Climate Funding: The Preparation Gap

Why So Few Organizations Apply for Climate Funds

Nobody is paid to help a small organization prepare.

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Summary

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November 16, 2026

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Climate funds say they want local organizations. Yet cooperatives, community groups and small firms rarely get as far as an application. After reading the evidence on awareness, process, cost and design, I think the missing piece is a service, not a message: nobody is paid to help a small organization prepare.

2.8%
of surveyed small firms had applied for green finance (ICC and Sage, 2025)

6 mo
average GCF review time in October 2026, against a nine-month target

0.17%
of climate finance by value uses the terms locally led or community led (IIED)

34%
of approved Green Climate Fund money paid out by August 2026 (my arithmetic from GCF figures)

A Note on Method This is a desk review of published sources: fund documents, independent evaluations, surveys and press reports, all opened on November 16, 2026. I ran no interviews or survey. One case comes from my own advisory work and is labeled as such. Where I found no evidence I say so. By small organization I mean a cooperative, community group, local NGO or small firm with no accreditation and no dedicated proposal team. Funds set different size thresholds, and I do not apply a single cut-off.

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Preface: Why I Wrote This Report

Nobody commissioned this report. I wrote it because the same problem kept reaching me from two directions. Financial service providers I worked with on climate resilience, including in housing finance, could see the need among their clients and could not turn it into a fundable program. Small firms with climate products came to me asking where the money was and how to reach it. The funds exist. I wanted to understand why so little of that money meets so much of that need.

This is how I approach reflective research that no client has asked for. I start from a question my own work keeps raising. I read what is published by the funds, their evaluators and independent researchers, and every source cited here was opened and checked on the date shown. I grade what I find. Where there is no evidence I say so, which is why the report ends with an evidence gap log. I keep three things apart: what a source documents, what I calculated from it, and what is my own reading. I use no client data and I name no client.

After more than 25 years in enterprise development, market systems and financial inclusion, and more than 30 research projects, I have learned that the useful question is rarely whether money exists. It is who pays for the work that connects it to the people it was meant for. That is the question this report puts to climate funds. It is a practitioner's reading and it is open to correction. If your experience or your data says otherwise, I would like to hear it.



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A Free Offer Nobody Took

Even free help often goes unclaimed. In a US field study that began in southeast Michigan in 2011, researchers offered eligible households a free home weatherization upgrade. Fewer than 1 percent took it. Intensive outreach, including help with the application, lifted that to about 6 percent, at roughly US$1,050 for each extra household enrolled (J-PAL[1]).

Climate funds are not an entitlement. They are competitive, and I found no count of the eligible organizations that never apply. I am borrowing a lens, not reporting a finding. But the question behind the Michigan result is the one I keep asking about climate finance: when money exists and capable organizations stay out, is the problem the people or the path?

> Climate finance does not only have a funding gap. It has a preparation gap.

The usual answer is awareness. They do not know the funds exist. I looked for the evidence, and it is thinner than the explanation suggests. This piece reads the question through three lenses: the applicant's, the market system's and the donor's.

Do They Even Know? Nobody Has Measured It

NO STUDY I found measures whether small NGOs, cooperatives or farmers' groups know that the Green Climate Fund (GCF), the Adaptation Fund or similar funds exist. What exists are proxies, and I would treat each with care.

A lender-run survey in India found that 73.2 percent of 3,649 micro, small and medium enterprises (MSMEs) were unaware of green financing options (Kinara Capital, reported September 2025[2]). It is one lender, one country, one product. It also reports that a little over half of the MSMEs that applied for a green business loan received funding, though the number of applicants is not published.

In the Middle East and North Africa, a UNFCCC mapping of SME capacity needs[3] found that over 60 percent of respondents had never applied for or received climate support, and over 50 percent knew of no climate incentive in their country. The report gives no

survey date, about 30 percent of replies came from the United Arab Emirates and 28 percent from Algeria, and there is no Egypt breakdown. It shows a pattern in the region, not what Egyptians know.

The Egyptian evidence is about labels, not awareness. A mapping of 283 Egyptian civil society organizations found that only 8 percent mention climate in their vision, mission or objectives, while about 24 percent document some climate-related work (Carnegie Endowment, May 2024[4], reporting the mapping). Read that twice. Few organizations frame their work as climate work, including some whose work may well qualify. A cooperative that rotates crops, shares solar pumps or improves irrigation rarely speaks a fund's language. That is a plausible barrier. No study I found documents a qualifying applicant turned away by vocabulary, so I offer it as a reading.

The best behavioral numbers come from SMEs, and they now span two editions. The 2025 stocktake[5] by the International Chamber of Commerce (ICC) and Sage, covering 8,250 SMEs in 17 markets, found about 27 percent interested in applying for green finance, 2.8 percent had applied in the past year and fewer than 1 in 200 had secured it. The 2026 edition[6], published on November 4, 2026 and based on 8,500 SMEs in 17 markets, reports that only one in a hundred received green finance last year. The two editions word the question differently and survey different firms, so I do not read the change as a trend. Both are also surveys of firms that agreed to answer questions about sustainability, so the interested share may run higher than among all small firms. Stated interest was there. Applications were not.

A Field Case: Where Need, Design and Funds Fail to Meet

THIS ONE is a case, from my own work. I have worked across different types of finance and with a range of financial service providers (FSPs) on climate resilience, including climate-resilient housing finance between 2023 and 2026. In the past two years, more than 15 small and medium enterprises in the Middle East and North Africa that sell climate resilience and energy efficiency products and services have approached me as an advisor. From the lender's side and from the firm's side I found the same thing: the need on the ground, the capacity to design a program around it, and the funds available for solid efficiency and adaptation programs do not meet.

Start with the need. It is real and it is specific: households and small firms that need finance for a resilience or efficiency improvement, and firms that sell the products and services to deliver it. Need at this level comes in small tickets, spread across many clients, and nobody has written it up in a funder's terms.

The second gap is program design capacity. In my experience, an FSP knows how to appraise a client, lend and collect. Turning a portfolio of small loans into a climate program is different work. It needs a climate rationale, a baseline, a results framework and a way to measure what changed. That work falls between the credit team and the donor desk, and it is rarely anyone's paid job.

