

International Climate Finance Strategy

2026

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Sustainable Landscapes in Eastern Madagascar

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Ministerial foreword

Climate change and nature loss threaten lives, livelihoods and long-term prosperity and security worldwide with direct consequences for the UK. This is why tackling these issues at home and overseas is a priority for this Government. UK International Climate Finance (ICF) is central to our approach. It is not charity, it is an essential investment in our long-term national security and prosperity.

The challenge ahead is significant. It is exacerbated by climate and geopolitical shocks – such as the current crisis in the Middle East. These serve to demonstrate the importance of UK ICF as we work with others to go further and faster to build resilient food, water and energy systems to strengthen global stability.

This strategy sets out how the UK will continue to lead internationally – working in partnership with developing countries – to deliver progress in four key areas: mobilising finance at scale, transforming the global energy system, building climate resilience, and protecting and restoring nature. ICF is an important part of our Official Development Assistance (ODA), and so our priority remains support for the poorest and most climate-vulnerable countries and communities. Alongside this, we will target ICF to mobilise far greater sums of private finance to support energy transitions in Emerging Markets and Developing Economies (EMDEs). For the first time, we are bringing together both our ODA and wider UK climate finance offer in a single, more coherent approach.

Building on strong foundations, we are shifting from a traditional donor model to a strategic, partnership-driven approach.

We will continue to work through different channels as part of a coherent approach. This includes bilateral programmes to leverage UK expertise, and Multilateral Development Banks and institutions such as the Green Climate Fund, enabling us to tackle multiple priorities, with geographic reach, and at scale.

This strategy will deliver for the UK in helping cut global reliance on fossil fuels, bolster supply chains and open markets for UK expertise in finance, innovation and clean energy. It will also protect key ecosystems, reflecting the findings of the Global Ecosystem Assessment that biodiversity is critical to our national security.

The UK has a strong record of climate leadership. Through ICF4, we will build on it. We will be sharper in our focus, backing interventions that drive transformational change, and maximising value for money and impact. We will work with partners to shape a safer, more resilient and more prosperous world, while advancing UK growth, security and influence.

Rt Hon Baroness Chapman of Darlington, Minister for International Development and Africa, Foreign, Commonwealth and Development Office

Rt Hon Katie White MP, Minister for Climate, Department for Energy Security and Net Zero

Rt Hon Mary Creagh MP, Minister for Nature, Department for Environment, Food and Rural Affairs

Introduction

Climate change and nature loss are defining challenges of our generation – tackling them is vital to UK interests and a priority both at home and abroad.

Climate finance is a cornerstone of the global climate architecture. It strengthens the resilience of countries, economies and communities to climate shocks, and protects nature through technical assistance, capacity building and investment. By mobilising finance at scale, it can:

- deliver long-term, affordable and accessible clean energy
- support a fair and inclusive transition
- deliver adaptation and resilience projects to benefit the lives of the most vulnerable and protect economic growth

Climate finance drives ambition in the United Nations Framework Convention on Climate Change (UNFCCC) and Nationally Determined Contributions – countries' own plans to transition to clean energy and build resilience to climate impacts, in turn driving investment.

The UK already has a strong track record of providing climate finance and using this to deliver real progress on the ground. We have met our third International Climate Finance (ICF) commitment of at least £11.6 billion over the five financial years from the 2021 to 2022 financial year to the 2025 to 2026 financial year. Since 2011, as set out in our annual ICF Results Report, UK ICF has helped 137 million people cope with the impacts of climate change, reduced or avoided almost 146 million tonnes of greenhouse gases, and mobilised over £20 billion of public and private investment for climate change purposes.

But the world has changed – and the UK's approach to climate finance must change with it. Climate change is already affecting lives and livelihoods worldwide. Extreme weather, rising food and energy prices, pressure on global supply chains and increased instability overseas all have direct consequences for people in the UK. Amid global tensions and rising defence needs, the government has taken the decision to reduce the Official Development Assistance (ODA) budget from 0.5% to 0.3% of gross national income (GNI) by 2027. Within this, our commitment to supporting developing countries to mitigate and adapt to climate change, and to conserve and sustainably manage nature, remains steadfast.

