NATURE CONVERSION



The DfN conversion illustrates how public climate finance can take the form of guarantees and political risk insurance to convert sovereign debt refinancing into long-term conservation finance, creating fiscal savings while securing dedicated finance for marine protection.

The Galápagos Debt-for-Nature Conversion (DfN Conversion) has been the world's largest transaction of its kind to date, allowing the Government of Ecuador to restructure USD 1.6 billion of outstanding debt and harness the newly created fiscal space to advance marine conservation goals in the Galápagos Islands ([IDB, 2023](#)). Primarily financed through the provision of a guarantee from an MDB, along with political risk insurance provided by a bilateral development finance institution, the Conversion operates on the basis of coordinated action, centered around a blue finance special purpose vehicle (GPS Blue) and a related fund (the Galápagos Life Fund) ([Pew Bertarelli, 2025](#)).

Established: 2023

Status: Complete (financial close reached in May, 2023)

Lead implementer: Ministry of Environment, Ecuador (conservation finance structuring support from OFC)

Geographic scope: National (Ecuador)

Climate change relevance: Dual benefits

Priority themes: Nature-based solutions

Financing modality: Debt-for-nature conversion/swap

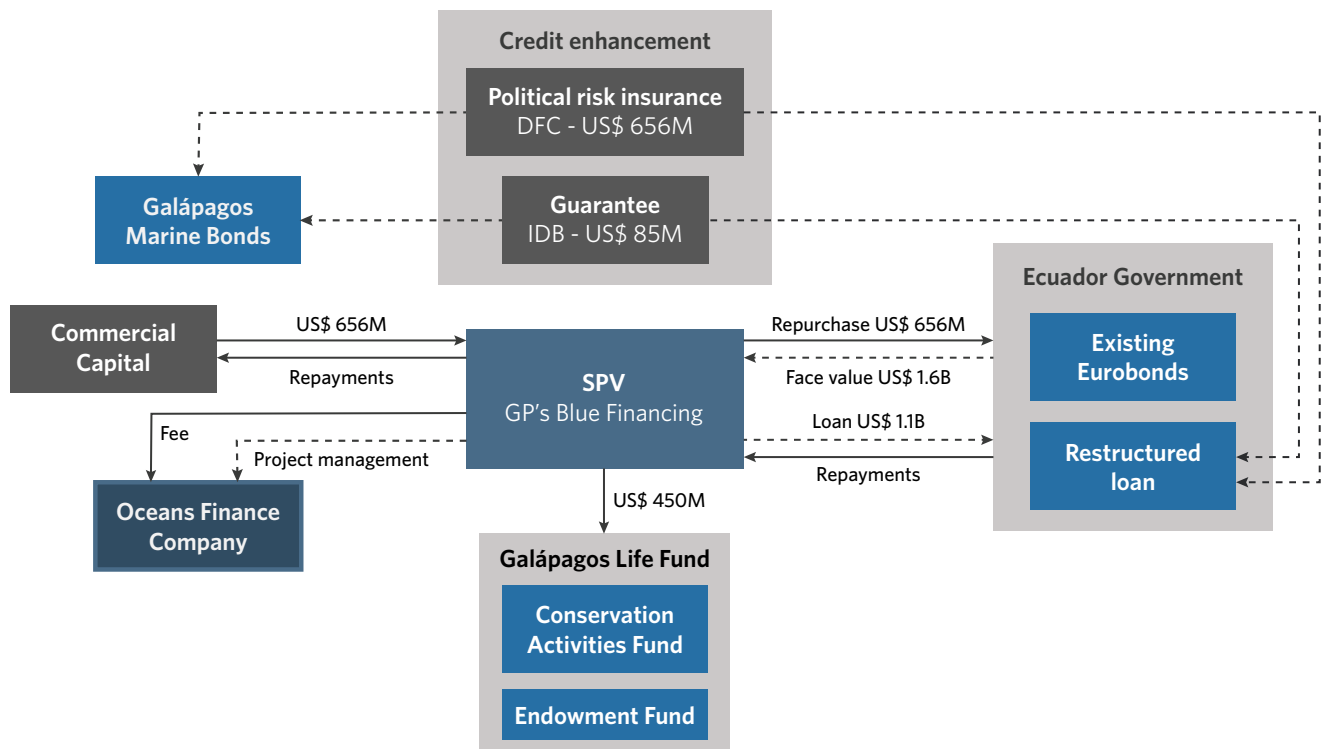
Core public finance provider(s): Multilateral DFI (IDB); Bilateral DFI (US DFC)

Committed public funds: USD 741 mn ([IDB, 2023](#))

MECHANISM

The DfN Conversion uses risk mitigation instruments from international climate finance providers to lower the cost of sovereign refinancing and convert part of the resulting savings into long-term conservation finance. The US International Development Finance Corporation (DFC) political risk insurance and an Inter-American Development Bank (IDB) guarantee supported the Galápagos Marine Bond issuance by providing critical de-risking for investors, helping enable the transaction and lower the bond's interest rate. The bond was issued through a dedicated SPV, with the Oceans Finance Company (OFC) acting as the issuer's project manager and supporting the structure's execution. The SPV used the bond proceeds to raise capital and repurchase Ecuador's existing Eurobonds, which were trading at a discount in secondary markets.

