2023

The Green Climate Fund’s Need for a Shot of Adrenaline

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Introduction

In 2021, ten destructive weather events alone led to over $170 billion in damages.[1] Since 2011, there have been six individual years where global natural disasters have caused more than $100 billion in damage, according to insurer Aon.[2] Devastating floods, fires, and droughts are all taking a significant toll on human life, property, land, agriculture, and livestock.[3] Developing countries in particular are struggling with political instability, food insecurity, malnutrition, and violence: the destruction and displacement of weather events exacerbates those issues.[4]

As our understanding of the connection between rising global temperatures and destructive weather events grows, it is increasingly apparent that our global community should take meaningful action to address the threat of climate change by scaling up the robust financing regime that is needed to cope with its worsening effects.[5] Thirteen years ago, at the United Nations (U.N.) Conference of Parties in Copenhagen, developed countries made a pledge to commit $100 billion a year by 2020 to help developing countries adapt to climate change and mitigate further increases in temperature.[6] Years later, that pledge remains unfulfilled.[7] According to a 2021 G-24 report on climate finance, "the only realistic scenarios" demonstrate that the $100 billion target is out of reach.[8] "We are not there yet," says U.N. secretary-general António Guterres.[9] Nonetheless, progress is being made as climate finance mobilized by

[1] Damian Shepherd, *The World Paid a Huge Financial Price for Climate-Driven Extreme Weather in 2021*, TIME (Dec. 26, 2021), https://time.com/6131659/climate-disaster-extreme-weather-cost/.
[2] *Id*.
[3] Daniel Kurt, *The Financial Effects of a Natural Disaster*, INVESTOPEDIA (May 27, 2022), https://www.investopedia.com/financial-edge/0311/the-financial-effects-of-a-natural-disaster.aspx.
[4] Richard Davies, *West and Central Africa – Over 125,000 Displaced by Floods Across 17 Countries*, FLOODLIST (Aug. 30, 2022), https://floodlist.com/africa/west-central-africa-floods-august-2022.
[5] Jocelyn Timperley, *The broken $100-billion promise of climate finance – and how to fix it*, NATURE (Oct. 20, 2021), https://www.nature.com/articles/d41586-021-02846-3#ref-CR1.
[6] *Financing Climate Action*, UNITED NATIONS, https://www.un.org/en/climatechange/raising-ambition/climate-finance (last visited Oct. 12, 2022).
[7] Timperley, *supra* note 5.
[8] *Id*.
[9] *Id*.

developed countries increased from $52.2 billion in 2013 to $58.6 billion in 2016 to $78.9 billion in 2018, according to the Organization for Economic Cooperation and Development (OECD).[10] Progress should accelerate though as the U.N. Environment Program estimates that developing countries could need $300 billion per year by 2030 to combat the effects of climate change. [11]

As both the world's largest economies and the greatest producers of historical emissions, developed nations have a responsibility to mobilize finance to protect our earth's most vulnerable communities; countries that contributed the least to our current climate crisis yet are often the most impacted. [12] Mohamed Adow, director of Kenya-based think tank Power Shift Africa, said the African continent has "borne the brunt" of some of our world's deadliest and most expensive climate impacts. [13] Climate finance is the tool to help remedy the inequities in the causes and effects of climate change as it can assist less developed countries build resilience and achieve successful adaptation. [14] According to October 2019 data from the World Bank, though the world will need to make trillions of dollars in investments to prepare for the future, it can recoup those contributions as every one dollar, on average, spent transitioning to a green economy yields four dollars in benefits. [15] Additionally, a 2018 New Climate Economy Report found that bold climate action through significant financial investments could yield a direct economic gain of $26 trillion though 2030 compared with the business-as-usual status quo.[16]

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[10] *Delivering On the $100 Billion Climate Finance Commitment & Transforming Climate Finance*, G24 (Mar. 11, 2021), https://www.g24.org/wp-content/uploads/2021/03/Richard-Calland-and-Amar-Bhattacharya_Independent-Expert-Group-on-CF-MARCH-2021.pdf.

[11] Alice C. Hill, *Why Climate Finance Is Critical for Accelerating Global Action*, COUNCIL ON FOREIGN RELATIONS (May 18, 2021), https://www.cfr.org/in-brief/why-climate-finance-critical-accelerating-global-action.

[12] *Financing Climate Action*, *supra* note 6.

[13] Shepherd, *supra* note 1.

[14] *Financing Climate Action*, *supra* note 6.

[15] *Id*.

[16] *Unlocking the Inclusive Growth Story of the 21st Century: Accelerating Climate Action in Urgent Times*, WORLD RESOURCES INSTITUTE (Aug. 2018), https://newclimateeconomy.report/2018/wp-content/uploads/sites/6/2018/09/NCE_2018_FULL-REPORT.pdf.

"The benefits of climate action are greater than ever before, while the costs of inaction continue to mount. It is time for a decisive shift to a new climate economy," according to the World Resources Institute's Global Commission on the Economy and Climate. [17]

This paper argues that the Biden administration should lead by example and mobilize climate finance to assist developing countries transition to green energy and adapt to worsening climate impacts by ensuring full support of the Green Climate Fund (GCF).[18] The COP15 $100 billion mobilization pledge has been central to climate negotiations since 2009.[19] Delivering on this commitment is an important symbol of trust that the U.S. should take seriously. Part I will discuss the foundations of the United Nations Framework Convention on Climate Change, the Conference of the Parties (COP), and the creation of the GCF. Part II will examine how the GCF has evolved through a historical look at how recent presidential administrations have prioritized the fund and through a discussion of its criticisms. Last, Part III argues that the Biden administration should support the GCF by encouraging private sector involvement, improving reporting and transparency, and ensuring the U.S. has a well-defined plan for the future.

I. The Origins of the GCF

Founded in 1945, the U.N. works on a wide range of issues, and in the last thirty years, one major focus of concern that reaches every corner of the globe has been climate change.[20] Countries began to recognize the need for cooperation through international treaties, beginning with the United Nations Framework Convention on Climate Change (UNFCCC), which has led to annual Conference of the Parties (COP) in which climate change negotiations take place.[21]

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[17] *Id*.
[18] *About GCF*, GREEN CLIMATE FUND, https://www.greenclimate.fund/about (last visited Nov. 27, 2022).
[19] *Copenhagen Accord*. Conference of the Parties (COP) Fifteenth Session, Copenhagen, Denmark. https://unfccc.int/resource/docs/2009/cop15/eng/11a01.pdf.
[20] *About UNFCC*, UNITED NATIONS GLOBAL MARKETPLACE, https://www.ungm.org/Shared/KnowledgeCenter/Pages/UNFCCC (last visited Oct. 10, 2022).
[21] *Id*.

