



**GREEN
CLIMATE
FUND**

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Consideration of funding proposals – Addendum XVII

Response from the accredited entities to the
Independent Technical Advisory Panel
assessment

Summary

This addendum contains the response from the accredited entities to the independent Technical Advisory Panel assessments of funding proposals (FP082-FP090) submitted for the Board's consideration at its twentieth meeting.

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Reply to the Independent Technical Advisory Panel assessment findings (FP 082)

Proposal name: Green Cities Facility

Accredited entity: European Bank for Reconstruction and Development (EBRD)

Impact potential
Thank you for the positive review. No further comments.
Paradigm shift potential
Thank you for the positive review. No further comments.
Sustainable development potential
Thank you for the positive review. No further comments.
Needs of the recipient
Thank you for the positive review. No further comments.
Country ownership
Thank you for the positive review. No further comments.
Efficiency and effectiveness
Thank you for the positive review. No further comments.
Overall remarks from the independent Technical Advisory Panel:
Thank you for your recommendation.

Reply to the Independent Technical Advisory Panel assessment findings (FP 083)

Proposal name: Tonga Renewable Energy Project under the Pacific Islands Renewable Energy Investment Program

Accredited entity: Asian Development Bank

Impact potential
<p>Thanks a lot for iTAP's positive comments with the 'High' rating. A couple of minor corrections are as follows:</p> <ul style="list-style-type: none"> (i) Under Phase 3, 4 MW solar PV farms 3.8 MW wind farm are expected to be developed by the private sector; (ii) A total target installed capacity of BESS on Tongatapu is 10.1 MW/19.9 MWh.
Paradigm shift potential
Thanks a lot for iTAP's positive comments with the 'High' rating.
Sustainable development potential
Thanks a lot for iTAP's positive comments with the 'High' rating.
Needs of the recipient
Thanks a lot for iTAP's positive comments with the 'High' rating.
Country ownership
Thanks a lot for iTAP's positive comments with the 'High' rating. A minor correction is that so far GCF's Board approved three funding proposals for the Pacific prepared by ADB (Fiji, Nauru and the Cook Islands). The funding proposal has been revised accordingly.
Efficiency and effectiveness
Thanks a lot for iTAP's positive comments with the 'High' rating. A minor correction is that ADB is expected to provide USD 12.20 million in the form of a grant
<i>Overall remarks from the independent Technical Advisory Panel:</i>
<p>Thanks a lot for recommending that the Board approve this project funding proposal. As part of ADB's standard project preparatory requirements, the project administration manual (PAM) will be prepared. As iTAP requested, we will include the methodology covering GHG emissions reductions brought about by the funded activity in the PAM and submit it to the GCF secretariat prior to the FAA execution.</p>

Reply to the Independent Technical Advisory Panel assessment findings (FP 084)

Proposal name: South Tarawa Water Supply Project

Accredited entity: Asian Development Bank

Impact potential

Thank you for your comments and the positive review. We agree with the assessment that the impact potential is high, especially given the project will directly increase climate resilience of the entire population of South Tarawa (53% of Kiribati's population).

(6) Sea level rise *will* increase the incidence of overtopping. However, current and future incidences are not *known*. Note the return periods provided are based on models, not measurements.

(8) Although there are no recorded incidents of climate events affecting the lens yield; best available projections are that climate change will result in future events. Further, as overtopping and prolonged drought are separate phenomena, they could occur simultaneously with catastrophic impact.

(16) The climate change and WASH awareness program has been designed to reach all South Tarawa's communities.

(18) Solar offset in 2041 (73%) is conservative, assuming the balance of renewables/fossil-fuel generated electricity is the same in 2041. Government plans to increase the proportion of renewable energy in Tarawa hence it is expected that solar offset in 2041 will be higher than the 73% indicated.

(footnote 6): The FP and Annex 5 analyzed and interpreted BIVA's findings. The FP did not refer to BIVA's conclusions.