Ecuador then repaid a restructured loan to the SPV, which uses these payments to repay bondholders and direct remaining flows, resulting from the difference between interest rates and the nominal value of the bond and loan, to the Galápagos Life Fund (GLF) (see Figure 13). GLF then finances marine conservation activities and capitalizes an endowment for longer-term funding. The structure also links financial and conservation incentives, since non-compliance with defined marine conservation commitments can trigger default-related consequences.

Figure 13: DfN Conversion mechanism infographic

VALUE-ADD OF PUBLIC CLIMATE FINANCE

The DfN Conversion responds to the reality that Ecuador holds globally significant natural assets, while facing fiscal constraints that limit the resources available for conservation activities. In Galápagos, marine ecosystems face pressures from illegal fishing, pollution, invasive species, and climate change, while the Hermandad and Galápagos marine reserves require sustained funding for management and enforcement (CPI, 2024). At the same time, Ecuador's high debt burden and limited public budget make it difficult to provide this funding through conventional fiscal channels. The transaction, therefore, sought to address both sides of the problem: reducing debt-service pressure while creating a dedicated funding stream for conservation.

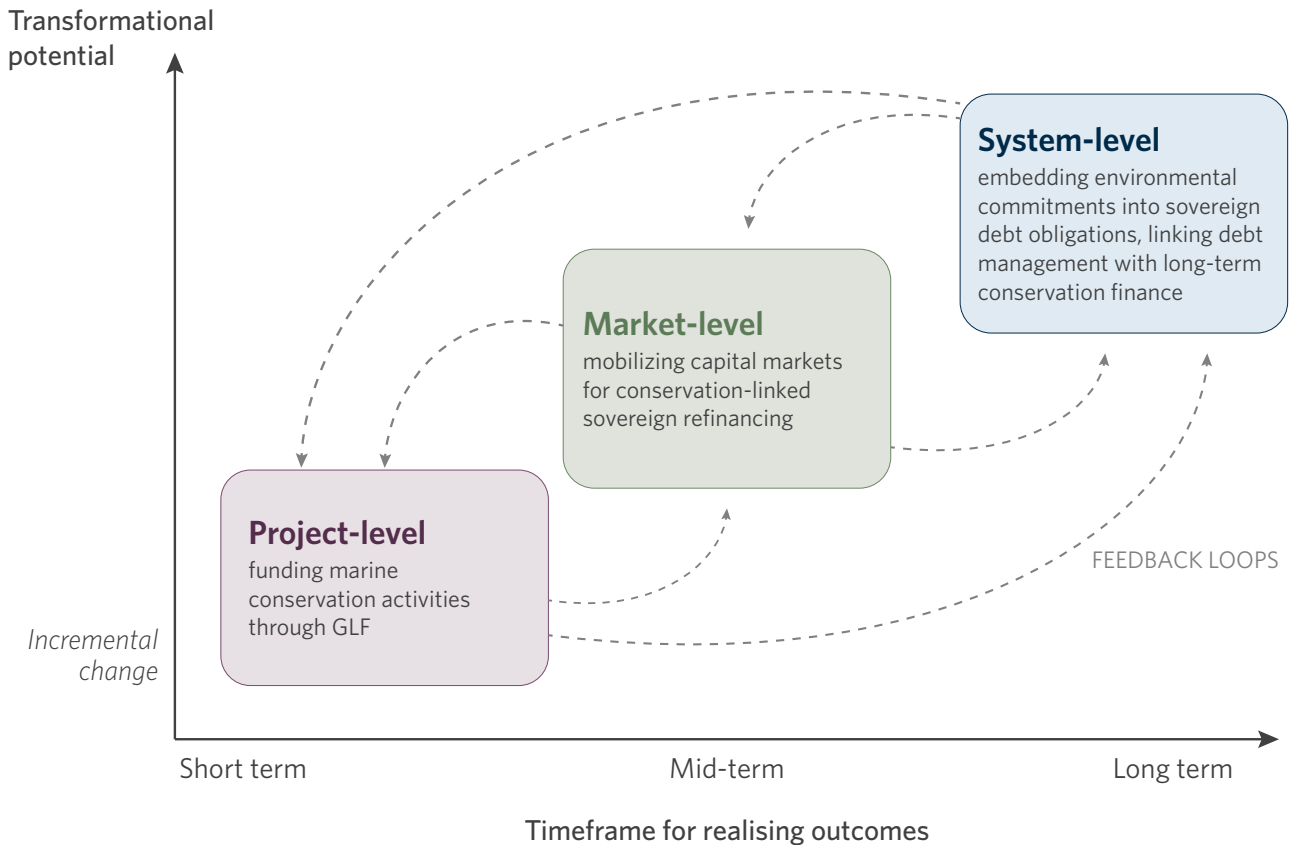
Public climate finance was central to making the debt conversion financially viable. DFC's political risk insurance and the guarantee from IDB reduced investor exposure to Ecuador's sovereign risk, allowing the Galápagos Marine Bond to be issued at a lower cost than the country could otherwise access. Without this credit enhancement, the transaction would likely have been too expensive to generate the same level of debt-service savings and conservation funding. Public finance, therefore, created value by lowering refinancing costs and converting part of the resulting savings into a long-term conservation funding stream through GLF.

