



Country Brief

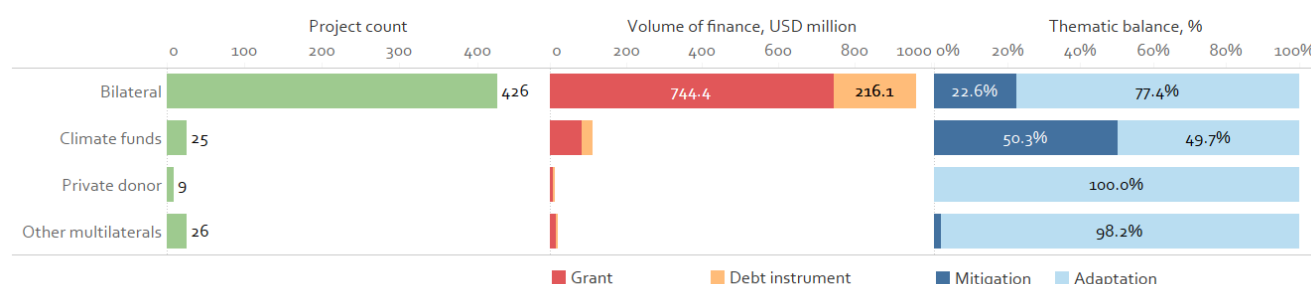
BURKINA FASO

To analyse the climate finance landscape in Burkina Faso, the evaluation team looked at the climate-related development finance data from the Organisation for Economic Co-operation and Development (OECD). The team considered activities with principal and significant contributions to climate objectives (calculated using the OECD's DAC Rio markers for climate) from 2015 to 2019.^{1,2}

Against this backdrop, the main actors in climate financing are the bilateral partners who support 426 out of 486 projects followed by multilateral partners (26 projects), climate funds (25 projects) and private donors (9 projects) (Figure 1).³ In terms of the average project size, climate funds take the

lead with an average of USD 2 million, followed by bilateral partners (USD 1.2 million); private donors support projects of an average of USD 0.9 million. From the perspective of financial instrument usage, grants are generally preferred across the portfolio. This is especially the case for bilateral partners (USD 744.4 million). Looking at the balance in finance allocation between adaptation and mitigation, climate funds appear to be moving towards parity, whereas other actors are more focused on adaptation. The GCF portfolio's country-level thematic balance is slightly more skewed towards mitigation (57.6 per cent) than adaptation (42.4 per cent).

Figure 1. *Portfolio of climate finance in Burkina Faso*



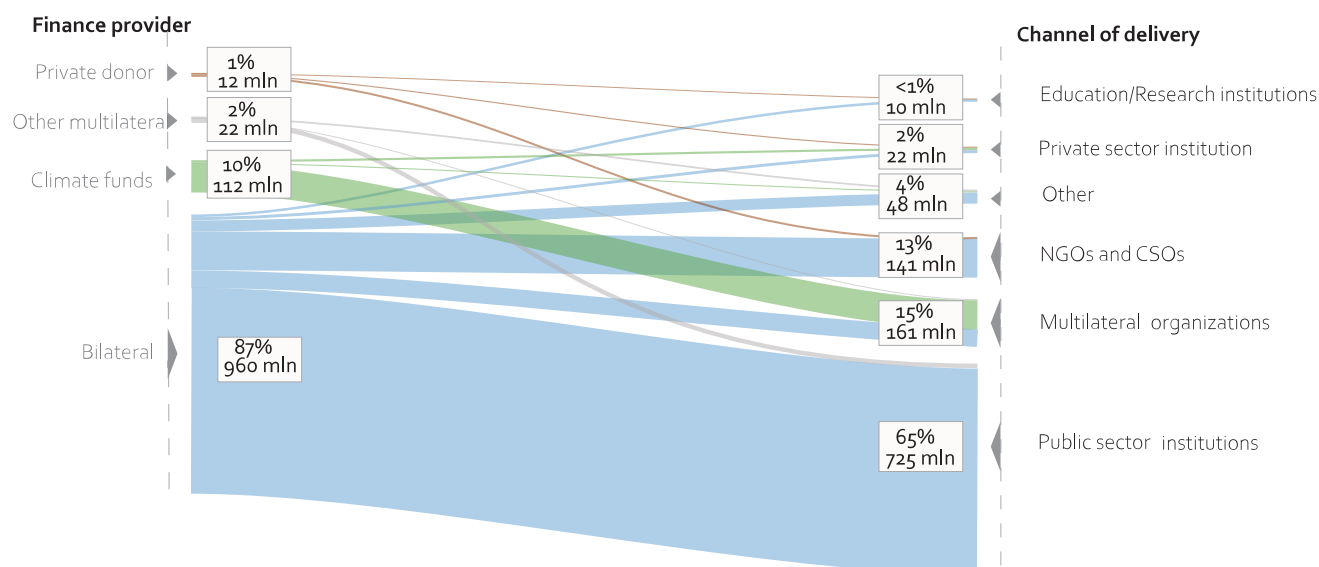
Source: OECD climate-related development finance (2015-2019), GCF Tableau server data (2019).