Paradigm shift potential

Thank you for your comments and positive review. We agree that the project has significant potential for replication in other Pacific Islands.

(21) On innovation, desalination at the scale proposed for South Tarawa has not been implemented to-date in the Pacific Islands, nor has any desalination project in the Pacific had a renewable energy offset at the scale proposed. Further, performance-based contracts are considered an innovative approach to contracting water supply services in the Pacific.

(24) The updated figure for additional support to offset PUB's operating losses is around A\$1.5m (\$1.1m). Government has provided a community service obligation (CSO) in recent years to assist PUB to deliver water and wastewater services to the people of South Tarawa. The CSO has varied year to year and been as high as A\$1.85m (\$1.4m).

Sustainable development potential

Thank you for your comments and positive review. We agree that the most significant social co-benefit relates to the improvement in health that will be achieved by the significant increase of safe potable water availability. Overall, we expect the provision of a safe, sufficient, climate-resilient water supply will be a truly transformative event in the lives of all people in South Tarawa, and that the health, social, gender, economic and environmental co-benefits will be significant.

(30) Non-physical environmental co-benefits (such as improved use, management and conservation of freshwater) will be derived through environmental, health and safety training, capacity building, and implementation of the water conservation and WASH awareness program.

(33) Expected results of the South Tarawa Sanitation Improvement Sector Project include that 80% of the South Tarawa community in the 3 main population centers (Bairiki, Betio, and Bikenibeu) will have access to improved sanitation by end-2019. Refer <https://www.adb.org/projects/documents/kir-south-tarawa-sanitation-improvement-af-rrp>.

Needs of the recipient

Thank you for your comments and positive review. We agree that the needs of Kiribati are high, given the country's high vulnerability to climate change; its classification as a SIDS, Fragile State and Least Developed Country; and limited financial capacity.

(40) See response to para 8 above.

(footnote 21) note that BIVA (not prepared for this project) modelled sea overtopping in different scenarios. This Proposal analyzed BIVA's findings. It found that serious overtopping could be expected every 100 years in current climate. With climate change, it can be expected every twenty years.

Country ownership

Thank you for your comments and positive review. We agree that Kiribati's ownership of this project is high, as reflected in national policies and strategies; Government's significant contribution to the project and commitment to meeting the balance of financial resources needed for ongoing O&M; and the high level of engagement with civil society that will continue during project implementation.

Please note the figure of \$1.5m presented for the Government's contribution reflects only the cash contribution, and excludes the significant in-kind contribution made by the Government (e.g. tax exemptions, the utility's involvement in pipe-laying works, land, staff assigned to the PMU and office space). The \$1.5m cash contribution will fully finance the implementation of safeguards, gender action plan, participation plan and stakeholder communication strategy, as well as part of the water supply network rehabilitation. Government is also financing (parallel to the project) the provision of rainwater tanks to all households in Kiribati – an important complementary initiative that will further strengthen the resilience of Kiribati's water sector.

Efficiency and effectiveness

Thank you for your comments and positive review. Please note the following:

(52) Selection of desalination is based on investigations over several years by different institutions - see FP F.2.

(55) Overall per capita cost represents the relatively high costs of infrastructure and project implementation in a remote island context. As noted in the assessment, desalination is the most cost-effective and reliable climate resilient option for meeting South Tarawa's water needs.

(58) Please note update to EIRR = 13%

(61) Please note update to GCF funding = 49%

(62) Baseline design considered traditional water meters for operational simplicity. Should PUB wish to introduce prepaid meters, the project could undertake deeper assessment/piloting of feasibility in some South Tarawa's communities with PUB's capacity.

Overall remarks from the independent Technical Advisory Panel:

Thank you for your positive review and remarks on the STWSP.