DELINEATING RESULTS

Locating the intervention in CPI's 3-level Climate Finance Quality Framework, the DfN Conversion delivers results at multiple levels: at the project level, it funds marine conservation activities through GLF, including reserve management, enforcement, sustainable fisheries, and local resilience activities; at the market level, it demonstrates how guarantees and political risk

insurance can mobilize capital markets for conservation-linked sovereign refinancing; at the system level, it helps shift how sovereign debt management and conservation finance are linked, by embedding environmental commitments into financial obligations.

Figure 14: Three levels of results in the DfN Conversion



ASSESSING DESIGN & DELIVERY

Based on publicly available documentation and insights from stakeholder consultations, the design and delivery of the Galápagos Debt-for-Nature Conversion strongly evidences several dimensions of transformational public climate finance: affordability; mobilization; enabling environment; coordination & partnerships; and co-benefits. At the same time, the case raises certain limits or trade-offs regarding equity & justice and the speed of delivery. Table 14 unpacks the transformational design and delivery features, and Table 15 the identified limits or trade-offs.

Table 14: Unpacking transformational potential

Dimension	Design & Delivery Feature(s)
Affordability	Affordability is strongly evidenced since DFC political risk insurance and the IDB liquidity guarantee lowered transaction risk and the cost of capital, enabling Ecuador to refinance existing higher-cost debt through a cheaper structure.
Mobilization	Mobilization is strongly evidenced as DFC and IDB did not directly fund the conservation package but instead used insurance and guarantees to improve the transaction's risk profile and enable capital market participation. The SPV issued the Galápagos Marine Bond, raising USD 656 million from capital market investors. Stakeholder consultation also indicated that the DFC political risk insurance and IDB guarantee enabled the bond to achieve an AA2 rating.
Enabling environment	An enabling environment is strongly evidenced as the DfN Conversion embedded marine conservation commitments into the transaction's legal and financial structure and created the Galápagos Life Fund (GLF) as a long-term governance and funding vehicle for conservation finance (GLF, 2024). The transaction also helped build domestic know-how for future debt conversions, with Ecuador subsequently announcing a debt conversion for the Amazon Biocorridor following the 2023 Galápagos model (El País, 2024).
Coordination & partnerships	Coordination and partnerships are strongly evidenced, as the transaction required extensive collaboration among stakeholders. In Ecuador, the Ministry of Environment led the conservation agenda, the Ministry of Finance approved the financial architecture, and other ministries carried out implementation responsibilities related to fisheries control, defense, and marine reserve management. Stakeholder consultation emphasized that presidential endorsement was critical, with progress reviewed weekly to keep the conservation and finance tracks moving in tandem.
Co-benefits	Co-benefits are strongly evidenced as the DfN Conversion is designed to generate benefits beyond climate mitigation and adaptation, including marine conservation, sustainable fisheries, environmental education, sustainable tourism, and broader blue economy activities. GLF funding is expected to support fisheries monitoring and enforcement systems, sustainable fishing practices, environmental education, and projects that support the sustainability of tourism in the archipelago (GLF, 2024).

Table 15: Unpacking limits and/or trade-offs

Dimension	Limits and/or trade-offs
Equity & justice	Although Ecuador led the transaction at the sovereign level, conservation decisions directly affect local communities in Galápagos. Local groups have raised concerns through IDB's Independent Consultation and Investigation Mechanism (MICI) about the lack of accessible information and engagement with potentially affected communities (IDB, 2024). Over time, the quality of the transaction will therefore depend partly on whether GLF can demonstrate that funding decisions, project selection, and monitoring are transparent, inclusive, and responsive to local priorities.
Speed of delivery	Financial close is only the start of the intervention, since translating the funding structure into conservation outcomes takes time. Public reporting indicates that local groups have raised concerns about the timeframe for conservation funding to reach communities and projects (Reuters, 2024). Stakeholder consultation also suggested that the transaction's rapid progress to financial close depended heavily on strong presidential backing and political momentum. This creates a risk of implementation slowing if or when high-level political support weakens.

4. LESSONS AND IMPLICATIONS

This section aggregates lessons and implications derived by looking across the six case studies presented in Section 3. Accordingly, it:

1. Provides further and more nuanced discussion on the question: What constitutes high-quality public climate finance?
2. Pinpoints what and where the key data gaps are for assessing climate finance quality, within the framework proposed by CPI; and
3. Reflects on where CPI's framework for understanding and assessing climate finance quality works upon application, where it could be refined, and the options for further or future operationalization.