Section I.A discusses the foundations and goals of the UNFCCC and the impacts it has made through the COP. Section I.B then addresses the creation of the GCF and examines its initial intentions.

A. UNFCCC and the COP

The U.N. first began to address climate change in 1992 with the signing of the UNFCCC.[22] The goal is for countries to cooperatively consider what they can do to limit global warming and the resulting climate change, as well as address its inevitable impacts.[23]

Article III discusses the principles behind the treaty and addresses the need for equity considerations:

> The Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof.[24]

Article III also urges the Parties to consider the different needs of developing and developed countries, which is a main tenet of the UNFCCC:

> The specific needs and special circumstances of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change, and of those Parties, especially developing country Parties, that would have to bear a disproportionate or abnormal burden under the Convention, should be given full consideration.[25]

Since its creation, the UNFCCC secretariat has grown to 198 Parties and is responsible for the 1997 Kyoto Protocol and the 2015 Paris Agreement.[26] Both agreements aim to achieve the objectives of the UNFCCC by stabilizing greenhouse gas concentrations in the atmosphere at

[22] *Id.*
[23] *Id.*
[24] United Nations Framework Convention on Climate Change art. 3, May 9, 1992, S. Treaty Doc. No. 102-38
[25] United Nations Framework Convention on Climate Change art. 3, May 9, 1992, S. Treaty Doc. No. 102-38
[26] *See* Kyoto Protocol to the United Nations Framework Convention on Climate Change, Dec. 10, 1997, 2303 U.N.T.S. 162; Paris Agreement to the United Nations Framework Convention on Climate Change, Dec. 12, 2015, T.I.A.S. No. 16-1104; *About the Secretariat*, UNFCCC, https://unfccc.int/about-us/about-the-secretariat (last visited Oct. 10, 2022).

a level that will prevent dangerous human interference with the climate system, in a time frame that allows ecosystems to adapt naturally and enables sustainable development. [27]

The secretariat is responsible for organizing the annual Conference of the Parties (COP), which is the decision-making body responsible for assessing the effects of measures taken by the Parties and examining the progress made in achieving the goals of the Convention.[28]

In 1997 at COP3, the Kyoto Protocol was adopted by consensus and furthered the goals of the UNFCCC by creating legally-binding emissions targets for the six major greenhouses gases.[29] The Kyoto Protocol drew on the UNFCCC's equity principles by recognizing that developed countries are principally responsible for the world's high levels of greenhouse gas emissions, and therefore, the Protocol placed a heavier burden on developed nations than developing nations.[30] If a country that had ratified the Kyoto Protocol emitted more than its assigned limit, then it would be penalized in the following period by receiving a lower emissions limit.[31] The Protocol, however, faced much criticism as developing nations were asked to comply voluntarily, and more than 100 developing countries, such as the People's Republic of China and India, were exempted from the Protocol altogether.[32] Further, the United States, which ratified the original Kyoto agreement, dropped out in 2001 as it believed the agreement was unfair and would hurt the U.S. economy.[33] Since the United States, China, and India are three of

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[27] About the Secretariat, *supra* note 26.
[28] *Parties (COP)*, UNFCCC, https://unfccc.int/process/bodies/supreme-bodies/conference-of-the-parties-cop (last visited Oct. 10, 2022).
[29] *Timeline of Major UN Climate Negotiations*, ENVIRONMENTAL AND ENERGY STUDY INSTITUTE, https://www.eesi.org/policy/international (last visited Oct. 10, 2022).
[30] Carla Tardi, *What is the Kyoto Protocol? Definition, History, Timeline, Status*, INVESTOPEDIA, https://www.investopedia.com/terms/k/kyoto.asp (last updated Aug. 12, 2022).
[31] *Id*.
[32] Colin Hunt, *Kyoto Protocol fails: get ready for a hotter world*, THE CONVERSATION (Nov. 15, 2012), https://theconversation.com/kyoto-protocol-fails-get-ready-for-a-hotter-world-10742.
[33] Tardi, *supra* note 30.

the world's biggest emitters of greenhouse gases, more action and negotiation was needed to make real progress on furthering the UNFCCC's goals.[34]

In 2007 at COP13, progress accelerated with the adoption of the Bali Road Map, which continued negotiations for greenhouse gas mitigation actions after the Kyoto Protocol's expiration in 2012.[35] The Bali Road Map is divided into five main categories: shared vision, mitigation, adaptation, technology, and financing.[36] The financing category called for the mobilization of funding and investment, including the facilitation of climate-friendly investment choices, which was crucial to support the needs of developing countries.[37]

The emergence of climate finance continued at COP15 in 2009 where last-minute negotiations led to the Copenhagen Accord that recognized the need to limit global temperature increases to two degrees Celsius.[38] The Parties addressed the magnitude of financial support needed to meet this goal, resulting in a commitment by developed countries to mobilize $10 billion annually, rising to $100 billion annually by 2020, to specifically assist developing countries.[39] The basis for the pledge came directly from the UNFCCC's equity objectives, which includes the principle of cooperation by countries in accordance with their "common but differentiated responsibilities and respective capabilities."[40] The principle acknowledges that developed countries, which have contributed far more to the accumulation of greenhouse gases and the rise in global temperatures, should play a larger part in remedying the climate crisis by assisting developing countries that have contributed significantly less.[41]

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[34] *Id*.
[35] *Bali Road Map Intro*, UNFCCC, https://unfccc.int/process/conferences/the-big-picture/milestones/bali-road-map (last visited Oct. 10, 2022).
[36] *Id*.
[37] *Id*.
[38] *Timeline of Major UN Climate Negotiations*, *supra* note 29.
[39] *Id*.
[40] United Nations Framework Convention on Climate Change, May 9, 1992, S. Treaty Doc. No. 102-38
[41] Hill, *supra* note 11.