The current drinking water system depends on water supply from the underground lenses and then distribution through a reticulated network. Current problems are with the network – it is dilapidated due to lack of investment and O&M. Currently, the lenses are in good condition – although withdrawals are close to the sustainable limit. Looking into the near future, the water in these lenses is seriously threatened by climate change and they can no longer be fully relied upon as the main source of water. It is this urgent need for a climate resilient water source to which this project, with GCF support, responds. The project also responds to the development needs (i.e. rehabilitating the network) and this will be financed by the ADB and World Bank.

Willingness to pay has been demonstrated through (i) several studies outlined in the FP section F.1; and (ii) the fact that many are already paying for water at a rate much higher than that presented in the “working tariff”. A willingness to pay study is ongoing as of June 2018 and results are expected mid-2018. 100% of South Tarawa's population will have access to treated water through household connections, and community tap stands will provide free water as a safety net for the poor. The latter is expected to minimize the likelihood that consumers would still choose to use contaminated groundwater over charged piped water.

Reply to the Independent Technical Advisory Panel assessment findings (FP 085)

Proposal name: Enhancing Climate Resilience of India's Coastal Communities

Accredited entity: UNDP

Impact potential
The HIGH rating is noted.
Paradigm shift potential
The HIGH rating is noted.
Sustainable development potential
The MEDIUM rating is noted. The project has significant synergistic benefits across resilient ecosystems and livelihoods yielding environmental, social, and economic benefits including carbon sequestration; improved safety, food security, and quality of life; as well as improved incomes and job opportunities with strengthened ecosystem services and agricultural value-chains.
Needs of the recipient
The HIGH rating is noted.
Country ownership
The HIGH rating is noted. We note that consultations with community representatives were underestimated, based on a reference to the Feasibility Study, not the Stakeholder Consultations annex which details this information. The Stakeholder Consultation Report, now further updated, details 17 community-level consultations were held between August and December 2016 in the three states.
Efficiency and effectiveness
The MEDIUM rating is noted, with the positive findings on cost-effectiveness and efficiency, co-financing, and application of best practices. With the integrated approach to ecosystem restoration and mutual reinforcing benefits of resilient ecosystems and livelihoods, the project has overall significant economic returns and efficiencies.



Overall remarks from the independent Technical Advisory Panel:

We thank the iTAP for the recommendation approving this project.

We also note the panel's recommendation for a potential "payment for ecosystem services" mechanism and will explore this with the project proponents, the MoEFCC and State Governments, as an opportunity for expansion/scalability.

Reply to the Independent Technical Advisory Panel assessment findings (FP 086)

Proposal name: Building livelihood resilience to climate change in the upper basins of Guatemala's highlands

Accredited entity: International Union for Conservation of Nature IUCN

Impact potential

Thank you for your review, TAP's comprehensive analysis of the impact potential is appreciated. However, comment 14 requires further clarification:

The rationale for the climate-driven information system supporting the logic of the project's interventions (explained in page 21 of the FP, and graphically in Figure 6, as well as in Annex 21) reinforces that decision making at the plot level will rely on EbA practices supported by climate-related information delivered to local producers and farmers via an early warning system that is culturally and technologically adapted. The logic for this is that rural Highland farmers are particularly vulnerable to the unpredictability and intensity of hydro-meteorological events, with experience showing that early warning systems can bring benefits to these otherwise marginalized groups. Information will be delivered by using and strengthening existing networks and mechanisms in the area: INSIVUMEH local capacities, local CBOs, extension workers from MAGA and INAB, and via communication means (TV, radio and newspapers).

Paradigm shift potential

Thank you for the positive assessment.

Sustainable development potential

Thank you for the assessment. The proposal has indeed multiple co-benefits that contribute to Guatemala's sustainable development. Biodiversity enhancement is in fact an underlying principle of EbA. The utilization of native species and use of local biodiversity in EbA practices is stated in Table 1, Annex 21, as a key element for EbA – "EbA makes active use of biodiversity and ecosystem services"; Table 2 as one Dimension that needs to be satisfied to be considered agricultural EbA (Ecosystem-basedness). Additionally, in the FP, Table 1. "Agricultural practices that promote ecosystem-based adaptation, listing relevant species" a list of native and appropriate species are listed according to the EbA practice type.

