FACTSHEET

Dutch Fund for Climate and Development (DFCD)

SCALABLE CLIMATE SOLUTIONS

To curb the effects of climate change, substantial funding should be injected in solid business solutions advancing climate adaptation. However, these solutions are rare and when they exist, they lack adequate support.

What is the Dutch Fund for Climate and Development?

The Dutch Fund for Climate and Development (DFCD) invests in projects tackling climate adaptation and mitigation with a view to increase the resilience of communities and ecosystems most vulnerable to climate change. It was established in 2019 with an initial commitment of €160 million from the Dutch Ministry of Foreign Affairs.

The DFCD is managed by a pioneering consortium: **World Wide Fund for Nature Netherlands (WWF-NL), SNV**, a global development partner, the **Dutch Entrepreneurial Development Bank (FMO) and Climate Fund Managers (CFM).**



The Origination Facility identifies eligible projects and supports them in becoming 'bankable', so that they may receive large-scale funding from the Land Use Facility, Water Facility, or third-party investors.

DFCD ORIGINATION FACILITY 2024-2027

Through the Origination Facility, projects can receive a grant and technical assistance to take the necessary steps to become bankable. These can include technical and financial feasibility studies, legal costs, or assistance to fully deploy their business model. The facility is managed by WWF-NL and SNV.

Following four years of successful implementation, the DFCD Origination Facility has received an additional funding of €40 million from the Dutch Ministry of Foreign Affairs to continue its work in originating projects. It now aims to increase the quality and quantity of the businesses it identifies, de-risks and develops into bankable investment opportunities for the DFCD investment facilities and/or external investors.











What is an eligible project?



To be eligible for funding, projects must, as a baseline:

- Be from an eligible country
- Have commercial viability Min. turnover €5m p/a, seeking min. long-term of financing of €5m
- Align with national development goals
- Positively impact Climate Adaptation

In addition they should positively impact some or all of the following:

- Biodiversity
- Food and Nutrition Security
- Gender Equality and Social Inclusion

Where is the DFCD active?

The DFCD caninvest in the full <u>OECD DAC list</u> of eligible ODA countries. It invests at least 25% of the funding in Least Developed Countries (LDCs), and at least 25% in development cooperation focus countries and combination countries on the list of the Netherlands Ministry of Foreign Affairs.

The Origination Facility has, to date, contracted 40 companies across Africa, Asia and Latin America.

SECTORS



ENVIRONMENTAL PROTECTION

WATER AND SANITATION HYGIENE



FORECASTED IMPACTS

- 5 mln tCO2e p.a. of GHG emissions reduced
- 14 mln people provided with clean drinking water
- 150.000 ha. of forest and wetland sustainably managed
- 120.000 ha. of farmland sustainably managed
- €2 bn of private finance investment mobilised
- 16 mln people with increased climate-resilient

livelihoods, many of whom are women and members of vulnerable groups

By the end of 2027, we aim to have 55 projects contracted, and 34 graduated to the DFCD Investment Facilities.



Get involved:

For more general information, visit our website:

www.thedfcd.com

or contact our Origination Facility Programme Managers:

Jaap de Jong (WWF) - jjong@wwf.nl

Albert Bokkestijn (SNV) - abokkestijn@snv.org