B. COP16 and the GCF

In 2010, COP16 was held in Cancun, Mexico, and formalized developed countries' COP15 financial commitments.[42] The most significant outcome was the establishment of several new climate finance institutions, including the GCF.[43] The GCF was designed to respond to climate change by investing in low-emission and climate-resilient development and would operate under the guidance of the COP.[44] The trustee of the fund is accountable to the 24-member Green Climate Fund Board, with equal representation from developed and developing countries, and is supported by an independent secretariat.[45] Its main responsibility is managing the $100 billion per annum pledge from developed countries, and using the funds to support programs, policies, and other activities in developing countries.[46]

The Parties recognized the high level of expertise necessary to implement and coordinate a fund of this size and therefore established a transitional committee to determine the detailed design and modalities of the GCF, aiming to finish before COP17 in 2011.[47] The process was not an easy endeavor as the transitional committee needed to determine the types of financial instruments the fund would use, establish mechanisms for evaluating the fund's performance and ensuring financial accountability, and arrange for stakeholder input and performance.[48]

The committee's report established the GCF's guiding principle, which would aid the Board and the secretariat in its decision-making:

> The Fund will contribute to the achievement of the ultimate objective of the United Nations Framework Convention on Climate Change (UNFCCC). In the context of sustainable

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[42] *Timeline of Major UN Climate Negotiations*, *supra* note 29.
[43] *Id*.
[44] Richard B. Stewart, et al., "Governing a Fragmented Climate Finance Regime." *International Financial Institutions and Global Legal Governance*. THE WORLD BANK GROUP (2012), https://www.iilj.org/wp-content/uploads/2016/08/Kingsbury-et-al_International-Financial-Institutions-and-Global-Legal-Governance.pdf.
[45] *Id*.
[46] *Id*.
[47] *Id*.
[48] *Id*.

> development, the Fund will promote the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change, taking into account the needs of those developing countries particularly vulnerable to the adverse effects of climate change.[49]

The committee agreed that a major share of the $100 billion per annum pledge should be channeled through the GCF and determined that the fund would provide financing mainly in the form of grants and concessional lending, while also seeking to catalyze additional public and private finance through its activities at both the national and international levels.[50] The Parties decided that the GCF portfolio should maintain an even balance between mitigation and adaptation projects and created a sub-entity, the Private Sector Facility (PSF), with the primary mission to engage both the local and global private sector to support resilient investments.[51] In October 2019, at the GCF's first replenishment conference, leaders demonstrated confidence in the fund's ability to support developing countries by implementing Nationally Determined Contributions (NDCs).[52] NDCs represent the commitment each country makes to adapt to the impacts of climate change and require each party to prepare, communicate, and maintain contributions that it intends to achieve every five years.[53] U.N. Secretary-General António Guterres urged Parties to "provide significant resources," noting that an "ambitious replenishment will enable the Fund to continue to promote adaptation, resilience and carbon-neutral development in developing countries."[54]

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[49] *Green Climate Fund – report of the Transitional Committee*, UNFCCC, https://unfccc.int/files/meetings/durban_nov_2011/decisions/application/pdf/cop17_gcf.pdf (last visited Oct. 12, 2022).
[50] *Id*.
[51] *Financing Climate Action*, *supra* note 6.
[52] *Id*.
[53] *Nationally Determined Contributions (NDCs)*, UNFCCC, https://unfccc.int/ndc-information/nationally-determined-contributions-ndcs (last visited Oct. 12, 2022).
[54] *GCF Receives USD 9.776 Billion in Pledges from 27 Countries*, INTERNATIONAL INSTITUTE FOR SUSTAINABLE DEVELOPMENT (Oct. 25, 2019), https://sdg.iisd.org/news/gcf-receives-usd-9-776-billion-in-pledges-from-27-countries/.

II. Evolvement and Criticisms of the GCF

Since its creation, the GCF has evolved through three U.S. presidential administrations and has faced significant criticism regarding its efficacy.[55] As a leader in international climate negotiations, the actions the U.S. takes regarding the GCF and the $100 billion pledge have the potential to greatly influence the success of the fund.[56] Therefore, the ideological shifts that have occurred in U.S. politics since the fund's creation have resulted in uncertainty, frustration, and financial shortfalls.[57]

Additionally, operating a fund of this magnitude with the number of contributors and players that the GCF consists of is a complex task.[58] Issues such as how much developed countries should contribute, how the funds are spent, what objectives are prioritized, and how success is measured are all continually questioned and adjusted to best further the fund's goals and intentions.[59] Section II.A discusses how the Obama, Trump, and Biden administrations impacted the GCF. Section II.B then addresses frequent criticisms of the GCF.

A. Presidential Administrations

1. The Obama Administration

As a strong supporter of climate change policies, the Obama administration played a large role in the initial pledging to fund the GCF.[60] Addressing climate change at both the national and global level was a high priority for the administration and its actions helped result in

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[55] Timperley, *supra* note 5.
[56] Somini Sengupta, et al., *As Trump Exits Paris Agreement, Other Nations Are Defiant*, NY TIMES (Jun. 1, 2017), https://www.nytimes.com/2017/06/01/world/europe/climate-paris-agreement-trump-china.html.
[57] *Id*.
[58] Timperley, *supra* note 5.
[59] *Id*.
[60] Hai-Bin Zhang, et al., "U.S. withdrawal from the Paris Agreement: Reasons, impacts, and China's response." *Advances in Climate Change Research*. SCIENCE DIRECT (2017), https://www.sciencedirect.com/science/article/pii/S1674927817301028?via%3Dihub.

the passing of the Paris Climate Agreement.[61] The administration's belief in the "common but differentiated responsibilities and respective capabilities" principle resulted in the U.S. being among the top eight donors of climate finance to developing countries, along with Japan, France, the U.K., Germany, the Netherlands, Sweden, and Norway.[62] In 2014 alone, the administration pledged $3 billion to the GCF and appropriated $1 billion, through two $500 million payments, accounting for 40 percent of the $2.42 billion fund.[63] Because the Republican party controlled Congress at the time, Congress would not release money for Obama's pledge.[64] Nevertheless, Obama instructed the State Department to find funding elsewhere in its budget, ultimately succeeding in providing the $1 billion contribution.[65]

2. *The Trump Administration*

During his 2016 presidential campaign, Donald Trump denied the existence of climate change and vowed to pull out from the Paris Agreement if he was elected.[66] When Trump became the U.S. president in 2017, one of his first major actions in office was to announce on June 1, 2017, that the U.S. would cease participation in the 2015 Paris Agreement.[67] Trump asserted that the agreement undermined the U.S. economy, put the country at a permanent disadvantage, and was unfair compared to China and India's mitigation obligations (rebuking UNFCCC Article III's common but differentiated responsibility principle).[68] Trump similarly