Needs of the recipient

No further comment, EA appreciates and shares TAP assessment on the high needs of Guatemala as recipient of this project.

Country ownership

No further comment, EA appreciates and shares TAP members' assessment on the high level of country ownership.

Efficiency and effectiveness

Thank you for your assessment, no further comment.

Overall remarks from the independent Technical Advisory Panel:

TAP inputs to the proposal are highly appreciated as well as its endorsement. Interaction with TAP members allowed for a rich and fruitful discussion which enhanced the proposal in several fronts. Regarding the proposed conditions:

Condition 1. A suite of possible EbA practices to be promoted by the Grant Project Mechanism are described in Annex 21 – EbA mainstreaming and implementation mechanisms. These measures must be in response to hydro meteorological events that are both being evidenced, as well as forecast (e.g. such as information disseminated to the agricultural sector through the Regional Climate Forum). In preparing the TORs of the Grant Mechanism's call-for-proposals, specific consideration will be given to the forecasts currently being produced and those that will be fine-tuned to the Guatemalan highlands. A report will be presented to the GCF Secretariat, after signature of the Agreement, to lay out the steps to incorporate climate-related information criteria into each call for proposals.

Condition 2. The condition has been addressed, as the Steering and Evaluation Committees for the Grants accommodate now a broader group of stakeholders (as reflected in Annexes 14 – Governance Structure for the Grant Mechanism and Annex 23 – Grant Mechanism Manual):

Ministry of Planning (Segeplan) and Ministry of Agriculture are now part of the Steering Committee of the Project, as reflected in the Grant Operations Manual; and

Evaluation Committee accommodates a representative from Civil Society and an additional member from academia as reflected in the Grant Operations Manual and Governance Structure for the Grant Mechanism.

Reply to the Independent Technical Advisory Panel assessment findings (FP 087)

Proposal name: Upscaling climate resilience measures in the dry corridor agroecosystems of El Salvador (RECLIMA)

Accredited entity: FAO

Impact potential

We thank the iTAP for reviewing the project. We believe that the project has a significant impact potential on a highly vulnerable setting. The Climate Change Vulnerability Index classifies El Salvador at extreme risk. El Salvador's high dependence on the agriculture sector as a source of income and employment is reflected in this risk classification in terms of its low adaptive capacity. The World Risk Report (2016) ranked El Salvador as the world's 8th in highest in exposure and 1th most at risk. The 2007-2008 agricultural census identified that at least 395,000 farmers struggle to feed their families and generate and sell surplus. The project has a high impact potential targeting a significant number of beneficiaries, in particular it will benefit to 225,000 farmers in 50,000 family farms, representing 12.6% of the total number of farmers of the country and 33% of the most vulnerable being affected by climate change in the Dry Corridor of El Salvador.

We would like to clarify that the number of families to benefit from increased access to safe water supply is 3,930 instead of 1,328 as stated in the assessment.

Paradigm shift potential

The project is transformative. It will shift practices from the current non-sustainable agricultural production system in the country to a resilient sustainable food system. The main baseline investment, the Paquete Agrícola, provides un-adapted standard seeds (hybrids) and synthetic fertilizer that does not promote climate adaptive practices. Because of the dire state of agriculture in El Salvador and the increasing effects of climate change, the immediate short-term needs is to focus on changing the foundation of the food production system and developing the basic infrastructure, technical expertise and technical knowledge for agricultural sustainability and resilience.