The third gap is the money itself. The funds exist, and later sections show how much sits approved and unpaid. They are offered through windows built for accredited entities, large tickets and long preparation. A lender with a small-loan product, or a firm with one technology, stands a long way from that window.

The firms that approach me meet all three at once, and they put it as three questions. Where are the funds? How do we apply? And how do we show a funder that what we sell is climate innovation? I read these as three separate gaps: finding, applying and proving. A firm can close one and still be stopped by the next.

The Three Gaps Climate SMEs Describe

My advisory observation, set against the published evidence

1. **Finding the Funds**
   They do not know which funds or windows fit a firm of their size. In the Middle East and North Africa, over 50 percent of surveyed respondents knew of no climate incentive in their country.
2. **Applying**
   They do not know the route or who can take them through it. In the ICC and Sage survey, about 2.8 percent of firms had applied, against about 27 percent interested.
3. **Proving the Climate Innovation**
   They cannot yet put their product in a funder’s terms: the climate result and the evidence for it. No survey I found measures this gap.

Figure 1 The gaps are my reading of advisory conversations, not survey data. The figures beside them come from the sources cited. [3, 5]

The published numbers point to the same place. In the ICC and Sage survey, about 27 percent of firms were interested in green finance and 2.8 percent had applied. Of every 100 firms surveyed, about 24 were interested and did not apply, while about 2 applied and did not secure finance. That is my arithmetic, and it is rough, because the survey reports shares of all firms and does not follow one group through. Still, most of the loss sits before the application, where the firms that come to me are standing.

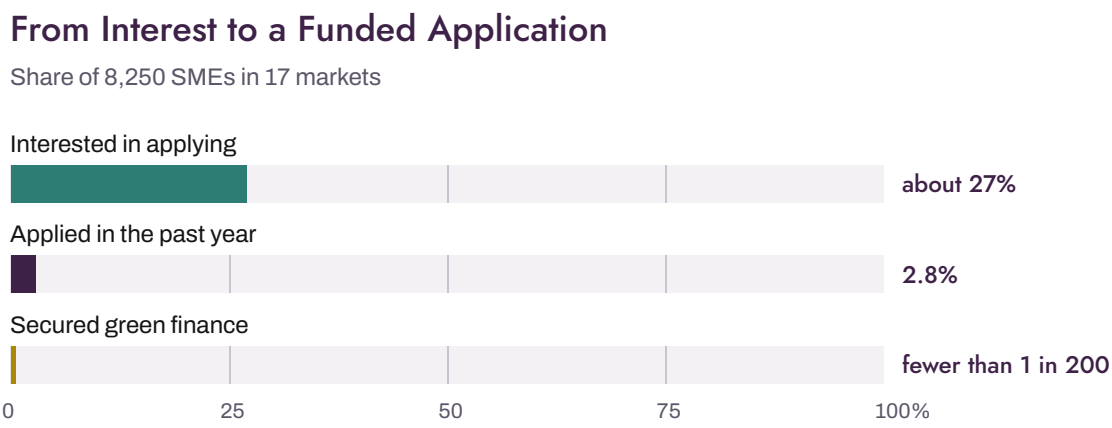


Figure 2 Interest is common, applications are rare. Source: ICC and Sage, 2025.[5]

The proving gap is the one the surveys do not measure. My reading is that these firms describe their product the way a seller would: what it does, what it costs and who buys it. A funder asks a different question: what climate result does it deliver, and what is the evidence? The Egyptian mapping I cited above found a similar pattern among civil society organizations, where few framed their work as climate work even when it may qualify. I cannot say how many firms lose funding this way. I can say it comes up in these conversations alongside the other two.

This case sharpens the argument. The preparation gap is wider than one applicant and one form. It sits between three parties that each hold one piece: the people and firms with the need, the institutions that could design and deliver a program, and the funds. No one is paid to join them. The firms came to an independent advisor, not to a service that any fund pays for, and the FSPs carried the design work on their own account. Preparation is the missing function between need and money, and today whoever is closest to the need pays for it.

Imagine You Run a Cooperative

THIS SECOND example is an illustration, not a case. I could not find a sourced account of a small Egyptian or regional organization that applied to a major climate fund and gave up, and I will not invent one. Every step below comes from a documented feature of the process.

You hear about a fund. Through whom? Nobody has measured how small organizations learn about these funds, and the structure suggests intermediaries and consultants. You check whether you are eligible. In a 2024 practitioner survey by the International

Institute for Environment and Development (IIED) and partners[7], 81 percent named eligibility criteria as the biggest hurdle, and 75 percent named the application process (the sample size is not stated).

What Practitioners Call a Hurdle

Share of surveyed practitioners naming each step as a hurdle

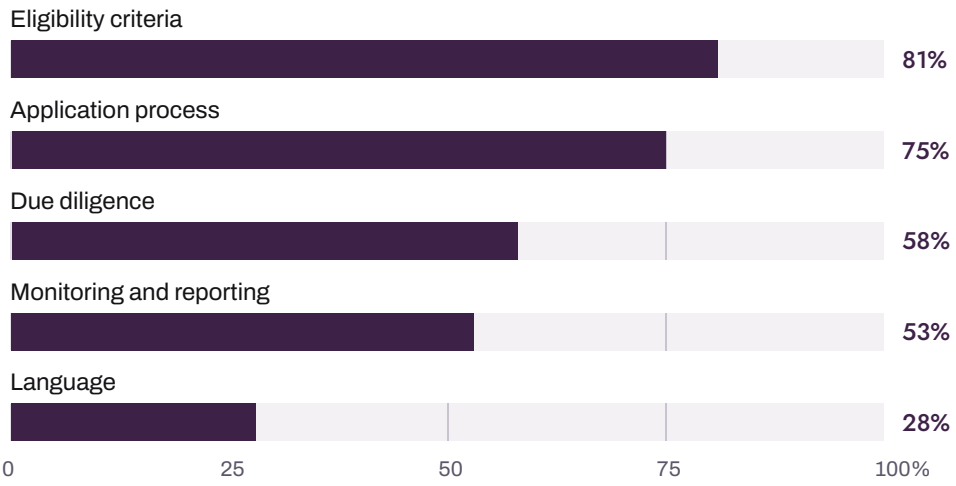


Figure 3 The rules themselves lead the list. Source: practitioner survey by IIED and partners, 2024. Sample size not stated.[7]

You find that you cannot apply on your own. Under the GCF's rules, a request for project preparation funding comes from an accredited entity and carries a no-objection letter from the national authority (GCF application template[8]), and readiness proposals are submitted by countries[9]. A review of 40 agriculture projects funded by the Global Environment Facility (GEF) and the GCF found that none sent money directly to family farmers or their organizations (Climate Focus, November 2024[10]).