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[61] *A Historic Commitment to Protecting the Environment and Addressing the Impacts of Climate Change*, WHITE HOUSE ARCHIVES, https://obamawhitehouse.archives.gov/the-record/climate (last visited Oct. 25, 2022).
[62] Hai-Bin Zhang, *supra* note 61.
[63] *Id*.
[64] Devin Henry, *Obama admin injects another $500M into global climate fund*, THE HILL (Jan. 17, 2017), https://thehill.com/policy/energy-environment/314624-obama-injects-another-500m-into-global-climate-fund/.
[65] *Id*.
[66] *Donald Trump presidential campaign, 2016/Energy and environmental policy*, BALLOTPEDIA, https://ballotpedia.org/Donald_Trump_presidential_campaign,_2016/Energy_and_environmental_policy (last visited Oct. 14, 2022).
[67] Sengupta, *supra* note 56.
[68] Hai-Bin Zhang, *supra* note 60.

criticized the GCF, calling it a scheme to redistribute wealth from rich to poor countries, and cancelled the contributions that the Obama administration had previously pledged. [69] The cancellation created a massive shortfall in the climate aid that developed countries had promised developing countries. [70] After Obama's $3 billion pledge and $1 billion appropriation to the GCF, the U.S.'s contribution accounted for 40 percent of the GCF.[71] After Trump's termination of the donation, the U.S.'s share dropped to 6.4 percent.[72]

As both a prior leader in the fight to address climate change and one of the largest emitters of greenhouse gases, the U.S.'s decision rattled the international community. [73] While "the system of global climate governance won't totally collapse, it will be shaken," said Zhang Haibin, a professor of international environmental politics at Peking University.[74] While many countries, international organizations, city mayors, and industry leaders issued statements resolving to continue the implementation of the Paris Agreement, U.S. climate policy heavily influences global climate governance and the international climate community feared that other countries would similarly reverse their positions.[75] Quantitative studies found that if other countries followed the U.S.'s lead, the cumulative CO_2 emissions in the 21st century would increase to the point where the two degrees Celsius goal of the Paris Agreement would become unattainable. [76] The withdrawal greatly undercut the foundation of global climate governance that had slowly built up over the course of the preceding two decades. [77]

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[69] Sengupta, *supra* note 56.
[70] Hai-Bin Zhang, *supra* note 60.
[71] *Id*.
[72] *Id*.
[73] Sengupta, *supra* note 56.
[74] *Id*.
[75] Yong-Xiang Zhang, et al., "The withdrawal of the U.S. from the Paris Agreement and its impact on global climate change governance." *Advances in Climate Change Research*. SCIENCE DIRECT (2017), https://www.sciencedirect.com/science/article/pii/S1674927817300849?via%3Dihub.
[76] Hai-Bin Zhang, *supra* note 60.
[77] Sengupta, *supra* note 56.

3. The Biden Administration

When Joe Biden was elected present in 2020, the U.S.'s stance toward climate change changed once again as Trump's executive orders were rolled back and replaced with policies designed to aggressively tackle the climate crisis, fund climate finance, and rally other developed nations.[78] President Biden quickly signed an executive order to have the U.S. rejoin the Paris Agreement, signaling to the world that the U.S. had returned as a leader in international climate diplomacy. [79] The administration has recognized the importance of improving climate finance infrastructure and on April 22, 2021, released a thirteen-page "U.S. International Climate Finance Plan," which stressed the need to prioritize the $100 billion pledge:

> Meeting the collective goal of mobilizing $100 billion per year for developing countries from a wide variety of public and private sources, in the context of meaningful mitigation actions and transparency on implementation, is a priority for the United States. This Plan not only helps the world to realize that goal, but also identifies steps the United States will take to lead a global effort to mobilize and align capital at the scale required.[80]

Biden aimed to honor the prior $3 billion pledge the Obama administration had made by committing to funding the outstanding $2 billion. [81] In September 2021, in a speech to the U.N. General Assembly, Biden pledged that the U.S. would increase its contribution to global climate finance to $11.4 billion per year by 2024, which would make it the largest single climate-finance contributor:[82] "With our added support together with increased private capital, and from other

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[78] Nathan Rott, *Biden Moves To Have U.S. Rejoin Climate Accord*, NPR (Jan. 20, 2021), https://www.npr.org/sections/inauguration-day-live-updates/2021/01/20/958923821/biden-moves-to-have-u-s-rejoin-climate-accord.
[79] *Id*.
[80] *U.S. International Climate Finance Plan*, WHITE HOUSE, https://www.whitehouse.gov/wp-content/uploads/2021/04/U.S.-International-Climate-Finance-Plan-4.22.21-Updated-Spacing.pdf (last visited Oct. 25, 2022).
[81] Hill, *supra* note 11.
[82] Ella Nilsen, *Biden announces US will increase funding to help developing nations confront the climate crisis*, CNN (Sept. 24, 2021), https://www.cnn.com/2021/09/21/politics/biden-climate-change-global-funding/index.html.

donors, we'll be able to meet the goal of mobilizing $100 billion to support climate actions in developing nations . . . ."[83]

The administration released its 2023 budget request in March 2022, which included over $11 billion in total international climate finance with $5.3 billion in Congressional appropriations and more than $5.5 billion in development finance and credit programs.[84] The request also included $1.6 billion specifically for the GCF, which would nearly fulfill Obama's 2014 $3 billion pledge.[85] According to the Biden administration, this budget would help meet "the President's pledge to quadruple international climate finance a year early."[86] If approved, the investment would increase the U.S.'s contributions to a similar level as its G7 partners, including the European Union, which contributes more than $24.5 billion per year with an economy smaller than the U.S.'s.[87]

B. Criticisms of the GCF

Differing notions have developed, primarily between developing and developed nations, as to how the GCF should best function to further the Fund's vision.[88] The division has also been expressed as between countries in the Global North and those in the Global South.[89] Developing countries aim to ensure that the GCF receives adequate contributions from donor governments and emphasize control of the allocation of those resources by the developing countries themselves.[90] Developed countries, though, often focus on accountability for the Fund's

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[83] *Id*.
[84] Brendan Guy & Jake Schmidt, *Biden Budget Meets the Moment on Global Climate Investments*, NATIONAL RESOURCES DEFENSE COUNCIL (Mar. 28, 2022), https://www.nrdc.org/experts/brendan-guy/biden-budget-meets-moment-global-climate-investments.
[85] *Id*.
[86] *Id*.
[87] *Id*.
[88] Timperley, *supra* note 5.
[89] Kenneth W. Abbott & David Gartner, *The Green Climate Fund and the Future of Environmental Governance*, Earth System Governance Working Paper No. 16 (2011).
[90] *Id*.

expenditures and the GCF's capacity to generate private resources.[91] Section B.1 discusses the debate regarding how funds should be spent. Section B.2 examines how countries' pledges and contributions should be counted. Last, Section B.3 addresses how each country's fair share should be determined.

