GCF WATCH

46th Board Meeting of the Green Climate Fund

October 26-29, 2026, Songdo, Incheon, Republic of Korea

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

Intervention on

FP320: Prosperete Growth Fund

Access the document:

https://www.greenclimate.fund/board-document/gcf-b46-02-add13-rev01

We welcome the fact that this proposal is finally subject to open discussion at the Board, and that Prosperete is no longer the Accredited Entity, a role for which it was singularly unqualified.

However, Prosperete remains underqualified even as an Executing Entity: it has no track record of making investments or closing a fund, no established audit trail or audited financial statements, and has never used its safeguarding policies. Nearly two years since this proposal first came to the Board under the project-specific assessment approach, these gaps remain. Prosperete still relies solely on its founders' background in the IFC, which is now the AE – an arrangement that raises concerns about conflict of interest and independent oversight.

On the substance, the funding proposal retains many of the fundamental concerns we raised under FP264. GCF would still be the main "first-loss" investor in an equity fund run by a first-time manager. The benefits of a "blind-pool" fund where equity is committed before investments are known are far from clear: sectoral balance is only vaguely "indicative", geographies and investee companies are unknown, and climate benefits are conjectural. ITAP stresses that impacts cannot be estimated with precision "until the portfolio has been constituted". As we have argued on GCF programmes generally, this lack of transparency is acute for private equity: with no public pipeline and vague eligibility criteria, observers cannot assess impacts or consult affected communities. This matters because the potential scope includes activities that raise environmental and social safeguard concerns, including the pressure green hydrogen can put on water and local resources, and the local pollution risks of pyrolysis and waste-to-energy. Without greater clarity on the pipeline, selection criteria and safeguards, the Board cannot adequately assess how these risks will be managed.

Finally, for all that the proposal touts Prosperete's female leadership, the only quantified programme-level target is for 50% of portfolio companies to meet at least one 2X Challenge criterion – a low bar. Company-level Gender Action Plans would come only after investment and "shall not be used as a screening tool", there is no public gender-related budget, and no sex-disaggregated targets for the 1.27 million claimed adaptation beneficiaries.

In short, it is hard to see why this proposal merits GCF financing. The Board should not be asked to accept significant public risk on the basis of an unproven fund manager, an unidentified portfolio and outcomes that cannot yet be assessed. The fact that these weaknesses have not been resolved after close to two years of consideration makes it harder still to justify the energy spent on a proposal and an entity that fall short of expected standards.