4.1 WHAT CONSTITUTES HIGH-QUALITY PUBLIC CLIMATE FINANCE?

High-quality public climate finance is necessarily calibrated and additional, relative to the sectoral, geographical, and climate-use (mitigation; adaptation) context. Across cases, public climate finance worked to fill a gap in the market, in such a way that it could catalyze further action: for example, in CRAFT, the concessional, junior layer was targeted at 20%—a threshold large enough to give private investors confidence, but not so large that it undermined the commercial signal; while in the Galápagos DfN Conversion, public guarantees and insurance worked to shift the risk allocation so that capital markets could enter, rather than public actors funding the transaction altogether; in LoCAL the provision of affordable (performance-based) grants directly to local governments, and subsequently local communities on the front line of the climate crisis, enabled LLA in a way that would not have happened without affordable public finance. Then, it is a question of calibrating public climate finance to sectoral, geographical and climate-use contexts, in such a way as to unlock further action at the market and system levels, beyond projects themselves.

High-quality public climate finance cannot be characterized solely by the financing modality or financial instrument. Overall, the six cases cut across a range of financing modalities: a mechanism for channeling international adaptation finance to local governments; a bilateral grant-based program¹³ emphasizing governance reform; public financial support to a private growth equity fund; an urban project preparation facility sequenced with investment finance, housed within an MDB; a national blended finance structure combining a project preparation facility with a credit facility; and a debt-for-nature conversion. The cases illustrate the value of detailed and nuanced discussion of intervention design and delivery, including trade-offs or limits therein, moving the focus beyond financing amounts and the financial instrument alone. Indeed, each case showed how public climate finance can be used, channeled or structured in different ways—utilizing different financial instruments—that yields high-quality interventions.

¹³ Noting that a bilateral (grant) model is typically considered an outdated approach with the emphasis placed on more innovative or commercially oriented approaches. However, the FGMC case illustrates where and when this model does work and indeed is essential in the context of enabling country-led governance reform for a complex and contested sector (forestry and forest commodities)

As such, reducing the complex topic of climate finance quality to the financing instrument alone—often in terms of whether the intervention is funded by grants or not—is, ultimately, unproductive and distortive.

High-quality public climate finance is calibrated but not one-dimensional. As depicted in Figures 4, 6, 8, 10, 12 and 14, the results from each intervention could be delineated at multiple levels: the project, market and system. Moreover, while none of the cases analyzed strongly evidenced all 10 dimensions of transformational public climate finance, most nonetheless strongly evidenced a mix of provider-centric and recipient-oriented priorities. As such, CPI’s Climate Finance Quality Framework helps to tell a more holistic story of how high-quality public climate finance is calibrated but not one-dimensional, contributing to change at broader levels of action while satisfying a mix of provider and recipient priorities.

A high-quality public climate finance intervention will necessarily build an enabling environment for further climate action. Notably, in each case analyzed, the dimension ‘Enabling Environment’ was strongly evidenced. This covers a number of things in practice: in LoCAL, it meant establishing the institutional arrangements necessary to channel international adaptation finance to local governments; in FGMC, it meant reforming forest law enforcement, governance and trade (FLEGT) such that sustainable forest commodity value chains and sustainable markets could flourish; in CRAFT this meant creating the market infrastructure needed to make adaptation solutions investable; in the GrCP this meant developing Green Climate Action Plans (GCAPs) that formed the basis for subsequent climate-aligned urban infrastructure investment; in IREME Invest this meant strengthening domestic green finance architecture through project preparation; while in the Galápagos DfN this meant creating legal and governance arrangements linking debt relief with conservation finance. The enabling environment dimension—as defined in CPI’s original scoping study (see Figure 1)—means creating or facilitating the (long-term) policies, strategies, legal frameworks, governance structures, and the capacity needed to raise ambition on—and ultimately implement—climate investments at different levels (national; subnational; local; commercial). **This discussion paper contends that high-quality public climate finance will, necessarily, build the enabling environment as a core design and delivery feature.**

While high-quality public climate finance will inevitably face certain trade-offs and limits, this does not necessarily negate the overall quality of the intervention. In multiple cases, there were limits to mobilization and scale of finance: for example, in LoCAL, LLA grants were and could only be of a limited size a) given the nature of the financial instrument; and b) given the nature of the recipients (local communities).¹⁴ Additionally, EBRD’s GrCP illustrates how engaging directly with municipal actors and utilities also creates a ceiling on the scale of finance that can realistically be absorbed and managed by those actors. **As such, the case studies at times reveal an inherent tension between quality and quantity.** Other trade-offs that arose across cases concerned commercial viability (requiring sustained political will among donors to provide valuable grant financing for non-monetizable components) and the speed of delivery (where interventions required complex, multistakeholder coordination and partnerships, building trust and relationships with recipient actors over time). Overall, then, trade-offs are inherent to different design and delivery choices, and CPI’s multi-dimensional quality framework—with further socialization—could encourage public climate finance providers to articulate exactly

¹⁴ Noting, however, that following a phased approach, LoCAL Benin was able to scale relative to its initial pilot, by directly accessing funds from the GCF.

which dimensions they are prioritizing in design and delivery, and why, therein pinpointing where associated trade-offs will surface.