1. How Funds Should Be Spent

Unsurprisingly, one of the main points of disagreement and criticism concerning the GCF is how the Fund should allocate and prioritize its capital.[92] Climate projects are often broken down into two categories: mitigation and adaptation. [93] Mitigation projects predominantly aim to reduce the release of greenhouse gas emissions and do so through strategies such as adopting renewable energy sources, developing sustainable transportation, or retrofitting buildings to make them more energy efficient.[94] On the other hand, adaptation projects aim to reduce the impact of severe weather and climate-fueled disasters on infrastructure, agricultural productivity, public health, and land and water rights. [95] Both are crucial in combatting the effects of climate change, and in 2014, the GCF committed to balance spending between the two by passing an allocation framework.[96] The framework clarified that the GCF is to spend 50 percent of its funding on adaptation, of which 50 percent is to be spent in Least Developed Countries, Small Island Developing states, and African states.[97] However, since then, the vast majority of climate

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[91] *See, e.g.,* Abbott, *supra* note 89 ("Among developed countries, the United Kingdom identified ten key criteria for the Fund, including effectiveness, value for money and private sector engagement. The United States pointed to the necessity of using a range of financial instruments to attract private sector resources. Australia and France called for a results-based approach to attract private investment.").
[92] Hill, *supra* note 11.
[93] *U.S. International Climate Finance Plan*, *supra* note 80.
[94] *Climate Change Mitigation*, GLOBAL ENVIRONMENTAL FACILITY, https://www.thegef.org/what-we-do/topics/climate-change-mitigation (last visited Oct. 25, 2022).
[95] Guy, *supra* note 84.
[96] Liane Schalatek, "The Green Climate Fund." *Climate Finance Fundamentals.* CLIMATE FUNDS UPDATE (Feb. 2022), https://climatefundsupdate.org/wp-content/uploads/2022/03/CFF11-GCF_ENG-2021.pdf.
[97] *Id*.

finance has been directed towards mitigation.[98] According to estimates by the OECD, about 70 percent of funding between 2013 and 2018 went to mitigation efforts, while only 21 percent went to adaptation.[99] Mitigation finance is estimated at around $15 billion annually, though what is needed is upwards of 20 times that amount.[100] The adaptation financing gap is even larger, with around $5 billion spent annually compared to estimates of $150 billion to $300 billion needed by 2030.[101] Another study suggests that the combined costs of mitigation and adaptation in developing countries is likely to be around $500 billion a year, but could reach up to $1 trillion or more if the higher end of the estimated range is used.[102]

One reason for the large gap is that mitigation projects are often less risky from an investment perspective and "success" can be easier to quantify through the measurable number of avoided or captured carbon emissions.[103] Donors may fear the greater uncertainty that often comes from attempting to estimate the costs of adaptation projects and formulating how to define "successful" adaptation.[104] The inherent unpredictability in modeling future changes in the climate, predicting the effects these changes will have, and understanding how the effects may be addressed all make adaptation projects significantly more difficult to fund.[105] Additionally, the impacts of climate change are greatly tied to the specific geography of the location, requiring any adaptation project to have a high degree of local knowledge and input, which investors may be

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[98] *Financing Climate Action*, *supra* note 6; *See, e.g., Who Sponsors Infrastructure Projects?*, WORLD BANK GROUP (2017), https://ppi.worldbank.org/content/dam/PPI/documents/SPIReport_2017_small_interactive.pdf, ("The vast majority of infrastructure investments committed in 2017 were attributable to transport (50 percent) and energy projects (45 percent).").
[99] Hill, *supra* note 11.
[100] Oscar Reyes, *The Little-Known Fund at the Heart of the Paris Climate Agreement*, FOREIGN POLICY IN FOCUS (Jul. 14, 2016), https://fpif.org/little-known-fund-heart-paris-climate-agreement/.
[101] *Id*.
[102] Javier Pereira, *Pro-poor Climate Finance: Is There a Role for Private Finance in the Green Climate Fund?*, FRIENDS OF THE EARTH (April 2013), https://foe.org/wp-content/uploads/2017/legacy/5-13_Pro-poor_Clim_Fin_-_Role_4_Priv_Fin_in_GCF.pdf.
[103] Timperley, *supra* note 5.
[104] *Id*.
[105] Stewart, *supra* note 44.

unwilling to explore.[106] Thus, the imbalance in the GCF's portfolio has stayed in favor of mitigation, also reflecting that fact that most adaptation measures approved by the GCF Board are smaller, single-country projects with less risk.[107]

A frequent response to the criticism regarding the high risk of adaptation projects is that though often riskier at the forefront, adaptation offers high value and returns.[108] Adaptation measures can reduce vulnerability and help countries build resilience by adjusting to expected changes.[109] The Global Commission on Adaptation estimates that investing $1.8 trillion from 2020 to 2030 could generate $7.1 trillion in total net benefits in five specific areas – early warning systems, climate-resilient infrastructure, improved dryland agricultural crop production, global mangrove protection, and more resilient water resources.[110] Countries such as Denmark, the Netherlands, and the U.K., are beginning to recognize the importance of adaptation finance and are allocating a greater percentage of funds towards it, and many are urging the GCF to follow suit.[111] Importantly, after the 30th GCF Board meeting in October 2021, the portfolio of 190 approved and active projects reflected an allocation of 52 percent dedicated to mitigation projects and 48 percent dedicated to adaptation projects.[112]

2. *How Contributions Should Be Counted*

An additional area of disagreement that has persisted throughout the GCF's formation and operation is the proper approach to measuring countries' pledges and contributions.[113] Some critics believe that only public finance should be counted towards the $100 billion pledge, and