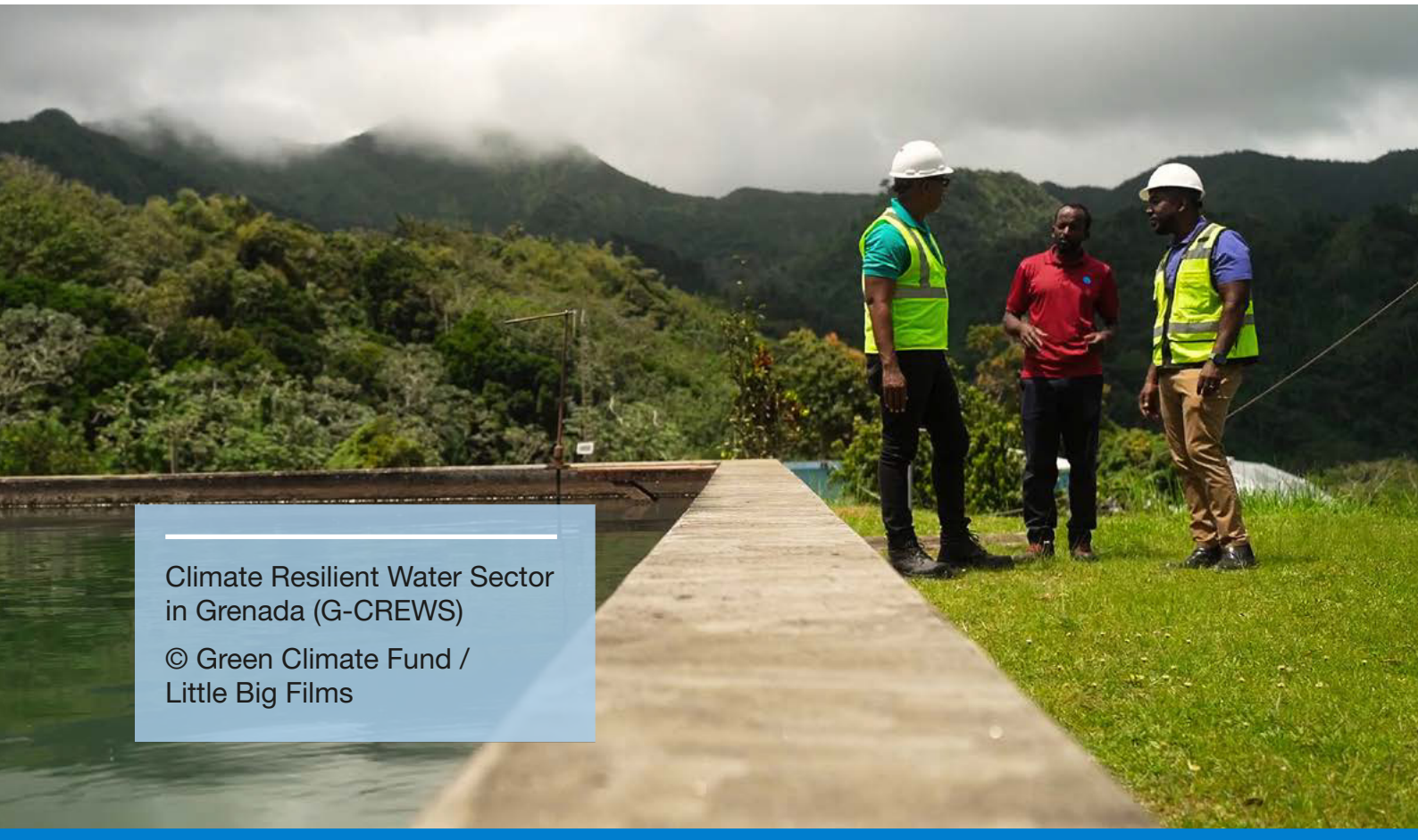


SARIKA: Scientific Action Research for Indigenous Knowledge Advancement – Recognising and Rewarding the Contribution of Indigenous Knowledge for the Sustainable Management of Biodiversity
© Tong Len

We are taking a new approach, designed for this reality, to the fourth period of our ICF spend (ICF4). We will focus on scale, impact and value for money by being deliberate about how we will use the full range of UK levers – not just ODA – to tackle climate change and nature loss, reduce poverty and promote development overseas, while strengthening the UK's long-term security, resilience and prosperity. Our portfolio will be focused and streamlined, concentrating on where we can have greatest impact. In line with our modern development offer, to respond to the asks of our partners, our approach to ICF4 will be underpinned by four shifts. We will invest in countries' own climate transitions, sharing expertise and innovation, supporting country-led systems, and promoting local leadership.