If you press on, the documents arrive. A 2024 Mongabay report[11] on a Climate Focus study cites grassroots applications that can require up to 22 documents, and the civil society observer network told the GCF Board in October 2025[12] that the fund's website is available only in English. Then comes the time. A Guinea-Bissau project under the fund's simplified process went from concept note in August 2019 to Board approval in October 2022 and first payment in December 2023, for a grant of about US$9.8 million (GCF project page SAP025[13]).

At this point, stopping is a reasonable decision. It is not a failure of motivation. It is a reading of the odds.

Public administration researchers have a name for this. Moynihan, Herd and Harvey describe administrative burden[14] as three costs the applicant carries: learning costs (finding out the program exists and applies to you), compliance costs (forms and proof) and psychological costs (stress, stigma and loss of autonomy). The central point, which

Herd and Moynihan develop in their 2018 book, is that burden is policymaking by other means: it shapes who receives a benefit as much as the written rules do, and people who qualify and want it can drop out before anyone judges their merit. No source I found applies the framework to climate funds. The fit is my reading. The psychological cost is the one I cannot document.

What the Process Asks of an Applicant

THE GCF'S own numbers show the weight of the path. PACNEWS[15] reported on September 3, 2026 that moving a project from concept note to Board approval used to take more than two years on average. Since 2025 the Secretariat has committed to nine months for new proposals, excluding the time partners take. By May 2026 the fund reported that 10 of 36 new proposals had been processed within nine months. A commitment with early results is not an average.

The Path a Small Applicant Walks

Documented steps under the GCF rules

1. **Hear about the fund**
   No count of how groups learn of funds
2. **Find an accredited entity**
   Project funding runs through one
3. **Secure a no-objection letter**
   From the national authority
4. **Write the concept note**
   Before any approval
5. **Prepare the full proposal**
   About 21 person-months; most hire consultants
6. **Wait for review**
   About 6 to 9 months, then implementation

Figure 4 Every step comes from a documented feature of the process. No one is paid to help before approval.[16, 10]

For accreditation, the fund now has a nine-month target, down from a baseline that Climate Home News put at 30 months in July 2025[17] and Devex[18] put at up to three years. The baselines differ, so I attribute them instead of stating one as fact. After approval, the median wait for the first payment fell from 14 months in 2022 to four and a half months, as reported by Climate Home News in September 2024[19].

> The applicant carries a fixed cost before the fund carries any risk.

The fast track did not fix the weight. The GCF's Independent Evaluation Unit examined the Simplified Approval Process in its September 2025 evaluation[20]: 49 approvals worth US$659 million through the forty-first Board meeting. It found a median approval time of 12 months, equal to or longer than the regular route, and preparation costs reported at up to US$750,000. It judged the simplified route hard to tell apart from the regular one and recommended considering a phase-out in favor of a modality built around local approaches.

The fund's latest report is more upbeat. At its October 2026 Board meeting[21] it reported an average review time of about six months against a nine-month target, and four months on average for the first 13 entities accredited under its revised framework. The six-month average and the earlier count of 10 in 36 are different measures taken at different dates, and the fund does not publish how they reconcile. Those are the fund's own figures. They describe approvals and accreditations, and I found no evidence yet that they have raised the number of applications from small or local organizations.

What an Application Costs Before It Pays

Preparation is the quieter barrier. A 2016 survey by E Co.[22] of 282 respondents found that a full GCF funding proposal took about 21 person-months, cost under US$150,000 for most respondents, and that more than 82 percent used outside consultants. The survey is old and the process has been reformed since. The logic has not changed: the applicant carries a fixed cost before the fund carries any risk.

What an Application Costs Before Approval

Reported preparation effort and cost, from three different sources

21

person-months to prepare a full GCF funding proposal (E Co., 2016, 282 respondents)

82%+

of those respondents used outside consultants (E Co., 2016)

US$750,000

highest preparation cost reported under the simplified route (GCF Independent Evaluation Unit, 2025)

US$20,000 to US$150,000

illustrative range for ideation and concept development (policy brief on project preparation, July 2026)

Figure 5 The applicant meets these costs before the fund carries any risk. The figures come from different years and methods and are not one series. [22, 20, 23]

A fixed cost behaves differently depending on the size of the ticket. It is reasonable for a project of tens of millions and hard to recover on a project of half a million. The GCF's Project Preparation Facility offers up to US$1.5 million per application, but it is open only to accredited entities and applicants for project-specific accreditation, and it needs a no-objection letter from the national authority. The organizations that most need help preparing are often outside that circle.

Who the Process Was Built For

IIED's May 2026 working paper[24] reports that international intermediaries control nearly 80 percent of GCF funding. Of 67 national entities accredited for 22 months or more, 38 had received no funding. As of January 2026, 60 of 76 eligible least developed countries and small island states had no national direct access project from the GCF or the Adaptation Fund. IIED's November 2025 tracking[25] found that 29 percent of climate finance by value mentions local involvement, and only 0.17 percent uses the terms locally led or community led. That is a keyword count on project text, so "mention" is the honest word.



