

Green Climate Fund: Notes for UPSC Environment and Ecology

Environment and climate change are very important topics for UPSC exams. Climate change, resultant natural disasters, loss of biodiversity, etc. are recurring themes in the national and international news. Hence, they assume a lot of significance for the IAS exam and must be focused on by the IAS aspirants.

What is the Green Climate Fund?

The Green Climate Fund (GCF) is the world's largest environmental fund that seeks to help developing nations in cutting down their greenhouse gas emissions, while at the same time making them adapt suitably to climate change. This is done by supporting projects, programmes, policies and other activities through a state-of-the-art funding window. It was established formally as a financing mechanism by the United Nations Framework Convention on Climate Change (UNFCCC) in 2010 it is headquartered in the Songdo district in South Korea.

What is the importance of the Green Climate Fund?

Climate change is one of the most pressing concerns of the modern 21st-century era. Its effects as impacted and even altered the planet to a significant extent. Long-term climatic changes on the Earth are of utmost significance. They can have economic, human and geographic consequences if the changes are not reversed or not mitigated at the earliest. There are solutions to mitigate climate change but they are not financially viable for many developing nations. Hence the GCF will help bridge this gap by economic means.

How does the GCF funding work?

The financial mechanism of the GCF helps in coursing funds from developed to developing countries. The rationale behind this move is to remove inequality between the haves and have-nots. As the fund was established to help developing nations come up with disruptive policies, programmes and projects that would eventually mitigate climate change. Thus it can be said that the fund is a unique global initiative to respond to climate change by researching and funding inefficient green solutions that foster sustainable development.

India and the GFC

From India's point of view, the establishment of the GCF is noteworthy. The reason being that it was India that led the call with other developing nations in insisting on a setting up of a

multilateral mechanism under the auspices of the UNFCCC through the aid provided by developing nations.

The Ministry of Environment, Forests and Climate Change (MoEFCC) has been selected as India's Nationally Designated Authority (NDA) for the GCF. The MOEFCC will make suggestions on funding proposals for national climate strategies to the controlling board of the GCF

NABARD has been accredited by GCF as the first Entity for sourcing financial resources from GCF for India.

As of now, the Groundwater Recharge System Installation project in Odisha is the only one in progress with funds collected from the GCF