This strategy sets out how the UK's climate finance will be delivered through four priorities.

1. Mobilise public and private finance at scale for climate and nature outcomes.
2. Transform the global energy system to deliver clean and affordable energy for all.
3. Accelerate a transition to climate-resilient communities, economies and ecosystems.
4. Safeguard and sustain nature, including forests, oceans and coastal, terrestrial and freshwater ecosystems.



Climate Resilient Water Sector in Grenada (G-CREWS)

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A system shift: using all UK levers to deliver impact

The ICF4 period marks a shift from treating climate finance as aid programming alone, to using all of our levers in a **whole-of-government** approach.

Alongside providing around **£6 billion of ODA** from the 2026 to 2027 financial year to the 2028 to 2029 financial year, the UK will also deploy **£6.7 billion of additional public finance** to tackle climate change and nature loss – including with finance backed by UK Export Finance, investment by British International Investment and guarantees to the Multilateral Development Banks enabling them to expand their lending. Through a combination of our ODA and non-ODA tools, the UK will mobilise **billions more in finance from the private sector towards climate and nature outcomes.**

Our overall package will deliver the UK's commitment under the internationally agreed New Collective Quantified Goal (NCQG). This goal aims to mobilise at least $300 billion per year by 2035 for developing countries, with developed countries taking the lead. It also calls for a wider international effort, by all actors, to scale climate finance for developing countries to at least $1.3 trillion per year by 2035 and for efforts to triple adaptation finance by 2035.

The ODA element of ICF4 will remain balanced between support for action on mitigation and adaptation, which is consistent with the Paris Agreement and long-standing UK practice. It will also maintain a focus on nature, demonstrating UK support for the Global Biodiversity Framework, including the shared target to increase international nature finance flows to developing countries to $30 billion by 2030.

Beyond improving climate and development outcomes which are themselves central to UK interests, ICF will also work to deliver benefits in the UK by:

- **bolstering UK energy security** by reducing global dependency on fossil fuels and increasing diversity in energy production
- **accelerating the green transition** by leveraging UK expertise to deliver at scale – including financial expertise through the City of London and deploying our professional services strengths across engineering, innovation, AI, science, tech and energy
- **generating UK economic growth** by opening new markets, boosting exports, and creating commercial opportunities for UK firms, leveraged by organisations such as UK Export Finance

- **building resilience to climate risks and shocks** across supply chains, critical ecosystems and economies, reducing potential disruptions to UK businesses and consumers and capitalising on emerging growth opportunities from adaptation goods and services
- **enhancing UK food security** by helping protect and stabilise climate-resilient, low-emission food production and supply systems, including through support for critical ecosystems, preventing ecosystem degradation and collapse
- **safeguarding critical biodiversity** that underpins medical advances
- **addressing climate-related displacement risks by strengthening resilience,** early warning and anticipatory action, helping communities cope with shocks and protecting livelihoods, particularly in fragile and conflict-affected contexts

ICF priorities

1. Mobilise public and private finance at scale for climate and nature outcomes – which will support delivery of the other priorities.
2. Transform the global energy system to deliver clean and affordable energy for all.
3. Accelerate a transition to climate-resilient communities, economies and ecosystems.
4. Safeguard and sustain nature, including forests, oceans and coastal, terrestrial and freshwater ecosystems.