High-quality public climate finance often faces challenges in measuring and communicating its impact. In different cases, there was often a measurement and/or communication problem: for example, the FGMC, working explicitly at the market and system levels of action, faced issues in attributing a change in forest loss directly to their intervention. Indeed, practitioners at public climate finance institutions often struggle to attribute—in quantitative terms or through neat indicators—the broader market- or system-level changes associated with their interventions.¹⁵ It is the hope that this discussion paper offers an approach for better communicating the quality of public finance interventions, by a) delineating the different levels at which results may be delivered and b) highlighting the different design and delivery dimensions that make for high-quality public climate finance. In addition to generating insights for learning and improving future project/program design, better telling the story of where public climate finance is indeed additional can help strengthen the case for sustained funding streams in an ODA-constrained or falling future.

4.2 WHAT AND WHERE ARE THE KEY DATA GAPS?

Publicly available evidence is uneven across public climate finance providers; a key data gap for assessing climate finance quality. Some providers publish sufficient material to understand how an intervention was designed, delivered and evaluated, while others only disclose limited information. The UK Government's *DevTracker* is a good-practice example of more comprehensive disclosures, allowing the wider climate finance community to learn from project design, implementation experience and evaluation findings over time. More public climate finance providers should make similar project or program information available in a structured and accessible way.

This data gap becomes more visible where public climate finance is deployed through blended finance structures. The evidence needed to assess quality may be held partly by private actors, where disclosure is more limited due to commercial confidentiality. For example, CRAFT, as a private adaptation finance vehicle—although incubated by public finance—had less visible financial results due to confidentiality concerns. Besides, public and private climate finance providers do not necessarily share the same language when it comes to “quality”. Private actors are naturally more interested in efficiency, while public finance providers (should) demonstrate both equity and efficiency concerns.

Current M&E systems are relatively well-developed for tracking project-level results, but there is no similarly mature approach for assessing the quality of intervention design and delivery. CPI's 10-dimension framework is one attempt to fill this gap by providing a structured way to assess the quality of design and delivery. Across the six cases, evidence was found for several of these dimensions, suggesting that the framework captures design features that matter in practice. However, public climate finance providers do not yet appear to assess these dimensions systematically at the design stage. Nor do they consistently disclose the rationale behind design

¹⁵ This is especially true where there is misalignment between institutional reporting timelines and the timeframe which is needed to measure realized results in the mid-to-long-term.

choices, or apply common standards for what would count as strong or weak performance across these different dimensions.

Existing data often captures the breadth of quality considerations, but says less about the depth. This is particularly visible in the co-benefits dimensions, where project documentation often identifies relevant SDGs or expected development benefits, without providing evidence of the extent to which those benefits are (expected to be) realized. A similar issue can arise for equity, accessibility, and ownership, where documentation may show that these issues were considered, but not how strongly they shaped project design or delivery. For example, gender equality was considered across all six selected cases, but the depth of integration varied. In IREME Invest, gender considerations were more substantively integrated through targeted support for women-led businesses and eligibility processes that accounted for gender-related impacts, while in other cases, gender was reflected more as a safeguard or reporting requirement, with less evidence that it shaped the core design or delivery. **Better-quality data, therefore, needs to distinguish whether a dimension is simply present, meaningfully integrated, or central to the intervention's design and delivery.**

It is also challenging to attribute market- and system-level impact to a single intervention. For example, FGMC clearly supported forest governance reform and sustainable forest commodity value chains, but changes in forest loss could not be attributed solely to FGMC. System-level impact usually emerges over time through a combination of interventions, actors, policies, and enabling conditions. Therefore, market- and system-level results might more realistically be assessed through contribution logic, supported by concrete indicators where possible.

Moving forward, assessing climate finance quality will require greater consensus on the key data points that public climate finance providers—and, where relevant, recipients—should jointly report. This does not mean a one-size-fits-all approach for every intervention, but rather greater convergence on a minimum set of information needed to assess quality, to improve transparency while balancing the additional burden of data collection. A working group of public climate finance providers (as well as representatives from recipient entities) could help develop a common reporting mechanism, drawing on existing monitoring, evaluation and learning practices. Additionally, a better understanding of what data private climate finance providers can disclose and how commercially sensitive information can be shared in aggregated or anonymized forms is needed. Building this evidence base is necessary if climate finance quality is to move from case-by-case assessment toward more systematic and consistent reporting and learning across the public climate finance landscape.