Note: At the time of climate finance landscape analysis, the most recent available update for OECD climate-related development finance data was for the year of 2019. Due to such availability, data cut-off date in the external finance section of the brief is 2019. The further analysis of GCF finance has cut-off date of July 1st, 2021.

From the programmatic perspective, the channel of climate finance delivery plays a crucial role in catalysing and mobilizing the private sector in countries. According to the latest available data on climate-related development finance (as reported to OECD in 2019), the private sector is currently underused as a channel of climate finance delivery in Burkina Faso. On a country

level, less than 2 per cent of climate finance is channelled through private sector institutions. The private sector is mainly used as a channel by bilateral partners and climate funds (Figure 2). A large portion of the total climate finance in Burkina Faso is provided by bilateral partners and delivered through public sector institutions (64 per cent).

Figure 2. *Delivery channels of climate finance to Burkina Faso*



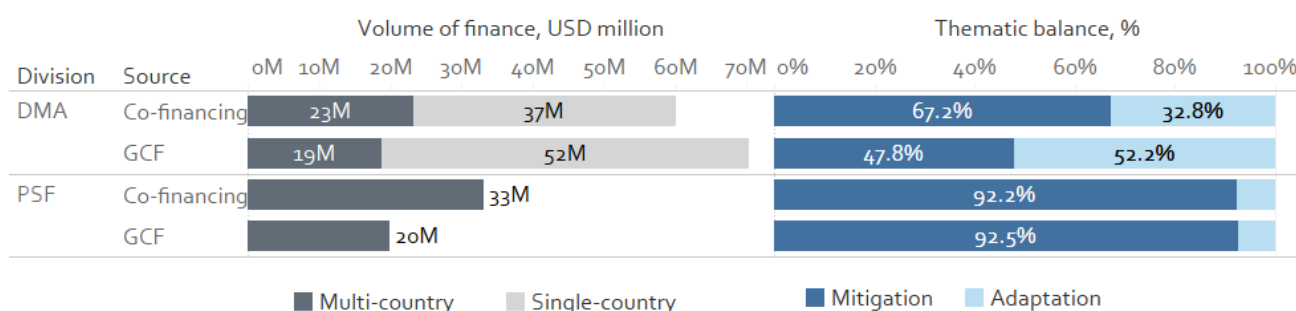
Source: OECD climate-related development finance (2015-2019), GCFTableau server data (2019).

Note: At the time of climate finance landscape analysis, the most recent available update for OECD climate-related development finance data was for the year of 2019. Due to such availability, data cut-off date in the external finance section of the brief is 2019. The further analysis of GCF finance has cut-off date of July 1st, 2021.

Burkina Faso is a least developed country and one of the 54 countries eligible to receive GCF financing in Africa. As of July 2021, a total of USD 90 million of GCF financing, alongside USD 93 million in co-financing, has been approved for projects covering Burkina Faso. The co-finance ratio in Burkina Faso is therefore 1. The GCF channels finance to Burkina Faso through eight projects, only two of them being single-country projects. The portfolio of projects covering Burkina Faso includes FP162, FP152, FP151, FP105,

FP095, FP093, FP092 and FP074. As observed at the macro level, the gap between mitigation and adaptation finance persists in Burkina Faso. In fact, nearly all finance for Private Sector Facility (PSF) projects is directed towards mitigation efforts (92 per cent). In contrast, finance from Division of Mitigation and Adaptation (DMA) projects is almost equally shared between mitigation (47.8 per cent) and adaptation (52.2 per cent) (Figure 3).

Figure 3. *Volume of finance and thematic balance across GCF divisions, Burkina Faso*



Source: GCFTableau server data (2021).

Note: Left – volume of finance across divisions; right – thematic balance across divisions. For multi-country projects, country allocations were based on shares indicated in the GCFTableau server.

Within this portfolio, there is an emphasis on the mitigation result area of energy generation and access, consisting of USD 29.5 million in financing under the DMA and USD 14.9 million under the PSF. This accounts for 49 per cent of the overall finance amount (Figure 4). To help build the

country's capacity, the GCF is providing Readiness and Preparatory Support Programme (RPSP) grants through three projects. The GCF pipeline contains four funding proposals, seven concept notes and five RPSP proposals for Burkina Faso.

Figure 4. *Finance by result area in USD million, Burkina Faso*

Mitigation	DMA	PSF	Adaptation	PSF	DMA
Buildings, cities, industries, and appliances	0.0	2.4	Ecosystems and ecosystems services	0.0	3.2
Energy generation and access	29.5	14.9	Health, food and water security	0.8	15.5
Forests and land use	4.1	1.2	Infrastructure and built environment	0.4	1.4
Transport	0.0	0.0	Livelihoods of people and communities	0.4	16.6

Source: GCF Tableau server data (2021).

Note: For multi-country projects, country allocations were based on shares indicated in the GCF Tableau server.

Endnotes

- 1 For details, see https://www.oecd.org/dac/environment-development/Revised%20climate%20marker%20handbook_FINAL.pdf
- 2 GCF's project approval began in 2015.
- 3 Terms such as "private donor" and "private sector institution" are used to maintain consistency with the standardized classifications provided by the OECD and used in its climate-related development finance data. The data is available at <https://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/climate-change.htm>

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