The priorities have been selected based on the UK's strengths as well as the needs of our partners. They are interconnected and often mutually reinforcing – such as the transition into sustainable agriculture and water security driving outcomes for nature, emissions and people's resilience to climate shocks alongside climate-compatible growth. For each priority we are committed to delivering specific objectives. We have provided examples of how we expect to deliver these alongside the primary ICF key performance indicators (KPIs) that will be used to monitor progress and which we report on annually as part of the ICF Results Report.

ICF priorities will be delivered through bilateral (via UK Embassy or central teams across government departments) and multilateral ODA programming. A new Accelerating Climate Transitions Community of Expertise will leverage the UK's strong offer in providing high-quality technical assistance, innovation and research to our partners across the ICF priorities. Activity and approaches across these different investment channels will complement each other to deliver value for money, underpinned by improved data for better learning and reporting.



Priority 1: Mobilise public and private capital at scale for climate and nature outcomes

Intended outcome

A step-change in the scale, impact, accessibility and affordability of climate and nature finance for developing countries, aligned with climate and nature goals, accelerating climate action for the poorest, most climate-vulnerable and on the most transformative issues.

Photo: Vanuatu community-based climate resilience project (VCCRP)

© Save the Children Australia

Objectives for ICF4

1. **Reform the global financial architecture so countries can access finance faster, at lower cost and at greater scale.** At the Multilateral Climate and Environment Funds (MCEFs), we will work with public and private sector partners to drive greater impact, supporting country-led approaches and focusing the funds towards where they can add most value.

At the Multilateral Development Banks (MDBs), we will promote scaling affordable and shock-responsive lending using existing capital, and encourage MDBs to use common approaches to pool investments and attract private investors, freeing MDBs to invest in new projects. We will drive stronger reporting on climate and nature impact, including standardising MDB reporting of nature finance and outcomes. We will encourage even greater co-ordination and collaboration between the MCEFs and the MDBs. We will also push for the alignment of broader finance flows with climate and nature goals in the wider system.

2. **Mobilise significantly greater volumes of capital – including billions more in private investment towards climate and nature outcomes using UK strengths.** We will scale high-quality climate and nature finance, including through blended finance and innovative instruments, better integration of carbon and nature markets, scaling pre-arranged finance, and the use of insurance-linked instruments. We will provide technical assistance to develop project pipelines, addressing policy and regulatory risks while tackling market failure to unlock new investment from all sources. We will draw on UK strengths, including the City of London's position as a global sustainable finance hub.



Sustainable Energy Facility for the Eastern Caribbean

© Green Climate Fund / Little Big Films

3. **Deliver an additional £6.7 billion of UK public investments to drive climate and nature outcomes.** We will use equity, debt, guarantees, insurance and export credit that enables private lenders, exporters and institutional investors to participate in climate-aligned projects they could not support alone.

4. **Strengthen national systems and ensure finance delivers real impact for vulnerable countries, people and ecosystems.** We will back country-led approaches to priority setting, planning and co-ordination, including through supporting country platforms and ambitious nationally determined contributions and National Adaptation Plans, main streaming climate into national plans and budgets, and strengthening policies and regulations that drive investment in climate transitions. We will work to strengthen macro-fiscal frameworks and public financial management, increase fiscal space through domestic revenue mobilisation, improved debt management and pre-arranged finance mechanisms, and target more affordable finance where needs are greatest including at local levels.

Examples of how we will do this

ICF4 will make full use of the UK's suite of financial instruments, addressing multiple market barriers to mobilise billions and align capital for climate and nature outcomes. Examples include the following.

- **The Private Infrastructure Development Group (PIDG)** puts climate and nature at the heart of its 2023 to 2030 strategy. For example, PIDG's debt arm is investing $45 million to accelerate commercial and industrial renewable energy projects across Africa.
- **FSD Africa** uses catalytic public finance to strengthen African financial markets, addressing barriers and crowding in private capital for green investment at scale.
- **The Market Accelerator for Green Construction (MAGC)** mobilises over $30 for every $1 of UK ODA, to address barriers in green building sectors. MAGC helped shift 25% of all Colombian residential new builds to be certified to a green building standard.
- **The Climate Finance Accelerator** strengthens project pipelines and supports policy and regulatory reform, mobilising over $500 million through more than 230 projects from 2020 to 2024.
- We will also shape sector-specialist investment vehicles to ensure greater sustainability and impact in priority sectors, including energy, forests, agriculture and food systems.