4.3 REFLECTIONS ON CPI'S FRAMEWORK

WHERE DOES IT WORK?

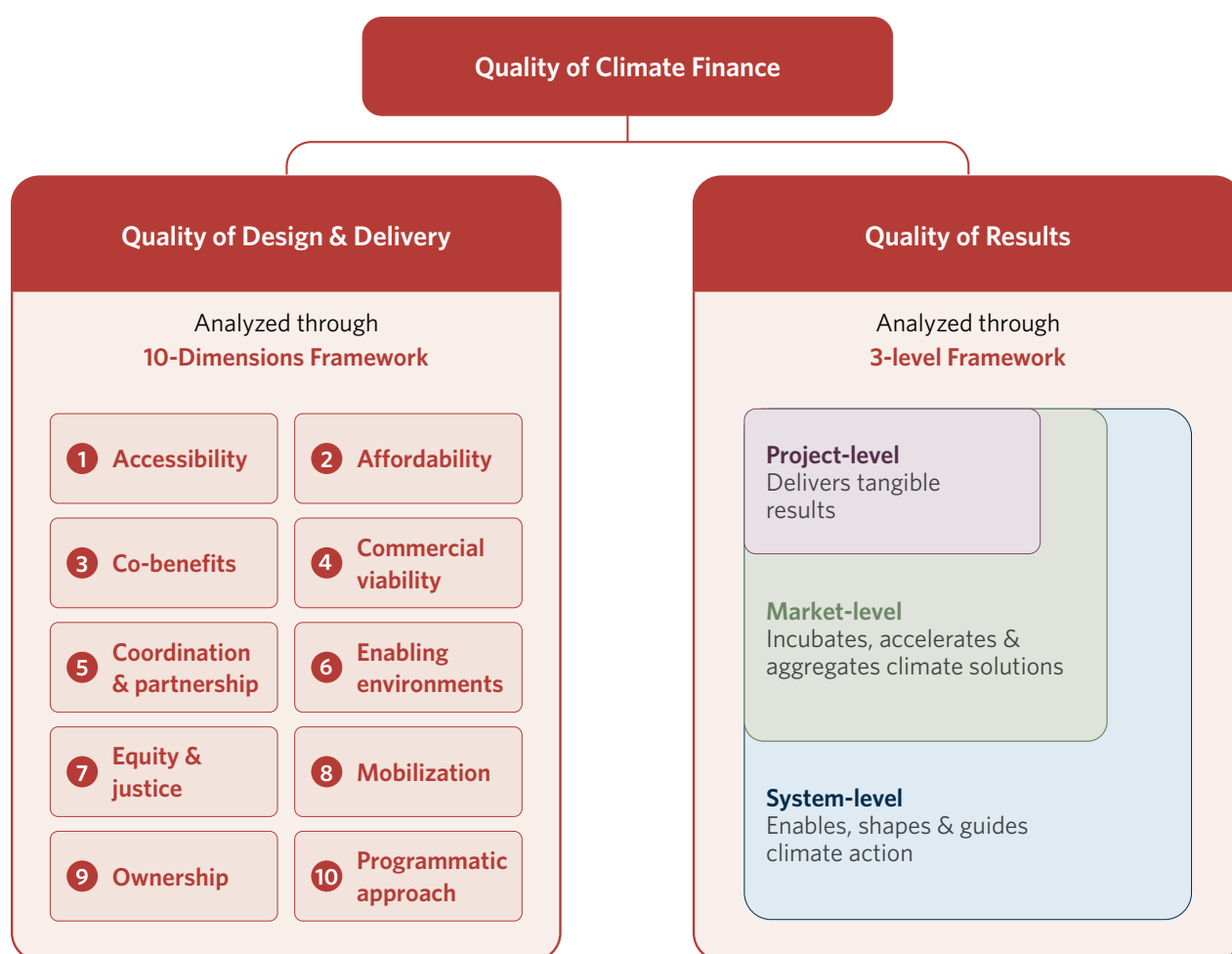
CPI's Climate Finance Quality Framework offers a structured vocabulary and format for interrogating the quality of a public climate finance intervention. Upon application to six different case studies, covering a range of financing modalities, this framework:

- a. Delineates intervention results at multiple levels (project, market and system); and
- b. Helps to unpack the different design and delivery dimensions through which a public climate finance intervention has transformational potential, surfacing the limits or trade-offs therein.

In doing so, this approach helps tell a more holistic story of public climate finance, moving beyond monetary inputs.

The Climate Finance Quality Framework offers a two-pronged approach for assessing the quality of climate finance. It conceptualizes three levels for assessing the quality of results and provides 10 dimensions for assessing the quality of intervention design and delivery (see *Figure 15*). To date, CPI has packaged this two-pronged approach under a single umbrella framework, with little distinction between the quality of design and delivery, and the quality of results. This discussion paper recommends a clearer, more deliberate distinction between the two in future work and within the climate finance quality dialogue at large.