Figure 6 Accreditation does not mean funding. Source: IIED working paper, May 2026, as cited in this section.[24]

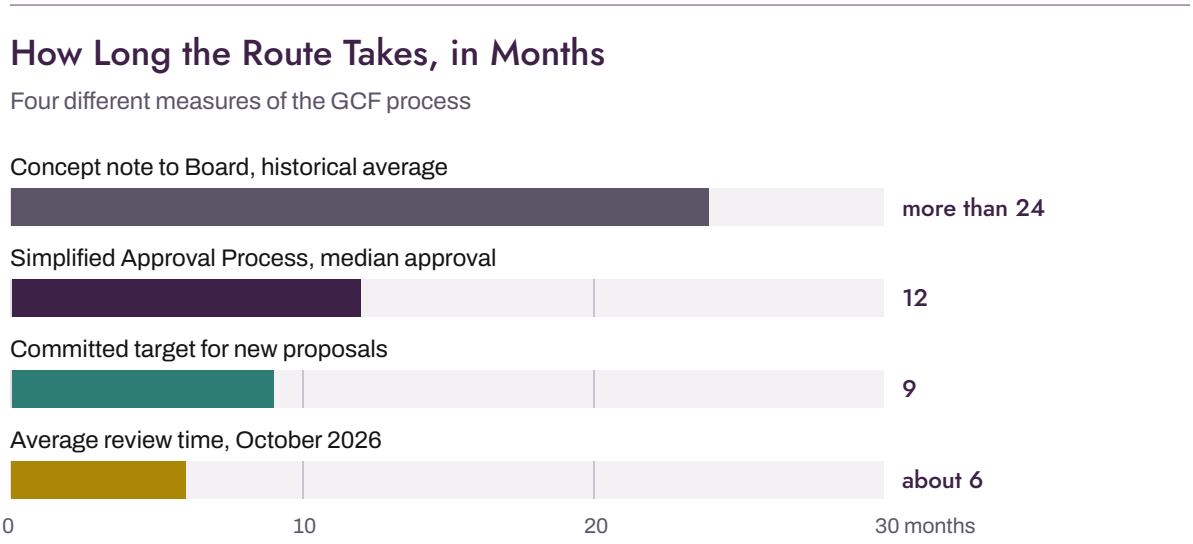


Figure 7 Time is improving, but the measures differ and are not one series. The applicant's preparation time comes first.[15, 20, 21]

So who applies? Organizations that already hold accreditation, a legal team, a results framework and a preparation budget. That describes an institution that already has access. A process built this way tends to favor the applicants who need it least, and then we ask why the rest do not apply.

The Money: Available, Approved and Paid Out

BEFORE ASKING who receives the money, it helps to ask how much of it has moved. The Green Climate Fund's own status report to its October 2026 Board meeting[26] gives the chain. Contributors had confirmed US$28.19 billion by June 30, 2026. By August 31, 2026 the Board had approved US$20.42 billion for 359 projects, and the fund had paid out US$7.03 billion. That is about 34 percent of what was approved, by my arithmetic, which leaves about US$13.4 billion approved and not yet paid.

Green Climate Fund: From Confirmed Money to Money Spent

US$ billion. Confirmed at June 30, 2026; approved and paid out at August 31, 2026; spent at December 31, 2025

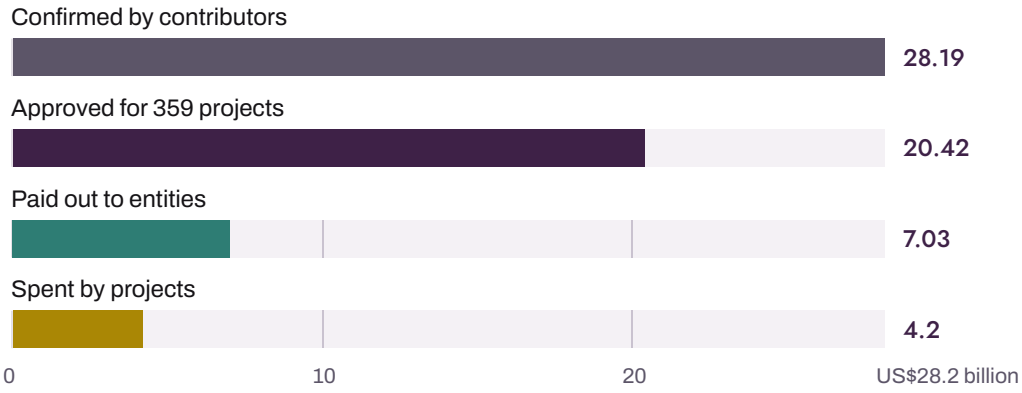


Figure 8 About 34 percent of approved funding had been paid out, by my arithmetic. The fund's own account; the dates differ by row.[26, 27]

Paid out is not the same as spent. The fund's portfolio performance report for 2025[27] says that of US$6.26 billion disbursed by the end of 2025, projects had spent US$4.2 billion. The Adaptation Fund is smaller and moves faster: its trustee report[28] shows US$1.46 billion approved for projects and US$942 million transferred by December 31, 2025, about 64 percent by my arithmetic, with US$715 million still available for new approvals. I found no comparable disbursement figure published by the GEF for its adaptation funds, so I leave them out.

The GCF names its own reasons. Its portfolio report logged 154 project-level challenges in 2025, led by process and administrative delays, cost escalation and co-financing shortfalls, and slow procurement and staffing gaps. These are preparation and capacity problems, and they appear after approval among organizations that already cleared accreditation. I read that as the same gap, one step further down the path.

Who the Money Goes To

THE SAME Board report answers the question for the Green Climate Fund. International access entities, such as UN agencies and development banks, hold US$16.23 billion, or 79.5 percent, of approved funding. National and regional direct access entities hold US$4.19 billion. Their share of new approvals fell from 24.8 percent in 2024 to 14.6 percent in 2025. The gap widens at payment: direct access entities had received US$0.8 billion of the US$6.26 billion disbursed by the end of 2025, about 13 percent by my arithmetic.