The UK Government will invest £6.7 billion of public finance, alongside ODA, to deliver climate and nature impacts, through the following methods.

- **Investment from British International Investment** (BII) – the UK's development finance institution.[1] BII's new five-year strategy has a major focus on supporting climate transition across Africa and Asia. BII will aim to commit between £7 billion and £8 billion in investment over five years with at least 40% of this in climate finance. A new BII initiative, British Climate Partners, will seek to mobilise private capital at scale to support energy transition in high-emitting emerging economies (initially in India and Southeast Asia) by developing a strong pipeline of bankable deals. The new strategy also continues to embed nature-related risks and nature finance criteria into BII's investment processes, providing a joined-up investment strategy.
- **Financing from UK Export Finance** (UKEF) – providing government-backed finance and insurance to help UK businesses export internationally. A £12.5 million loan guarantee issued by UKEF has enabled British firm Dints to supply goods and services to infrastructure and renewable energy operations in Angola.
- **The UK is using its balance sheet to issue guarantees to MDBs,** increasing the volume of affordable climate and nature finance for developing countries. Our contribution of Special Drawing Rights to the International Monetary Fund's Resilience and Sustainability Trust will mean long-term macro-critical risks posed by climate change are better managed.

How we will measure success

- **KPI 11:** Volume of public finance mobilised for climate change purposes
- **KPI 12:** Volume of private finance mobilised for climate change purposes

1 This refers to BII's contribution to £6.7 billion of non-ODA finance. The ICF ODA contribution to BII comes under the overall commitment of around £6 billion.



The KawiSafi Ventures Fund

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Little Big Films



Priority 2: Transform the global energy system to deliver clean and affordable energy for all

Intended outcome

Accelerated just and inclusive energy transitions in priority Emerging Market and Developing Economies by unlocking public and private finance at scale via the strategic, co-ordinated deployment of UK and partners' expertise, innovation and investments.

Photo: Water Sector Resilience Nexus for Sustainability in Barbados (WSRN S-Barbados)

© Green Climate Fund / Simon Wilson

Objectives for ICF4

1. **Transform energy supply, access, and end-use sectors.** The UK will focus effort where our expertise and capabilities align with country-led priorities and global targets for the clean energy transition. This includes energy access (and clean cooking), grids, renewables, electrification, green industrialisation and energy efficiency to 2030 and beyond. Alongside this, we will support fossil fuel transition, including coal phase-out by 2040.

We will leverage the full range of UK capabilities (across HMG and beyond) co-ordinating with international partners to maximise impact.

2. **Unlock large-scale public and private investment for energy transitions in priority EMDEs.** We will strengthen project pipelines and bring new solutions to bankability, support policy reforms and other measures that improve business and enabling environments and de-risk investments. We will advance critical national and cross-border clean energy infrastructure, leverage MDB contributions to shape strategy and initiatives, alongside providing affordable public finance and UK financial and professional services.

3. **Catalyse green jobs, growth and wider shared prosperity and security in priority EMDEs.** We will use the just energy transition as a catalyst for wider economic growth, investment and innovation, strengthening energy and supply chain security and mutually beneficial strategic partnerships.

Examples of how we will do this

The UK will mobilise, co-ordinate and prioritise the UK's support offer on critical EMDE **Country Partnerships** where we judge there is the greatest potential to support the delivery of country-led energy transition ambitions (including through the Global Clean Power Alliance (GCPA) Finance Mission). This will draw on bilateral programmes and domestic expertise, multilateral programmes, delivery partners and wider UK capabilities, as well as seek to co-ordinate with other donors and actors, to achieve the greatest transformational impact. Partnerships will focus on countries with broader ICF portfolios and diplomatic engagement, complementing work on climate governance and wider climate and nature programming and engagement.