The national priority is to address sustainability and resilience of basic staple foods by transforming the existing national program to Paquete Agrícola ++ that: scales up the use of resilient opened pollination seeds varieties, mainstreams adaptation practices, enriches extension services by enabling learning and integrates the landscape approach, encourages agriculture and environment institutions to work together, and improves water collection and management systems. Beyond the successful transformative shift in the food systems, the project also promotes alternatives and options for crop diversification through supporting vegetable gardens and through technical assistance in farmer field schools, promoting sorghum, cassava, sweet potato, medicinal plants, fruit trees (mango, citrus). However, the staple crops are the priority and these diversification options are typically less water efficient. In the medium- to long-term, the government will have the ability to expand this sustainable system nationally to be able to stabilize food security, diversify the food production system

(including improving access to markets to increase food security and diversify livelihood options)

The approaches promoted in the project are scalable with continued national investments. The project is leveraging on existing national, municipal and community arrangements that can sustain the initiatives beyond the project lifetime. The national government can translate the same approaches to cover other vulnerable communities in the region. The project will collect lessons learned through a robust monitoring and evaluation process, including impact evaluation, on technical aspects, participatory mechanisms, and governance and coordination of government agencies that are key to project success.

Sustainable development potential

We thank the iTAP for the positive feedback. For clarification, the project interventions address behavioral shift at the family farmer level as well as in governance. It aims to change behaviors and practices to a sustainable pathway focusing on agroecosystem-based adaptation, productivity, livelihood and structural diversification, farmer-led technology development and knowledge management, community-based landscape governance ecosystem restoration and provision of increased services and information-led approaches to adaptation. Clustering of beneficiaries and location relative to restoration areas is included in the community-level planning and prioritization exercises to be facilitated by Community Development Associations (ADESCOs). Co-benefits include increased food production leading to savings on food expenditure, increased incomes through the sale of surplus production, improvements of the quality of water used for domestic purposes, improvements in the nutritional quality of the diets and improvements in social cohesion. The financial and economic analyses show that the agro-ecosystem and agroforestry interventions do provide positive benefits relative to the non-adaptive scenario, which could lead the beneficiaries to a resilient sustainable development pathway.

Under Activity 1.3 the project will strengthen human and institutional capacities for sustainability and scaling up of adaptation strategies, involving Farmer Field Schools and ADESCOs for communication between farmers and community members, and local governments as channels for inter-community communication.

The project includes several activities focused on women’s decision-making, and the leadership role of women in land management and agriculture as described in the RECLIMA Gender Action Plan.

Needs of the recipient

We thank the iTAP for the positive feedback. The project will directly reinforce municipal governance and community involvement. The project will work within existing structures at both municipal and community levels that are formally recognized in national legislation with regards to roles, functions and responsibilities, and have been proven to work and to enjoy social legitimacy; and to exercise leverage on local planning processes. The project will focus on municipalities and community-based organizations (CBOs). In particular, ADESCOs will be the principal mechanism for project interaction with local communities. Municipalities and

ADESCOs will be empowered to influence project implementation directly, through their participation in the local level project Territorial Steering Committees (TSC), and focus for self-oversight in local communities. ADESCOs are important for community mobilization and can follow up and oversee actions on the ground. This will be key in ensuring the sustainability of RECLIMA activities, particularly on watershed rehabilitation and restoration.

Country ownership

We thank the iTAP for the positive feedback. We agree with the iTAP that there are complex governance and institutional arrangements at different levels and different sectors. In fact, the project will directly support the increased effectiveness of these institutions. The project approach is in accordance with the principles of “nested governance”, in which resource management based on integrated and well-linked resource systems (nested within national and local agendas, regimes, networks, and legal systems) and with multiple beneficiaries are more robust/resilient than systems with fewer linkages.

We emphasize that as part of the activities, the project will mainstream climate change in already existing governance structures and in planning instruments such as territorial planning documents, watershed management plans, participatory strategic plans, municipal risk management plans, and local sustainable development plans. This is reflected in Activity 3.2.3, where guidelines and training on mainstreaming will be provided to local governments.

Efficiency and effectiveness

The project was designed to integrate with national initiatives. The financial structure, including GCF funding and co-funding, is designed leveraging on different sources to generating a catalytic, coordinated and transformative investment.