Figure 15: Holistic, two-pronged approach to assessing quality of climate finance



The 10-dimensional framework provides a flexible approach for assessing the quality of design and delivery, based on both provider- and recipient-centric priorities. This framework provides a flexible way to guide the design and delivery of high-quality public climate finance interventions, catering to both provider- and recipient-centric perspectives or priorities. The framing of categories is also applicable to different contexts, allowing for broad application: for example, “Ownership” can be a case of ensuring national ownership of climate finance (as in the case of IREME Invest), subnational ownership (as in the case of EBRD GrCP), or local community

ownership (as with the LoCAL Facility); similarly “Accessibility” can be a case of accessing international climate finance (as with LoCAL) or it might entail MSMEs accessing finance for climate-aligned business activities (as with IREME Invest).

HOW CAN IT BE REFINED?

Certain challenges or limitations emerged upon application of the 10-dimensional framework.

For a start, the distinct categorizations in theory do not necessarily reflect fluid realities in practice. For example, the dimensions ‘Co-benefits’ and ‘Equity & Justice’ present an overlap: if a project had integrated gender-responsive approaches or gender-targeted measures, these were often considered as evidence of ‘Equity & Justice’ but could, equally, be considered a ‘Co-benefit’ of the intervention, depending on intent and the framing provided by the funder. As such, these dimensions need to be more clearly defined in terms of the distinguishing factor and the depth of evidence required to merit one or the other (rather than light-touch box-ticking). Alternatively, project-level co-benefits could be considered and tracked within the ‘quality of results’ prong, removing it altogether as a distinct design and delivery assessment dimension.

The framework could benefit from the inclusion of a ‘Transparency’ dimension that explicitly assesses the extent to which public climate finance providers report data and evidence on their interventions.

Transparent reporting—on intervention design and delivery, as well as the results that flow from the intervention—is essential to make third-party analysis of climate finance quality viable. Upon applying the framework, it emerged that an additional dimension to assess whether there is sufficient transparency could be relevant and useful, serving as an enabling factor for assessing the other dimensions of quality. Indeed, this resonates with broader calls for transparency and accountability to be key principles for evaluating the quality of climate finance, both in the provision of finance and in the outcomes it generates ([Canales et al., 2026](#)).

WHAT ARE THE IMPLICATIONS FOR FURTHER OPERATIONALIZATION?

Assessing the quality of climate finance calls for both *ex-ante* and *ex-post* analysis. The approach developed in this paper largely focused on *ex-ante* project design and delivery, given the limited availability of relevant and comprehensive *ex-post* project implementation and results data. Subject to more and better data, CPI’s two-prong framework for assessing climate finance quality could benefit from a combination of *ex-ante* and *ex-post* evidence: assessing project or program design and delivery upstream, on an *ex-ante* basis; and assessing project or program results *ex-post*, following implementation, to verify if the design and delivery did indeed yield the desired results on the ground and over time.

The application in practice left an unresolved question regarding prioritization and thresholds.

As discussed in Section 4.1, trade-offs are inherent to design, and delivery choices and a high-quality public climate finance intervention cannot necessarily be expected to satisfy every dimension contained in the 10-dimension framework. The question then becomes one of balance: How well-balanced is the public climate finance intervention in satisfying a mix of provider-centric and recipient-oriented priorities, and can particularly high performance in one offset lower performance in another? The framework has not (yet) prescribed thresholds to be met; that is, how many dimensions one intervention needs to satisfy to be considered “high quality”, and/or whether there are certain essential dimensions that all public interventions must satisfy

(e.g., improving the enabling environment). These are normative questions for which it is difficult to establish one-size-fits-all rules across different sectoral, geographic, and climate use contexts.

The 10-dimension design and delivery framework could be operationalized quantitatively via a scoring approach, but this would necessitate subjective or arbitrary decision rules. For example, this could emulate the approach taken by the UK Government in its International Climate Finance (ICF) Key Performance Indicator (KPI) no. 15, assessing transformational change ([UK Government, 2024](#)). Done on an *ex-ante* basis, an intervention would be scored on the likelihood that it will contribute to each of the 10 dimensions, calculating an overall (dimension-weighted) score that can be aggregated or compared across a portfolio. For example, UK ICF KPI 15 yields a score of between 1 and 5, whereby 5 indicates that there is substantial evidence that transformational change is likely or already occurring ([UK Government, 2024](#)). However, this would necessarily involve determining subjective or arbitrary thresholds when deciding the number and relative importance of the dimensions assessed, per intervention.

The 3-level results framework could be operationalized quantitatively via results indicators, but would necessitate stronger monitoring, evaluation, and learning (MEL) capacities and more resources for data collection. Here, the aim would be to distil a minimum set of common indicators to be tracked by different public climate finance providers, at the project-, market-, and system-levels respectively. However, as discussed in [CPI, 2025b](#), operationalizing this 3-level framework using quantitative indicators presents various challenges in attributing results at the market- and system-levels of action. Change at these levels occurs in the medium-to-long term, and it is complex, if not unrealistic, to link specific individual interventions to broader market- or system-level change ([CPI, 2025b](#)). Nonetheless, building on extensive existing MEL work and capacities, project-level results indicators offer a comparatively well-established starting point for quantitatively operationalizing tracking.