The UK will leverage its role as a leading funder and board member of the **Climate Investment Funds (CIFs)** to drive even greater ambition for climate action. The CIFs play a key role in scaling MDB investment. UK support is driving greater speed, scale and private capital mobilisation through programming such as AMPLIFi, Sector Thematic Transformational Investment Plans, the CIF Capital Markets Mechanism, and a modernised, flexible and innovative Strategic Climate Fund. In addition, the CIFs help catalyse green jobs and growth, having supported over 6.5 million person-years of employment and generated $46.4 billion in economic value added.

The UK is also one of the largest donors to the Green Climate Fund (GCF) which works with developing countries to support investment in mitigation and energy transition through support for long-term planning, provision of technical assistance to build national capacity and align domestic financial systems with development priorities, and de-risk investments in early-stage technologies and early-stage markets to build markets and crowd-in private finance.

The **Ayrton Fund** is a partnership platform co-ordinating UK international support for clean energy innovation in EMDEs across the Foreign, Commonwealth and Development Office (FCDO), the Department for Energy Security and Net Zero (DESNZ) and the Department for Science, Innovation and Technology (DSIT). Started in 2021, innovations supported through the Ayrton Fund to date have proven the viability of key innovative solutions in EMDEs, positioning them for private sector investment and have improved access to clean energy for 37 million people, leveraged £2.5 billion in additional private and public investment, and created and supported around 200,000 green jobs. The Ayrton Fund will evolve in line with ICF4 priorities, including enhancing partnerships to leverage the capabilities of the UK's unique innovation ecosystem.

How we will measure success

- **KPI 2:** Number of people or social institutions with improved access to clean energy
- **KPI 6:** Tonnes of greenhouse gas emissions reduced or avoided
- **KPI 7:** Megawatts of installed capacity of clean energy
- **KPI 15:** Extent to which ICF intervention is likely to lead to transformational change

Energy transition is the transition from reliance on fossil fuels and non-renewable biomass, to affordable, reliable, sustainable and modern clean energy for all, in line with the Paris Agreement and SDG7. Recognising each country has its own unique energy transition starting point and pathway, the energy transition includes decarbonising energy production and improving energy access, modernising grids, distributed and off-grid solutions, energy markets for greater efficiency and resilience, reforming regulatory and financing systems, electrifying or otherwise decarbonising end-uses across transport, industry and buildings, and improving energy efficiency at scale throughout the energy system.



Mobile Power (MOPO), funded through Transforming Energy Access

© MOPO Battery Rental Hub



Priority 3: Accelerate a transition to climate-resilient communities, economies and ecosystems

Intended outcome

Accelerated transition to climate-resilient communities, economies and ecosystems by enabling people, businesses and governments to adapt to and build resilience to climate impacts, supporting sustainable and climate resilient, health, social protection, water and agriculture systems.

Photo: Resilience to hurricanes in the building sector in Antigua and Barbuda

© Green Climate Fund / Little Big Films

Objectives for ICF4

1. **Strengthen people-centred climate resilience.** We will scale anticipatory and early action systems backed by pre-arranged finance, build climate responsive humanitarian and social protection capabilities, and promote climate-resilient, nature-positive food, land and water systems. We will enable more vulnerable people to anticipate, absorb and recover from climate impacts, while enhancing humanitarian and recovery responses to climate-related shocks.

2. **Enable transition to climate-resilient sustainable agriculture and food systems through scaling agri-tech and innovation, policy and governance reforms.** This will expand climate-resilient, nature-positive nutritious food production and improve food and water security – lowering emissions and protecting ecosystems through sustainable productivity increase without land use expansion.

3. **Embed climate and nature risk and resilience across critical sectors and systems.** We will help governments factor climate and nature risks into economic decisions, budgets and public spending, so nature is properly considered in national policies. We will also support governments and businesses to better understand and manage climate and nature risks and support sustainable land and water management in global supply chains, and improve how these risks are identified and reported to support more resilient long-term decisions.

4. **Get finance to where it is most needed.** We will unlock climate resilience action at scale by supporting shifts to system-wide and whole-of-economy reforms that embed climate and nature risk. We will focus on fragile and conflict-affected settings through our bilateral portfolio. We will put locally led, inclusive approaches at the core of planning and investment so that resources respond to community priorities and drive resilience on the ground.