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[106] *U.S. International Climate Finance Plan*, *supra* note 80.
[107] Abbott, *supra* note 89.
[108] *Financing Climate Action*, *supra* note 6.
[109] Pereira, *supra* note 102.
[110] *Id*.
[111] Timperley, *supra* note 5.
[112] Schalatek, *supra* note 96.
[113] Timperley, *supra* note 5

that private finance mobilized through public finance and export credits should be excluded because of its commercial orientation.[114] Others argue that only grants, and not loans or concessional lending, should be counted since they constitute assistance in terms of a net transfer of resources to developing countries, while loans do not. [115]

Another critique is that finance is sometimes inaccurately reported as climate finance, which inflates countries' contributions. [116] The OECD Development Assistance Committee aimed to better monitor the mainstreaming of climate into development finance by creating "Rio markers" that help determine the climate relevance of projects by identifying ones where the "principal" objective is climate-related, and distinguishing them from those that only have a "significant" climate relevant objective. [117] The problem though is that Parties have different methods and approaches for defining "principal" and "significant," which leads to inconsistent determinations. [118]

Additionally, the GCF includes a mandate that all contributions must provide "additional" finance, which has led to rigorous debate about what qualifies as "additional" and how it can be consistently measured.[119] Additionality is characterized by two main components: financial additionality and operational additionality.[120] The presence of financial additionality is determined by whether the investment would have happened anyway on account of prior pledges

[114] *Delivering On the $100 Billion Climate Finance Commitment*, UNITED NATIONS, https://www.un.org/sites/un2.un.org/files/2020/12/100_billion_climate_finance_report.pdf (last visited Oct. 26, 2022).
[115] *Id*.
[116] *Id*.
[117] *Id*.
[118] *See, e.g., Delivering On the $100 Billion Climate Finance Commitment*, *supra* note 114 ("Japan, for instance, treats the full value of some aid projects as 'climate relevant' even when they don't exclusively target climate action. As another example, some road construction projects are reported as climate aid, with most or all of their costs included in OECD estimates.").
[119] Pereira, *supra* note 102.
[120] *Id*.

or contributions, and operational additionality exists if the resulting investment is aligned with the aims of the GCF.[121] Monitoring additionality is difficult as it requires comprehensive ex-ante and ex-post assessments and many of the determinations, primarily those related to operational additionality such as relevance and expected performance, are more subjective than objective.[122]

Because of these inconsistencies, some analysts predict that the amount allocated towards climate financing is vastly inflated. [123] In 2020, the international-aid charity Oxfam estimated public climate financing to be around $19 billion to $22.5 billion, which was around one-third of the OECD's estimate. [124] Tracy Carter, an Oxfam senior policy advisor on climate change, stated that the discrepancy was due to countries inflating their contributions by counting the full value of loans, instead of solely the benefit accrued from lending at below-market rates, and by incorrectly counting general development aid as going towards climate projects, even when the projects did not exclusively target climate action. [125] The magnitude of over-reporting harms trust between developed and developing nations, which is evidenced by Diann Black-Layne, the climate change ambassador for Antigua and Barbuda, who believes rich nations intentionally inflate their climate aid. [126] To counter this loss of trust, better accounting methodologies and transparency is needed. [127] Experts believe countries should come to an agreement on a method for counting climate-specific assistance with standard definitions for important labels such as "principal," "significant," "climate-aligned," and "green." [128] Additionality determinations can also be improved through greater clarity and specificity as to what variables and metrics

[121] *Id.*
[122] *Id.*
[123] Timperley, *supra* note 5.
[124] *Id.*
[125] *Id.*
[126] *Id.*
[127] *Delivering On the $100 Billion Climate Finance Commitment*, *supra* note 114.
[128] *Id.*

constitute the necessary level of additionality required to align with the GCF's mandate.[129] A common reporting framework will go far in ensuring the GCF counts its contributions properly and can therefore stay abreast of its financial goals and progress. [130]

3. *How Each Country's Fair Share Is Determined*

Though developed countries collectively agreed as a whole to contribute $100 billion to developing nations to combat climate change, no system was created to determine what amount each country should pay. [131] Critics of the GCF point to the large question of how much money will come from what sources as the Fund's biggest weakness. [132] The Fund has essentially relied on societal and moral pressures in the hopes that as countries announce pledges and make contributions, other countries will follow. [133] Without a formal system in place, criticism has developed regarding what countries' fair shares of the Fund should be and how the share should be calculated. [134] Fair share could be determined in a number of ways depending on what factors are considered. [135] A country's GDP, its past emissions, and/or its population could all play into what a country should owe. [136] Developing countries have consistently argued that developed countries that caused the bulk of climate change due to their historical greenhouse gas emissions should shoulder the majority of the investment.[137] According to a report from the World Resources Institute, based on a combination of factors, the U.S. should contribute 40 to 47 percent of the $100 billion pledge, but its average annual contributions from 2016 to 2018 were

[129] Pereira, *supra* note 102.
[130] *Delivering On the $100 Billion Climate Finance Commitment*, *supra* note 114.
[131] Timperley, *supra* note 5.
[132] Stewart, *supra* note 44.
[133] Timperley, *supra* note 5.
[134] *Id*.
[135] *Id*.
[136] *Id*.
[137] *Id*.

only around $7.6 billion, or 7.6 percent.[138] The report found that other countries such as Australia, Canada, and Greece also fell short of what the countries' fair shares should be, while Japan and France have contributed more than their fair share. [139] Creating a formal method for determining Parties' proper and fair share of the Fund could increase trust and lead to both greater accountability and reliability.

III. Biden's Shot of Adrenaline

The GCF has the potential to be the world's most innovative solution to mobilizing climate finance. The Fund could allow an accelerated and sustained transformation to a low-carbon, climate-resilient environment. The Biden administration has recognized that international climate investments advance U.S. interests by promoting global stability and security, creating economic opportunities for U.S. businesses, alleviating global poverty, and safeguarding other U.S. development efforts.[140] This paper argues that in order to truly reap the benefits of the GCF, the Biden administration should encourage greater private sector involvement, improve reporting and transparency, and ensure the U.S. has a well-defined plan for the future.