Further operationalization of CPI's Climate Finance Quality Framework should harness a mix of quantitative and qualitative approaches. This case study discussion paper provided a structured format for qualitatively assessing the quality of real-world public climate finance interventions. In doing so, the approach allowed for a more detailed and nuanced analysis of what constitutes high-quality public climate finance. Nonetheless, as discussed above, there is scope—albeit complex and predicated on answering subjective questions—to augment this qualitative approach with quantitative scoring and/or quantitative indicators, where relevant. Overall, then, this paper contends that assessing the quality of climate finance—that is, the quality of design and delivery, and the quality of results—should harness a mixed-method approach, which can adequately capture the why and the how underlying expected or realized changes, as well as the what, where and when.

5. CONCLUSION

This discussion paper offers a more nuanced discussion of what constitutes high-quality climate finance by applying CPI's Climate Finance Quality Framework to real-world interventions. As the fourth and final output in CPI's initial climate finance quality series, it illustrates how the work to date can be applied to real-world public climate finance interventions. In doing so, it yielded aggregate lessons and implications to better understand and assess the quality of climate finance, pinpointing where CPI's framework works, where it can be refined, and the implications for further or future operationalization. One important implication is the need to unpack climate finance quality in terms of: quality of design and delivery; and quality of results. This two-pronged approach promises a more holistic assessment of quality, covering both efficiency and equity perspectives.

The paper calls for greater engagement on what constitutes climate finance quality across the range of public climate finance providers active in the landscape, with an emphasis on moving toward consistent and comparable data and reporting mechanisms. Greater transparency, based on a common understanding of quality, will allow the global climate finance community to learn from past and ongoing interventions and improve the design and delivery of future ones, and, in turn, the results that flow from them. While the qualitative case study analysis developed in this paper is a structured approach for assessing quality on a case-by-case basis, future work can also draw on the range of analytical approaches developed in CPI's climate finance quality series (including quantitative indicators and a tool specifically for assessing the quality of adaptation finance). There is also scope to quantitatively operationalize the 10-dimensional framework via a scoring approach, though this would be inherently subjective and would require establishing ultimately arbitrary thresholds.

Looking ahead, the scope for CPI to continue its work on climate finance quality likely hinges on two avenues: convening among public climate finance providers or engaging bilaterally with individual institutions. This paper, as well as prior work in CPI's quality series, has called for establishing a working group with representatives from various public climate finance institutions (multilateral climate funds, DFIs, and bilateral donors), alongside recipient entities (government ministries, national climate funds, and civil society organizations). The aim would be to develop a shared understanding of climate finance quality with a view toward operationalization and dedicated reporting mechanisms. Alternatively, or in parallel, there is scope for bilateral engagement with individual institutions that are interested in assessing the quality of their climate finance portfolios, harnessing the analytical approaches developed by CPI. Such bilateral engagement could facilitate direct access to the mix of qualitative and quantitative data—*ex-ante* and *ex-post*—needed to assess climate finance quality in practice.

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ANNEX 1: STAKEHOLDER CONSULTATIONS

Case study / Intervention	Stakeholders Interviewed	
	Organization/Institution	Representative(s)
LoCAL Facility	National Fund for Environment and Climate of Benin (UN)	Ibila Djibril, <i>National Designated Authority</i>
		Appolinaire Gnanvi, <i>Director General</i>
	UN Capital Development Fund (UNCDF)	Damiano Borgogno, <i>Global Co-Lead, LoCAL Facility</i>
FGMC Programme	UK Foreign, Commonwealth & Development Office (FCDO)	Julia Falconer, <i>Senior Responsible Owner, FGMC</i>
		Gaia Allison, <i>Programme Adviser, FGMC</i>
CRAFT Facility	The Lightsmith Group	Sanjay Wagle, <i>Co-founder and Managing Director</i>
		Tara Guelig, <i>Director of Sustainability & Impact</i>
EBRD GrCP	European Bank for Reconstruction and Development (EBRD)	Maya Almog, <i>Principal and Facility Co-lead</i>
IREME Invest	Development Bank of Rwanda (BRD)	Ally Muvunyi Rutarindwa, <i>Senior Specialist in Green Finance</i>
Galápagos DfN Conversion	Government of Ecuador	Gustavo Manrique Miranda, <i>Former Minister of the Environment</i>
	Climate Policy Initiative (CPI)	Maria Ruiz Sierra, <i>LAC Financial Innovation Manager</i>

Note: For each case, CPI originally sought to interview stakeholders across different parts of the finance and delivery chain, including finance providers, implementers, and recipients where possible. However, these roles were not always distinct, and interview coverage varied across cases depending on the intervention's structure and stakeholders' availability or accessibility.

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