Examples of how we will do this

Improving climate risk data and pre-arranged finance (PAF)

Through a Met Office Strategic Partnership and UK-funded global programmes, the UK is improving climate risk data and weather and climate information systems to support adaptation, resilience and climate-informed investment in vulnerable countries. This includes strengthening early warning, anticipatory and early action and embedding climate risk in national policies.

In parallel, the UK is mobilising pre-arranged finance that can be released more rapidly and predictably ahead of, or shortly after climate-related shocks, reducing loss of life, economic damage and humanitarian need and supporting faster recovery from disasters and increasing resilience. We are also integrating shock responsiveness into our public financial instruments, for example, through UKEF's Natural Disaster Clauses. The UK advances this overall approach through a consistent international campaign across the G7, G20 and MDB boards, including through the Sevilla Platform for Action.

Delivering adaptation at scale

As well as being the third-highest donor to the World Bank's International Development Association – the largest source of affordable climate finance to Least Developed Countries – the UK is also one of the largest donors to the GCF, which helps strengthen climate resilience by financing large-scale adaptation initiatives.

The GCF has helped 249 million people adapt to climate change, restored 33 million hectares of ecosystems, and protected critical infrastructure worth over $443 million. At least 50% of all adaptation finance is directed to the most vulnerable countries. Alongside support through MDBs and MCEFs, our contributions to the Least Developed Countries Initiative for Effective Adaptation and Resilience (LIFE-AR) will strengthen policies for greater support to country-driven and country-led resilience.

Finally, through UK support to CGIAR, the world's leading agricultural research partnership, we help develop and test solutions that strengthen resilience to drought, floods, pests and disease. UK investment in CGIAR delivers strong value for money, with every £1 generating £1.60 to £2.40 in productivity gains for UK farmers who also benefit from innovations.

UK expertise and support will help partner countries move from small-scale pilots to wider delivery by aligning proven agricultural technologies with public and private finance, and by addressing policy, governance and system barriers.

How we will measure success

- **KPI 1:** Number of people supported to better adapt to the effects of climate change
- **KPI 4:** Number of people whose resilience has been improved
- **KPI 6:** Tonnes of greenhouse gas emissions reduced or avoided
- Annually publish pre-arranged finance as a percentage of overall crisis finance spending



IWMI Sri Lanka (International Water Management Institute), funded by the CARA programme (Climate Action for a Resilient Asia)

© IWMI Sri Lanka



Priority 4: Safeguard and sustain nature, including forests, oceans and coastal, terrestrial and freshwater ecosystems

Intended outcome

Strengthened protection and sustainable management of nature, particularly tropical forest and ocean ecosystems that underpin global biodiversity, economic stability, and food and water security.

Photo: Ecosystem Restoration Concession (ERC) funded by Partnerships for Forests

© Feri Latief

Objectives for ICF4

1. **Support the inclusive conservation and sustainable use of biodiversity in critical ecosystems.** Improve strategies and incentives to protect ecosystems and their services by strengthening land and water management, improving tenure security and tackling environmental crime.

Scale sustainable, nature-positive and circular economic systems across priority countries, through targeted research and development, fostering sustainable value chains and supporting nature-positive food and farming practices. This will improve livelihoods, water and food security for people living in poverty and centre the leadership of women and Indigenous Peoples.

2. **Strengthen the protection and sustainable management of tropical forests particularly in the Amazon, Congo Basin and Southeast Asia, slowing loss and avoiding tipping points.** Improve tropical forest governance by tackling illegality, addressing policy and regulatory weaknesses, and improving tenure rights for Indigenous Peoples, local communities, and women living in and around forests. Transform markets and supply chains to support deforestation-free trade, mining and growth, which will increase supply chain resilience and improve livelihoods for cocoa, coffee and palm oil smallholders.

3. **Increase the resilience of coastal communities, ocean economies, and marine and freshwater ecosystems.** Work in partnership with local communities and partner governments, including in the Coral Triangle, Western Indian Ocean and Small Island Developing States (SIDS), to increase the area of ocean, coastal and freshwater ecosystems that are protected and sustainably managed and improve water security.