Who Holds Green Climate Fund Money

Share by type of accredited entity

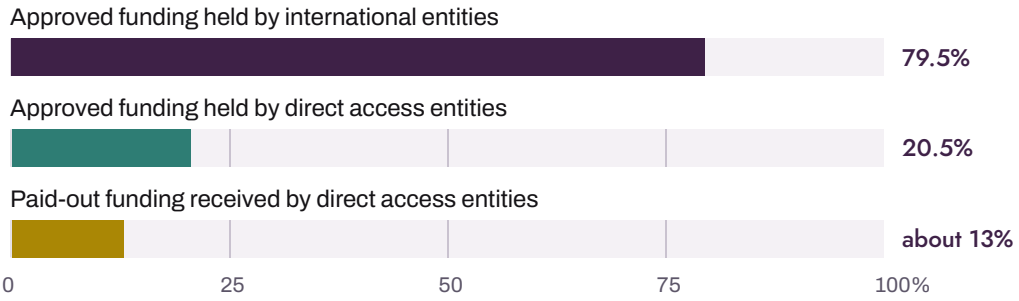


Figure 9 National and regional entities hold a fifth of approvals and receive a smaller share of payments. Approved at August 31, 2026; paid out at December 31, 2025. The 13 percent is my arithmetic.[26, 27]

Across all public climate finance, the terms matter as much as the channel. The Climate Finance Shadow Report 2025[29] by Oxfam and CARE, an advocacy source working from OECD data, finds that in 2021 and 2022 grants were 26 percent of the total, concessional loans 30 percent and non-concessional loans 35 percent. Least developed countries received 19.5 percent and small island developing states 2.9 percent. I could not find a source that splits the money between governments, private firms and civil society, or one that gives a share for small firms. That absence is itself a finding: the system does not count the applicants this report is about.

How Public Climate Finance Is Provided

Share of total public climate finance, 2021 and 2022 average

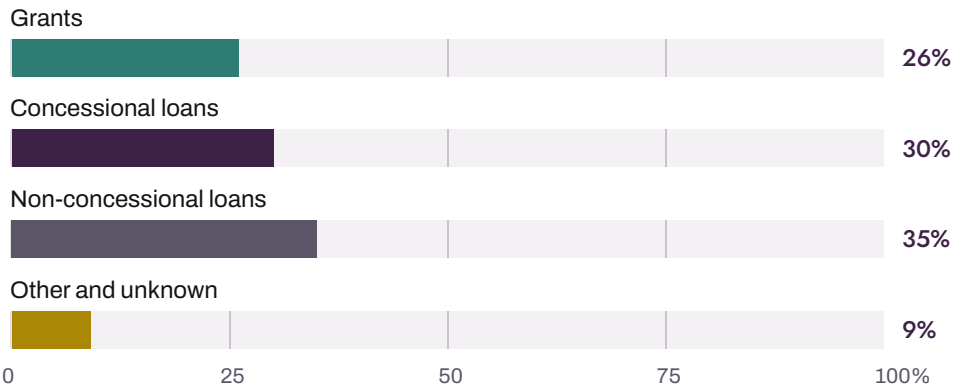


Figure 10 Most public climate finance arrives as loans. Source: Oxfam and CARE, an advocacy source using OECD data.[29]

The Impact Question

Then comes the question I would put to any fund: of the money that has moved, what is known about what it achieved? The four main funds published a joint results report[30] with data to December 2024. Expected emission reductions stand at about 9.3 billion tonnes of carbon dioxide equivalent, against about 710 million tonnes reported as achieved, or 6 percent. Expected beneficiaries stand at about 1.79 billion people, against about 371 million reported, or 21 percent. The report says the beneficiary total is not a count of unique individuals, and it describes no joint verification.

Results: Expected Against Reported

Share of expected results reported as achieved, four funds, data to December 2024

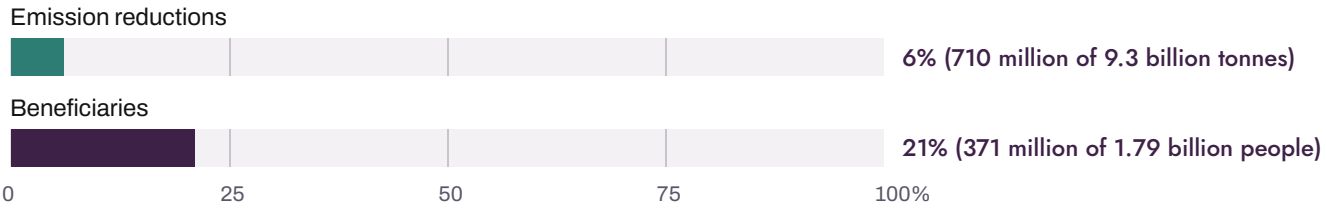


Figure 11 Reported results are the funds' own, not independently verified, and beneficiaries are not unique counts.[30]

Projects are long, so low delivery so far is not failure. But the evidence base is thin. At the Green Climate Fund, 52 projects were fully disbursed by the end of 2025 and the Secretariat had approved completion reports for 8. I found no evaluation that compares results from money sent through local entities with results from money sent through

international ones. So the claim that large intermediaries are the safer route for impact is an untested assumption. If preparation decides who gets in, it also decides whose results we ever get to measure.

A Market Systems Reading

MARKET SYSTEMS development gives a precise way to say where this breaks. BEAM Exchange[31] describes a market system as a core exchange, the supporting functions that make the exchange possible, and the rules that govern it. Published work in this tradition on climate, such as the Springfield Centre's practical note[32], covers how private firms adapt and cut emissions. I found none that treats obtaining climate money as a market. Applying the frame to access is my own reading, not an established method.

Read this way, the core transaction is a fund financing a project through an accredited entity. The table sets out what sits around it, using only what I could document.

Table 1. Climate Finance Access as a Market System

Layer	What Exists Today	Who Pays	Where It Breaks
Information	Fund websites and calls. The civil society observer network told the GCF Board in October 2025 that its website is English only.	Funders	Calls rarely reach local groups in their own language or channels. Language is rated a hurdle by 28 percent of surveyed practitioners (IIED).
Preparation	Consultants and firms. GCF Project Preparation Facility, up to US$1.5 million per application.	Applicant, or a grant that arrives after approval	The facility is open to accredited entities only. I found no verified preparation market for small Egyptian organizations.
Accreditation and Intermediation	Large accredited entities. On Egypt projects: UNDP, AFD, EBRD, Acumen and Novastar.	Funders	Between 75 and 80 percent of GCF funding goes to or through international entities, depending on the IIED review. Mid-sized intermediaries are missing (Devex, citing IIED).
Co-Financing	Small Grants Programme requires one-to-one cash or in-kind match. I found no guarantee facility for small organizations.	Applicant	A small group must find the match before it is funded.
Monitoring and Reporting	Funder-defined indicators and reporting formats.	Grantee absorbs the cost (my inference)	Rated a hurdle by 53 percent of surveyed practitioners (IIED).
Rules	Accreditation, no-objection letter, fiduciary standards, eligibility criteria.	Applicant	Eligibility rated a hurdle by 81 percent and due diligence by 58 percent (IIED).