A. Utilize Private Finance

The scale of investment required to meet and surpass the $100 billion pledge requires utilizing all potential resources and boosting all pools of finance.[141] Public and private sector leaders "must rethink *how* we invest, not simply *how much* to invest."[142] To be successful, climate finance should rely on a blend of funding sources, ranging from voluntary contributions

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[138] *Id.*
[139] *Id.*
[140] Guy, *supra* note 84.
[141] *Delivering On the $100 Billion Climate Finance Commitment*, *supra* note 114.
[142] Joseph W. Kane & Adie Tomer, *A New Climate Finance Framework for Investing in Urban Resilience*, BROOKINGS (Dec. 16, 2021), https://www.brookings.edu/research/a-new-climate-finance-framework-for-investing-in-urban-resilience/.

from developed countries to international multi-lateral fundraising mechanisms, and the mobilization of private capital.[143] Private financing can play a valuable role in offsetting financial shortfalls, providing external innovation and technological know-how, and delivering management and technical expertise.[144] Private finance is the biggest pool of capital and is largely untapped, and while there is momentum in the engagement of the private sector in climate action, more organization and incentives are needed.[145] Private finance for climate action is highly concentrated sectorally and geographically, and much of it is not Paris-aligned, with large volumes of investment still flowing into high-carbon industries.[146]

The Biden administration should seize the momentum of climate-positive macro trends, such as shifting investor attitudes, a growing divestment movement, increasing shareholder activism, and the realization of climate-related financial risk, to foster strategic partnerships between private-sector financial institutions and public development finance institutions.[147] These new financial models should fully utilize the benefits of blended finance to introduce financial innovations that attract private sector investments on a large scale.[148] Public finance can assist in leveraging private finance and allow for a sharing of risk between the public and private sectors.[149] Studies indicate that multilateral development banks have already been effective at using pledged public funds to leverage private investments.[150] It is estimated that for every $1 of

[143] Stewart, *supra* note 44.
[144] *Who Sponsors Infrastructure Projects?*, *supra* note 98.
[145] *Delivering On the $100 Billion Climate Finance Commitment*, *supra* note 114.
[146] *Id*.
[147] *Delivering On the $100 Billion Climate Finance Commitment & Transforming Climate Finance*, *supra* note 10.
[148] Mark Carney, *Investing in net-zero climate solutions creates value and rewards*, UN, https://www.un.org/en/climatechange/mark-carney-investing-net-zero-climate-solutions-creates-value-and-rewards (last visited Oct. 25, 2022).
[149] *Id.*
[150] Stewart, *supra* note 44.

public funding a multilateral development bank receives, between $2 and $4 of additional private capital flows can be leveraged. [151]

Not all agree with the potential of private finance, as some experts assert that the typical investment decisions of international private financiers and corporations, especially when considering investments in developing countries, are not typically driven by a desire to remedy inequities in the effects of climate change.[152] Rather, investment decisions are based on expected returns balanced against the risks of a particular project.[153] Since many projects in developing countries, especially adaptation projects, can entail a great deal of risk, private financiers then expect higher returns, which are unlikely.[154] Therefore, private finance could be especially difficult to deploy responsibly in low and lower-middle income countries, which is the main vision of the GCF.[155]

Private climate finance, however, does not need to completely substitute public support; instead, it offers a solution to bolster and supplement existing public financing. For example, the GCF could mobilize private finance for climate projects sponsored by developing countries by organizing a group of commercial banks to lend to a government mitigation project, or by incentivizing investors to purchase climate-related sovereign debt with GCF credit enhancements.[156] The GCF could achieve this through "de-risking" instruments, which are financial instruments such as credit guarantees and investment guarantees that are intended to lower the cost of capital for developing countries, and thus incentivize private financiers who

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[151] *Id.*
[152] Pereira, *supra* note 102.
[153] *Id.*
[154] *See, e.g.*, Pereira, *supra* note 102 ("Research suggests that based on financiers' perception of country and sovereign risks, transactions in some nations require minimum acceptable rates of return of up to 70 percent. Furthermore, rates of return can vary significantly within countries depending on the nature of the project, the region, and a number of other factors.").
[155] *Id.*
[156] *Id.*

otherwise would require higher returns.[157] By making previously risky and therefore unviable investments "bankable," these incentivizing "de-risking" instruments are considered one of the most high-leverage instruments to mobilize private finance.[158]

Without a fundamental shift in our finance system, the climate goals of the Paris Agreement will not be met. Private-sector finance is not necessarily a silver bullet to replace public financing, but it still has the ability to be an incredibly powerful tool that would provide the GCF with the opportunity to achieve results at the necessary scale.

B. Improve Reporting and Transparency

Effective climate risk disclosure and reporting frameworks are necessary for financial entities to address climate risks and benefit from the opportunities that the transition to low-carbon, climate resilient economies bring. [159] The Biden administration should encourage financial authorities and regulators to work together to ensure coherent and cohesive social, environmental, and fiduciary standards for all of its financing. [160] Reliable, uniform, and binding reporting of climate finance is essential for the successful operation of the GCF. [161]

Fiduciary standards pertaining to financial management and integrity attempt to guarantee that projects have systems in place to ensure money is spent as planned.[162] Examples include accounting and auditing systems.[163] Monitoring and evaluation systems are essential to provide required information on the implementation of standards and provide data necessary for

[157] *See, e.g.*, Pereira, *supra* note 102 (Credit guarantees are "a commitment to fulfill loan or bond payments if a borrower cannot meet the payments," while investment guarantees are "mainly political and macroeconomic risk insurance for investments in developing countries. This includes risks such as violence, revolution, expropriation, and currency inconvertibility.").
[158] *Id.*
[159] *Delivering On the $100 Billion Climate Finance Commitment*, *supra* note 114.
[160] *Id.*
[161] *Id.*
[162] Pereira, *supra* note 102.
[163] *Id.*

evaluating the GCF's performance and success.[164] The GCF needs to ensure that institutions receiving funds have in place structures for financial integrity; impose specific conditions on the use of funds; and monitor, review, and evaluate performance.[165] Without common standards, the GCF has less influence over ensuring all Parties' actions are aligned.[166] An improved system would allow for better identification of climate risk exposure, more accurate accounting for costs and benefits, and a cohesive standard for evaluating outcomes across a project's full life cycle.[167]

To address criticisms of the GCF regarding how contributions should be counted, the GCF should work alongside the OECD to improve the OECD's Development Assistance Committee system for reporting.[168] Increasing both clarity and transparency in how contributions are calculated and which projects are considered climate-related would greatly harmonize the Fund's reporting and tracking obligations.[169] Additionally, standardizing environmental and social standards, commonly known as safeguards, would improve the GCF's ability to further its goals.[170] Ensuring donor countries have guidelines to assist in decision-making, harm prevention, project steering, monitoring and evaluation, and accountability would align all Parties and provide cohesive and ethically responsible governance.[171]