Matumbawe-Hai: Revitalizing Livelihoods in SOMAKI-CFMA through Co-management, Habitat Restoration, and Eco-tourism

© Action for Ocean Tanzania

Examples of how we will deliver

Partnerships for Forests works in partnership with the private sector to mobilise investment into forest protection and restoration. A first phase of the programme running from 2015 to 2024 mobilised over £1.3 billion in private investment, at a ratio of £11 of private investment for every £1 of ODA funding. This resulted in the protection and restoration of forests across 9 million hectares of land and brought benefits to over 325,000 small farmers in remote forest landscapes. A second phase of the programme will build on this to scale-up impact to secure wider transformational change for private sector involvement in nature finance.

Investing in MCEFs, such as the **Global Environment Facility (GEF)** and the GCF, will complement bilateral investments in the portfolio to deliver strategic priorities. This includes safeguarding critical forest, coastal and freshwater ecosystems, supporting sustainable agriculture, and strengthening food systems and water security. For example, the Amazon, Congo, and Critical Forest Biomes Integrated Program under GEF, will contribute to better conservation of primary forests, providing information and visibility of Intact Forest Landscapes in the climate and biodiversity agenda. It focuses on improving forest governance, securing indigenous land tenure, promoting sustainable land use and water security, and curbing deforestation, particularly in the Congo Basin's 240 million hectares and the Amazon. This action at the national and regional level helps create the enabling conditions for the governance and market reforms promoted by UK bilateral programming to succeed.

How we will measure success

- **KPI 8:** Ecosystem loss avoided
- **KPI 10:** Value of ecosystem services generated or protected
- **KPI 17:** Area under sustainable management practices
- Support for the Global Biodiversity Framework's target to increase international finance flows to developing countries to $30 billion by 2030



Vanuatu community-based climate resilience project (VCCRP) © Save the Children Australia

Delivering results and value for money

In a rapidly evolving global environment, we recognise we need to adapt ICF to reflect our modern approach to development. We are therefore committing to the following principles.

- **Streamlining our portfolio.** ICF4 will demonstrate our shift from breadth to depth in our bilateral programming in order to maximise impact and influence in a context of reduced bilateral ODA budgets.
- **Driving optimal use of resources through bilateral programming choices.** Prioritising proven delivery vehicles which provide strong value for money, maximising co-benefits between adaptation, mitigation and nature interventions and avoiding the risk of crowding out other investment.
- **Using research and evidence** to drive innovation and impactful investment in what works, increasing understanding of future climate change and climate-compatible growth.
- **Strengthening domestic systems,** ensuring that external climate finance supports and promotes strong fiscal management and effective public financial management in developing countries, including fiscal transparency and accountability.
- **Embedding inclusion.** Putting the most vulnerable at the heart of action by supporting their agency, participation and leadership in decisions that affect them. We will ensure that all ODA programmes continue to be Paris-aligned, integrating gender equality, disability and social inclusion (GEDSI) throughout the design and delivery of ICF programmes. New ICF programmes will be designed to be 'GEDSI empowering' and to score a 1 ('significant') against the OECD Development Assistance Committee (DAC) gender marker.
- **Improving our reporting.** The UK submits Biennial Transparency Reports (BTRs) on our ICF to the UNFCCC as part of our Paris Agreement obligations. We will continue reporting regularly to the OECD on international finance spend and to the Convention on Biological Diversity on our international biodiversity spend. We go beyond this to publish an annual ICF Results publication, which will be published as Official Government Statistics for the first time this year, demonstrating greater robustness and transparency of our data.

- **Investing in monitoring,** evaluation and learning by delivering the cross-government ICF Portfolio Monitoring, Evaluation and Learning (PMEL) programme to strengthen accountability and transparency, while supporting the Government and delivery partners to learn from evidence and adapt programming over time. We will also drive transparency, investment in data and lesson sharing from multilaterals (MDBs, vertical funds).

• **Investing in how data is collected, assured and used.** This will underpin our monitoring, evaluation, learning and reporting approaches, helping build a deeper understanding of ICF's contribution to outcomes – informing internal ICF investment decisions.



Climate Resilient Water Sector in Grenada (G-CREWS)

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