

PRESS RELEASE

KOICA Contributes USD 1 million to the Technical Assistance Facility of the Subnational Climate Fund to catalyze climate action at the local level.

Geneva, Switzerland – Thursday, 13th of March 2025 – The Subnational Climate Fund (SCF) is honoured to announce a significant contribution of USD 1 million from the Korea International Cooperation Agency (KOICA) to its Technical Assistance Facility. This strategic partnership aims to enhance the SCF's mission to support climate-positive projects in developing countries and empower local communities to address climate change effectively.

KOICA's contribution is part of its Innovative Partnership Solutions (IPS) program, which seeks to foster innovative and sustainable partnerships that mobilize private capital to achieve the UN Sustainable Development Goals (SDGs). This funding will strengthen the SCF's ability to develop a pipeline of potential projects with high scalability and impact.

"We are honoured to welcome KOICA as a key partner in the Subnational Climate Fund," said Jiao Tang, Deputy CEO, at the Catalytic Finance Foundation. "This contribution will help accelerate the development of essential climate projects, delivering environmental, social, and economic benefits."

"KOICA's generous contribution to the SCF Technical Assistance Facility is a significant milestone in our mission to drive sustainable development at the subnational level," said Martin Sneary, Head of Business and Nature at IUCN. "This funding will enable us to provide critical technical support to project developers and the professional communities that support them, empowering them to create high-impact, investable projects that deliver tangible benefits for climate, nature and communities."

KOICA's support aligns with its commitment to combat climate change and promote sustainable development in OECD DAC recipient countries. By leveraging blended finance mechanisms, the SCF and KOICA aim to unlock additional funding from institutional investors, thereby maximizing the impact of this initial contribution.

The SCF has already provided technical assistance to more than 30 projects that reduce greenhouse gas emissions, improve climate resilience, and generate positive local impacts. KOICA's funding will enable SCF to further expand its pipeline of bankable projects and continue to catalyze transformative change at the subnational level.

"KOICA is committed to supporting innovative financial mechanisms that bring together public and private resources to tackle global challenges," said Hyewon Kim, Director of Private Sector Engagement Program Team at KOICA. "Through our partnership with the SCF, we aim to accelerate local climate action by supporting the development of a robust pipeline of sustainable projects."

The partnership between KOICA and the SCF exemplifies the potential of blended finance in addressing the climate crisis and achieving the SDGs. It highlights the importance of mobilizing diverse sources of capital and fostering cross-sector collaboration to drive impactful solutions where they are needed the most.

About KOICA:

KOICA **Korea International Cooperation Agency (KOICA)** is South Korea's government agency dedicated to advancing international development cooperation. Its mission is to contribute to common prosperity and global peace through inclusive development cooperation, ensuring that no one is left behind. As South Korea's leading development cooperation agency, KOICA strives to promote global social values, fostering mutual growth, peace, and prosperity for people worldwide.

KOICA collaborates with a diverse range of partners—including governments, public organizations, civil society, the private sector, and academia—to maximize the effectiveness of its development initiatives and contribute to the achievement of the Sustainable Development Goals (SDGs). KOICA's projects aim to reduce poverty, enhance quality of life, and support sustainable development and humanitarian goals. Its key focus areas include education, health, climate change, governance, and infrastructure.

About SCF:



The Subnational Climate Fund (SCF) is a global blended finance initiative that aims to invest in and scale mid-sized (USD 5–75 million) subnational infrastructure projects in the fields of sustainable energy, waste and sanitation, regenerative agriculture and nature-based solutions in developing countries. SCF features a dedicated, grant-funded facility (USD 28 million) for Technical Assistance (TA) that provides technical support and grant funding to stakeholders in identifying and strengthening investment proposals for the Fund. The TA Facility is managed by the International Union for Conservation of Nature (IUCN) and implemented together with the Catalytic Finance Foundation and Gold Standard.

The Green Climate Fund committed up to USD 150 million to the SCF Investment Fund as a junior tranche intended to de-risk for institutional investors coming into the Fund, and a further USD 18.5 million for the technical assistance facility to de-risk at the project level.

<https://www.subnational.finance/>

For more information, please contact:

Cecilia Serin

Communication & Marketing Manager,

Catalytic Finance Foundation

media@catalyticfinance.org