

PROPOSAL EXECUTIVE SUMMARY

to the GCF Funding Proposal

Climate-resilient Landscapes in Central Asia (CLiCA)

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Submitted by:

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Climate change is intensifying risks to **agriculture, forestry, and other land use (AFOLU) sectors in the Kyrgyz Republic, Tajikistan, and Uzbekistan**, particularly in the Fergana Valley, Surkhandarya and Khatlon. Rising temperatures, drought, shifting seasonal runoff and heavier rainfall are heightening heat and water stress, erosion and land degradation, reducing the productivity and stability of crops, pastures and forests. These risks cross borders - mountain snow and ecosystems regulate downstream water supplies, while connected river basins, irrigation systems, pastures and forests transmit impacts across administrative boundaries. Coordinated regional action is therefore needed alongside national and local measures. AFOLU emissions have increased since the 1990s, while land-based removals have not kept pace. Relative to continued unsustainable land management, improved cropland and orchard practices will reduce emissions and increase soil carbon, while pasture and forest restoration and afforestation will increase biomass and ecosystem carbon stocks.

The programme will catalyse **a systemic shift towards climate-resilient, low-emission (CRLE) AFOLU development**. Component 1 will embed climate information in land-use planning, decision-support systems, public expenditure and investment prioritisation, while strengthening capacities to mobilise climate finance. Component 2 will translate plans into locally-led investments in sustainable agriculture, pasture and forest restoration and value-chains. Tailored extension, business support and financing will enable smallholders, forest and pasture users, and MSMEs, particularly women and youth, to adopt CRLE practices and technologies. Component 3 will establish foresight processes, regional AFOLU development pathways, knowledge exchange and an investment platform for coordinated transboundary action. Together, these interventions move beyond isolated investments, institutionalising climate-informed land-use planning and coordination, strengthening financial frameworks, improving capacities and enabling lasting changes in land-user behaviour.

The programme will be implemented by GIZ with national executing entities, i.e., MoWRAP and ARIS in the Kyrgyz Republic, CIIP in Tajikistan and NCECC in Uzbekistan as well as MoFs of the respective countries. The programme combines GCF financing with co-financing from BMZ and the countries' own contributions. EIB co-financing of EUR 120 million is envisaged, subject to sovereign borrowing decisions, EU budget approval, and final implementation arrangements. This could scale CRLE agriculture investment, strengthen local financial institutions, crowd in private resources and expand access to affordable finance for rural MSMEs. The programme aligns with the countries' NDCs and Land Degradation Neutrality targets and is expected to enhance the **resilience of 1,046,062 direct and 1,480,919 indirect beneficiaries, avoid or sequester 6.95 million tCO₂e, and bring 939,354 hectares of land under sustainable management, conservation, or restoration** across 180 municipalities.

GCF support is additional because the **required transformation cannot be financed through constrained public budgets or commercial capital alone**. It will fund essential public-good, restoration and investment-preparation activities, de-risk MSME finance and mobilise further public and private investment. Sustainability will be achieved by institutionalising CRLE approaches in land-use planning, production, finance and regional cooperation, while replicable delivery models, investment pipelines, green-bond development, the envisaged EIB credit programme and the regional investment platform will support expansion to new beneficiaries and areas.