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[164] *Id.*
[165] Stewart, *supra* note 44.
[166] Pereira, *supra* note 102.
[167] *How a New Climate Finance Framework Can Shift the U.S. Approach to Investing in Urban Resilience*, BROOKINGS, https://www.brookings.edu/wp-content/uploads/2021/12/Urban-Resilience-Report_Full-Report-PDF.pdf (last visited Nov. 24, 2022).
[168] *Delivering On the $100 Billion Climate Finance Commitment*, *supra* note 114.
[169] *Id.*
[170] Pereira, *supra* note 102.
[171] *See,* Pereira, *supra* note 102 (Decision standards could be "used as a reference to compare projects and make funding decisions." Harm prevention guidelines could provide "minimum procedures and standards to prevent and mitigate harm." Steering standards could "help to ensure that projects respond to the mandate of the GCF and help steer investments in a given direction." Monitoring and evaluation standards could "provide the basis for monitoring and evaluation systems." Accountability standards could be "used to monitor compliance and to trigger sanctions in cases of noncompliance.").

The GCF and its Board have made steps to improve their reporting by refining an initial results-management framework with performance measurement matrices against which the impact, effectiveness, and efficiency of its funding can be assesed across all Fund activities.[172] In 2014, the GCF Board adopted an initial three-step accreditation process that sought to ensure implementing entities from both the public and private sector have in place best practice social and environmental safeguards, as well as strong fiduciary standards to promote good financial management.[173] The Board initially adopted the already existing standards of the International Finance Corporation, the private sector of the World Bank Group, as the GCF's interim environmental and social safeguards, with the goal to develop its own within three years with inclusive multi-stakeholder participation.[174] While this initiative has been delayed, the Board has additionally undertaken efforts to improve internal and external reporting by approving a comprehensive Information Disclosure Policy, which sets the time frame for the public disclosure of project-related environmental and social assessments at 120 days for the highest-risk projects and thirty days for medium-risk projects.[175]

While the GCF Board has made progress, the Biden administration should encourage further progress to fully realize the GCF's goals. The Information Disclosure Policy has a solid foundation, but it has been criticized regarding its determinations of when documents should be kept confidential, as well as its policy that all information related to any private sector engagement be considered non-public, proprietary information.[176] Two civil society complaints regarding the policy have been filed under the Information Appeals Panel of the GCF, seeking

[172] Schalatek, *supra* note 96.
[173] *Id*.
[174] *Id*.
[175] *Id*.
[176] *Id*.

earlier and more detailed public information disclosures on proposals in the project pipeline.[177] The GCF should better articulate its investment guidelines to standardize its terms and conditions for all financial instruments, which would help address related issues such as additionality and accountability.[178] Additionally, the Biden administration should encourage the GCF to complete its own Environmental and Social Management System through the development of its own environmental, social, and fiduciary safeguards.[179] Revising and upgrading the International Finance Corporation's standards to best suit the needs and goals of the GCF and subsequently disseminating the required frameworks and guidelines to all GCF Parties would provide reliability and uniformity that is crucial in proper and effective governance.[180]

The GCF should ensure it has a framework in place that enables trust between developing and developed nations, and therefore, improving the reliability and consistency of its reporting system should be a top priority.

C. Plan for the Future

In order to pave the way to move from "billions to trillions," the Biden administration should lead by example and create a specific, measurable, well-defined plan for its future commitments to the GCF and how it fits into and aligns with the broader climate finance architecture. [181] While the collective goal to surpass the $100 billion target remains, the U.S. should commit to further support the acceleration of climate investments by improving its climate finance architecture in a manner that incentivizes investment in the GCF. Establishing a U.S.-specific institutional framework would create greater market and policy certainty and

[177] *Id.*
[178] *Id.*
[179] *Id.*
[180] *Id.*
[181] *Delivering On the $100 Billion Climate Finance Commitment & Transforming Climate Finance*, *supra* note 10.

further enable finance mobilization.[182] While politically difficult due to the reality of domestic appropriation processes, which preclude binding budgetary pledges, a climate finance framework could still aid market stability by ensuring the alignment of environmental policies with national priorities; enhancing synergies between different market sectors and between mitigation and adaptation projects; and by building national decision-making standards and capacity.[183]

In July 2021, the "V20," a group of finance ministers from 48 climate-vulnerable countries, called for the creating of a plan to deliver $500 billion over five years, in which more grant-based finance and specifically, adaptation finance, is utilized. [184] The Biden administration's plan could ensure that developing countries are better positioned to tackle the climate crisis by providing transparency and subsequently, some level of accountability.[185] A framework could provide clear climate goals and objectives, which as discussed prior, would help improve measurement and data collection.[186] It could also enable greater clarity for investors as they seek to finance projects and assist in filling whatever information gaps may exist for determining benefits and risks.[187] A more visible and defined platform could appeal to investors and therefore, expand the reach and impact of investments and ideally open the door to additional funding and financing possibilities.[188]

To remain true to Article III of the UNFCCC and the principle of "common but differentiated responsibilities and respective capabilities," the U.S. should lead by ensuring it has

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[182] Stewart, *supra* note 44.
[183] *Id*.
[184] Timperley, *supra* note 5.
[185] *Id*.
[186] Kane, *supra* note 142.
[187] *Id*.
[188] *Id*.

a plan in place that gives developing countries the framework and assurances they need to plan for their survival.[189]

Conclusion

The GCF is the world's largest environmental fund, facilitating transformative investments that reduce greenhouse gas emissions and help developing nations adapt to the worsening effects of climate change. Responding to the climate crisis requires collective action from countries, cities, multinational companies, and financial actors, and the GCF is the mechanism that will effectively mobilize the necessary billions of dollars per year to ensure that developing countries around the world are best positioned to tackle their mitigation and adaptation needs. The Biden administration should continue with its current efforts and further strengthen its whole-of-government approach to strengthen our climate finance infrastructure, spur innovation, and allow the U.S. to lead by example and promote increased climate ambition globally. The GCF has an incredibly strong foundation, and through a well-formulated shot of adrenaline, the Fund will continue to play a predominant role in climate finance.

[189] United Nations Framework Convention on Climate Change art. 3, May 9, 1992, S. Treaty Doc. No. 102-38