Evidence labels reflect what I could document, not what may exist. Sources: [7, 12, 16, 18, 33]

Two things stand out. First, the supporting functions are not missing everywhere. Readiness money pays for them at the country level and for accredited institutions. What is missing is a function aimed at the small applicant and paid for before approval. Second, this is a thin market rather than a failed one: the organizations that need preparation cannot fund it, and the funders that could fund it direct their money to governments and accredited entities.

I know this shape from business development services (BDS). I have helped design, establish and advise more than 35 BDS providers, and the same question applies every time: who pays for the service that makes the main transaction possible, and who is there to deliver it? I wrote about the same problem in why BDS units survive their projects. In climate finance the honest answer is often nobody, until the project is approved.

That is the preparation gap.

A Donor Reading: What the Funds Say and What They Deliver

FUNDERS HAVE said the right things. The GCF signed the locally led adaptation principles in 2024, according to IIED's review of the multilateral funds[34]. The Adaptation Fund folded its enhanced direct access mechanism into a single-country locally led window. At COP30, the decision guidance to the funds called for faster, simpler access and more direct channels (Eco-Business[35]). The routes themselves tell a more complicated story.

Table 2. Stated Intent and Documented Route for a Small Organization

Fund	Stated Local Intent	Route for a Small Organization	What the Evidence Shows
Adaptation Fund	Single-country locally led window: up to US$5 million per project, formulation grant up to US$150,000.	Through an accredited implementing entity, with a Designated Authority endorsement letter.	By October 2025, 7 proposals submitted to the window and 2 cleared technical screening (IIED).
Green Climate Fund	Signed the locally led adaptation principles in 2024. Enhanced direct access and simplified approval.	Through an accredited entity. 128 of 193 accredited entities are direct access entities (GCF, October 2026).	Enhanced direct access: 7 approved projects in 14 countries. Between 75 and 80 percent of funding still goes to or through international entities (IIED).
GEF Small Grants Programme	Grants to local civil society and community organizations. Core grants up to US$75,000.	Direct application to the national program. In Egypt, one-to-one cash or in-kind co-financing.	Egypt: 317 grants since 1993, about US$10.4 million. The national strategy names proposal preparation as a capacity gap.

Fund	Stated Local Intent	Route for a Small Organization	What the Evidence Shows
EBRD, EU and GCF Green SME Line, Egypt	US$50 million loan plus a US$10 million Women in Business loan, with GCF co-financing of US$7.5 million.	Through a partner bank, Commercial International Bank.	Reaches firms a bank will lend to. Loan sizes and uptake are not published in the sources I found.

Evidence labels reflect what I could document, not what may exist. Sources: [36, 34, 37, 21, 38, 39]

One pattern shows when the pages are read side by side. None of these routes pays the small applicant's cost of applying. The Adaptation Fund's formulation grant goes to the implementing entity, as I read the page. GCF readiness serves countries and direct access entities, and its preparation facility serves accredited entities. The money for preparing exists. It sits one level above the organization that needs it.

The gap between pledge and flow can be measured only by proxy. IIED searched about 140,000 climate-tagged transactions from 2016 to 2023 and found the 29 percent and 0.17 percent shares described above (IIED, November 2025[40]). Its separate analysis found that in the highest year less than half a percent of reported climate finance could be deemed locally led (IIED[25]). Treat any share of money reaching local actors as an upper-bound proxy.

Local in Mention, Rarely in Name

Share of climate finance by value, about 140,000 transactions, 2016 to 2023

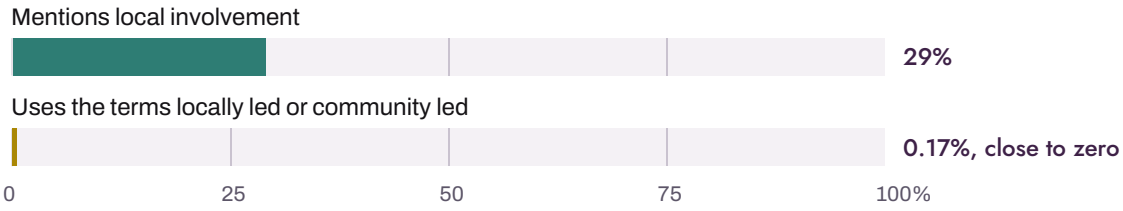


Figure 12 A keyword count on project text, so it measures mention, not practice. Source: IIED, November 2025.[40]

The political signals have not yet changed the path. The COP30 decision delayed the tripling of adaptation finance to 2035 and did not commit to making it additional to the US$300 billion annual target. Practical Action[41] reported that there is still no agreed direct route for finance to reach local institutions. OECD data put adaptation finance in 2024 at just under US$35 billion against a goal of roughly US$40 billion a year by 2025, which donors probably missed (Climate Home News, May 2026[42]). COP31 opened in Antalya on November 9, 2026 and had not concluded when I wrote this. Its opening plenary adopted a climate finance work program, and a proposal for a separate agenda item on tripling adaptation finance was left off (Down To Earth[43]).

The Preparation Layer: Who Can Actually Get Help

OF THE instruments I checked, the readiness and preparation money is built for governments and accredited institutions. GCF country readiness offers up to US$7 million per country over four years, and its country window is for national governments (GCF[9]). The Project Preparation Facility[16] has approved 128 grants for 72 accredited entities worth US$78.9 million. Where a supported project can earn income, the amount is generally repayable.

