

**GCF Observer Network of Civil Society, Indigenous Peoples, and Local Communities**

Intervention on

## **FP229: Acumen Climate Action Pakistan Fund**

Access the document: <https://www.greenclimate.fund/document/gcf-b38-02-add09>

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While we appreciate proposals that promote adaptation of the most vulnerable peoples and communities, as well as peoples' health and wellbeing, we do not believe that the proposed Acumen Fund, as presented in this funding proposal, does enough to explain how it plans to contribute to these outcomes and achieve its stated impact.

This project's only direct beneficiaries are agribusinesses, as shown by the relatively large ticket size of the expected investments, which range from USD 1 to 3 million. While it claims to benefit the most vulnerable, at no point does the funding proposal explain how these investments in agribusinesses will eventually benefit vulnerable farmers. It never addresses issues of access to the products and services that these agribusinesses will provide, or their affordability, nor does it elaborate how the particular businesses will be linked to smallholder farmers, who are more fragmented and community based. During the technical session, the accredited entity did not clearly respond to our question on this matter. Therefore we believe that this funding proposal, if approved, should only be approved under the condition that the accredited entity elaborates on how they are planning to reach smallholder farmers.

We are concerned that the concessionality of the GCF finance will be captured by the accredited entity and the agribusinesses benefiting from this project, with no actual impact in terms of adaptation of vulnerable farmers. Considering that the funding proposal does not include any way of tracking the actual impacts on farmers, we would like to highlight the need for transparent reporting in this case, and more generally, for all private sector projects that use the GCF's highly concessional public finance.

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