Two windows are described as open to non-accredited applicants, and I checked both against 2026 pages. The Adaptation Fund Climate Innovation Accelerator now runs through partners: the Adaptation Fund's own 2026 overview lists up to US$250,000 per innovator, while the UN Climate Technology Centre and Network (CTCN) call offers up to US$150,000 of technical assistance, and its 2026 calls for Latin America and the Caribbean and for Asia Pacific have already closed (Adaptation Fund overview, May 2026[44]; CTCN Asia Pacific call[45]). The CTCN route also asks for endorsement from a national designated entity and the Adaptation Fund Designated Authority. The locally led adaptation global aggregator gives up to US$500,000 per grantee, but a non-accredited organization reaches it only through an aggregator, such as the US$15 million proposal from UNIDO listed as submitted in 2026 (Adaptation Fund, LLA proposals[46]). The US$35 million figure is the fund's allocation for that window, not an open call. In both routes, the preparation help comes bundled inside an intermediary rather than as a separate service.

What does preparation cost? A July 2026 policy brief on project preparation[23] gives illustrative ranges that its authors say are not benchmarks: about US$20,000 to US$150,000 for ideation and concept development, and US$50,000 to US$200,000 for pre-feasibility. It also names a circular barrier: projects are not prepared enough to access preparation support but cannot become better prepared without it.

Two gaps remain. I could not find published fee data, success-fee practice or quality evidence for the consultants who do much of this work. And I found no rigorous test of whether application support raises success rates for climate funds. The strongest evidence on help versus information comes from other fields, which a later section covers.

What Has Worked, and What We Do Not Yet Know

SEVERAL MODELS have moved money closer to small and local actors. Table 3 grades the evidence for each, because the strength of the evidence varies more than the strength of the claims.

Table 3. Models That Reach Local Actors, With Evidence Grades

Grades: A is an independent evaluation. B is an institutional report or a review commissioned by the funder. C is self-reported or press quoting officials.

Model	Who Receives the Grant	What Is Documented	Grade
UNCDF LoCAL	Local governments, through national transfer systems	2014 to 2018: 14 countries, 107 local governments, close to US$17 million delivered. The independent mid-term evaluation (2018) is a draft. No cost per grant found.	B
GEF Small Grants Programme	Local civil society and community groups	The joint 2015 evaluation found projects effective and relevant, with signs of replication. A later evaluation links effectiveness to local ownership. Governance strain and complex monitoring are flagged.	A
PPI OSCAN, North Africa	Small civil society organizations, including emerging ones	Phase 3 (2021 to 2025): 30 organizations in Morocco, Tunisia, Libya and Egypt. The independent 2025 evaluation rated it highly relevant. Environment focus, not climate finance as such.	A
CIF Dedicated Grant Mechanism	Indigenous peoples and local communities	Governed by steering committees. A 2019 learning review found stronger local governance and better representation of women. Evidence is early. Total funding not found.	B
CPI CC Facility	Local climate finance vehicles, not small organizations	1,280 applicants over four cycles and 17 selected, with 12 months of support. The operator reports a 70 percent fundraising success rate, with no comparison group.	C
Kenya FLLoCA	County climate funds	Officials report 45 county funds and 1,238 wards benefited. No independent verification found.	C

Evidence labels reflect what I could document, not what may exist. Sources: [47, 48, 49, 50, 51, 52]

What these models share matters more than any single result. Someone other than the small organization carries the fiduciary and preparation load, and local actors take part in the decisions: national steering committees in the Small Grants Programme and the Dedicated Grant Mechanism, local governments in LoCAL, regional partners in PPI OSCAN. They also show the limit of intermediation. The evaluators of PPI OSCAN found that its two-window design raised management costs and that dependence on external funding stayed high. The Adaptation Fund's own 2026 mid-term review[53] says its regional aggregator model brings significant fiduciary, coordination and sequencing

burdens, and that 74 percent of projects approved since January 2023 were still awaiting implementation. Intermediaries move cost. They do not remove it, and I found no published cost per grant for any of these vehicles.

> Intermediaries move cost. They do not remove it.

A fair counterpoint comes from IIED's October 2026 review[54] of 106 sources: where projects were properly evaluated, over 80 percent showed substantive or robust evidence of local leadership and verified impact. The authors argue the problem is documentation, not performance. The denominator is unclear, so I read it as encouraging and no more.

What Reaches Small Firms in Egypt

THE GCF'S Egypt page[55], which I checked on November 16, 2026, lists nine projects, US$368 million in GCF financing and US$4.2 million in readiness support. Only two of the nine are Egypt-only, an adaptation project on the North Coast and in the Nile Delta and a renewable energy framework. The other seven are multi-country facilities, so the US$368 million is not money allocated to Egypt alone.

The routes to small firms that I could document run mostly through banks. A program of the GCF and the French development agency AFD, run through the National Bank of Egypt, allocated about EUR 100 million for loans of up to EUR 20 million in 11 governorates (EnterpriseAM, October 2024[56]). In February 2026 the International Finance Corporation (IFC) announced a US$150 million commitment to Banque Misr's green finance, with 20 percent of the related MSME lending set for women-owned businesses (Wamda[57]). My reading is that bank lines favor firms with collateral and reporting capacity.

For community organizations, the GEF Small Grants Programme in Egypt[58] ran its seventh phase from June 2022 to May 2026 with a GEF grant of about US$2.1 million and about US$5.4 million in co-financing, roughly US$7.5 million in total (GEF project record[59]). Its national strategy for the eighth phase[38] reports 317 grants and about US$10.4 million since 1993, which averages roughly US$33,000 a grant by my arithmetic. It requires one-to-one cash or in-kind co-financing from grantees, and it names proposal preparation as a capacity gap among civil society organizations. I found no application counts or applicant accounts.

Egypt in Numbers

What the public record shows for the two main routes

9	2 of 9	317	US$33,000
projects on the GCF Egypt page, checked November 16, 2026	are Egypt-only; the other seven are multi-country facilities	GEF Small Grants Programme grants in Egypt since 1993	average grant, by my arithmetic from about US$10.4 million

Figure 13 Large money moves through multi-country facilities and banks; community groups meet a micro-grant window. Sources: Green Climate Fund; GEF Small Grants Programme Egypt strategy. [55, 38]

Between that micro-grant layer and the large accredited entities, I found no provider filling the middle. That is my reading of what I could document, not proof that none exists. Consultants and informal advisors probably operate in Egypt, but I could not evidence them, their prices or their results. I made a related argument about readiness in Investment Readiness in MENA: Ready for Whom?

What Actually Changes Behavior

HERE THE take-up research is useful, because it separates what feels helpful from what works. Telling people about a benefit did little in these studies. In a J-PAL study with H&R Block[60], information alone had no measurable effect on college aid applications, while help completing the application plus an estimate of the aid raised filing by 15.7 percentage points for dependent students. In a Pennsylvania experiment[61], an information letter raised enrollment in food assistance by 5 percentage points from a 6 percent baseline, and a letter plus a call center that helped complete the application raised it by 12.

Climate finance usually answers a low response with more awareness material. The evidence from other fields says awareness alone does little and hands-on help works better. It is no cure on its own: Michigan's intensive outreach, with application help, still reached only about 6 percent of households, at over US$1,000 for each extra one. That is why I argue for redesigning the path as well as helping people along it.

Help Beats Information

Food assistance enrollment in a Pennsylvania outreach experiment, percentage of eligible households

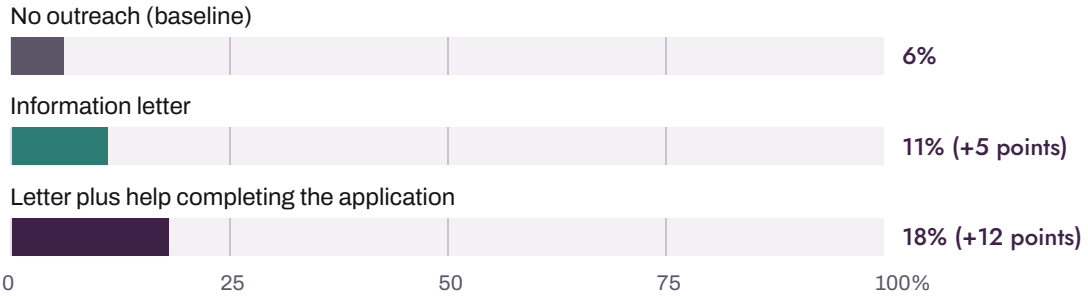


Figure 14 Enrollment levels are the 6 percent baseline plus the reported gains of 5 and 12 points. Source: J-PAL summary of the Pennsylvania outreach experiment.[61]

> Access is not a form. It is a service, and until someone is paid to deliver it, the pipeline will stay thin.

Five Design Choices That Would Change the Pipeline

1. **Fund preparation separately from the project.** Release preparation money before approval and without accreditation as a condition, so the applicant does not pay for the proof of readiness out of its own pocket.

2. **Do the application with applicants.** Put trained navigators beside small organizations who complete the forms with them. The take-up evidence points to hands-on help, not brochures.

3. **Pool small tickets through programs.** One prepared application can serve many small organizations when a program carries the fixed cost and sub-grants the rest.

4. **Pay intermediaries for the function, and publish the price.** Treat preparation and aggregation as a service with a cost, not as free technical assistance that ends with a grant cycle. Report cost per grant and the applicant's own cost for every intermediary vehicle. I could not find either.

5. **Track the pipeline, not only the approvals.** Report who started, who stopped and where. IIED found that reporting on finance reaching the local level is inconsistent and incomplete, which makes it hard to see how much arrives and who is left out.

None of this means lowering fiduciary standards. Funds exist to safeguard public money, and accreditation is how they do it. My argument is about who pays for the capacity to meet those standards, and when. Pre-funding preparation keeps the safeguards and moves their cost off the smallest applicant.

Questions to Ask Before You Decide

Before Telling an Organization to Apply

> **Who will prepare this application,** and who pays for that work?

> **How long before the first payment** reaches the account?

> **What is the smallest organization that has succeeded with this fund,** and how did it get there?

Before a Fund Says It Is Locally Led

> **What share of applications came from organizations with no prior fund experience,** and how many were approved?

> **What did a successful applicant spend before the first payment,** in money and in months?

> **Who prepared the winning applications?** If the answer is always an international firm, the access is real but the ownership is not.

If the answers are unclear, the problem is the design, not the applicant.

Evidence Gap Log

What I looked for and did not find. Each row is a question the published record cannot answer today.

Gap	What I Looked For	What I Found	What Would Close It
Awareness	Whether small NGOs, cooperatives and farmers' groups know the main climate funds exist	No study measures it. Proxies only: one lender survey in India and one regional mapping.	A survey of eligible small organizations in one country
Pipeline Drop-Off	How many organizations start an application and where they stop	No fund publishes it. Only approvals are reported.	Funds reporting starts, withdrawals and rejections by stage
Proving Climate Innovation	How many small firms lose funding because they cannot state their climate result in a funder's terms	No survey measures it. My advisory case is the only evidence here.	A structured review of rejected and abandoned applications from small firms
Preparation Cost	Cost per grant and the applicant's own cost, by intermediary vehicle	Not published for any vehicle I checked.	Intermediaries publishing cost per grant and applicant cost
Advisor Market	Fees, success-fee practice and quality of consultants who prepare applications	No published data found.	A market study of preparation services in one country
Recipient Type	Split of climate finance between governments, private firms and civil society, and the share for small firms	No source gives it.	Funds tagging the final recipient type in public data
Disbursement	Paid-out amounts for the GEF adaptation funds	Not published by the GEF in the reports I found.	A published disbursement series
Local Against International Delivery	Whether money sent through local entities performs better or worse	No comparative evaluation found.	A matched evaluation of direct access and international access projects
Verified Results	Independent verification of reported emission reductions and beneficiaries	The joint results report describes none.	Third-party verification and unique beneficiary counts
Review Times	How the six-month average and the count of 10 in 36 reconcile	The fund does not publish it.	One published series with a fixed definition
Egypt	Application counts for the Small Grants Programme, and loan sizes and uptake on the green credit lines	Not in the sources I found.	Program-level reporting by the implementing agencies

Notes

Numbers in the text, under each figure and under each table point to the sources below. Every link was opened on November 16, 2026.

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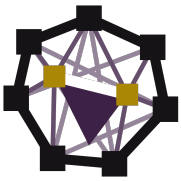
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