The project is not the sum of three different projects from different national agencies. The project draws on different institutions expertise and mandates to leverage national processes and investments in the effective execution of the integrated project. Regarding the Paquete Agrícola (MAG), as mentioned, the project is proposing to transform this Government’s existing programme to a climate-proof one, reducing the climate change risk that could affect this national investment. Regarding the co-financing from FIAES, this will be devoted for implementing restoration actions in buffer/adjacent zones of conservation areas inside the project intervention area, ensuring the provision of ecosystem services. MARN will co-finance human technical capacities development in the areas of disaster risk reduction; climate change adaptation and mitigation; ecosystem and landscape restoration; integrated water management and environmental sanitation; promotion of environmentally responsible citizenship; and environmental assessment services. National investments, together with the project, offer a unique opportunity to be a vehicle for a nationwide upscaling.

Moreover, the Project has a high-level governance board that reports directly to the Environmental Sustainability and Vulnerability Cabinet that brings together six Ministries and its mandate is to coordinate national efforts and investment to comply the National Development Plan on matters of vulnerability reduction and the environment. This ensures cohesion in project implementation and consistency in planning processes and policies.

About market access and financial returns, the project is a targeted investment aimed at improving climate resilience of farmer production systems and enabling them to have food

security and sell excess products to the market. While value chains are important in ensuring sustainability of production systems, the project will leverage on existing initiatives that support them. On the issue of financial schemes for farmer support, the project directly addresses this through Activity 3.2 where the project provides recommendations to Agricultural Development Bank (BFA) for their lending portfolio to cover adaptation measures and target the project beneficiaries.

On sustainability, the project strategy is to leverage on the annual planning of municipalities that allows them to allocate resources to the sustainability of ecosystem services activities. The monetary resources required are reasonable and the maintenance activities are mostly manual weeding, periodic clearance of firebreaks, vigilance against fires and grazing, agricultural clearance, and mobilizing communities for stewardship and awareness campaigns.

Overall remarks from the independent Technical Advisory Panel:

Regarding the landscape approach, related family interventions and sustainability of interventions, as mentioned, the project aims to improve the resilience of vulnerable family farmers to climate change through an integrated landscape approach, featuring: the promotion of practical on-farm measures for increasing the resilience of agricultural production systems (which form the principal bases of livelihood support systems); the introduction of household and community level systems for ensuring water supply through rainwater capture and storage; the maintenance of flows of environmental services of importance for livelihoods and agriculture, through improvements to production systems on-farm and the restoration and conservation of degraded ecosystems off farm. By scaling up adaptation measures to landscape and sub-national levels, the project will bring about a paradigm shift in relation to agroecosystem-based climate change adaptation. The project outcomes will be sustained through: i) the selection and promotion of agroecosystem-based adaptation measures that are financially viable and offer economic benefits; ii) participation and ownership in the identification, generation and adoption of adaptation measures, including the participatory identification of areas for ecosystem restoration; iii) the mainstreaming climate change and adaptation measures into existing national programmes; iv) technical support to local financial institutions in designing products that promote adaptation; and v) information sharing to decision-makers and policy formulators to encourage a favorable enabling environment for the sustainability and scaling up of the proposed adaptation and mitigation measures.

Regarding the proposed iTAP conditions, FAO considers that in many cases, the information has been already provided in the funding proposal and respective annexes or they are considered as project activities. Nevertheless we consider that some requested information could be useful to guide sound project implementation.

Condition 1. The communication strategy mentioned by the iTAP under condition 1 to transfer technology and knowledge to communities, is part of the project implementation and it is considered in the funding proposal under inputs: 1.1.1 Facilitation of participatory situation analysis and adaptation technology validation, 1.1.2 Provision of technical assistance for the application of agricultural resilience measures, 1.1.3 Facilitation of the formulation of farm adaptation plans, 1.3.1 Development of capacities for innovation and adaptive management, and 3.1.1 Train local project beneficiary organizations to participate in local planning and decision-making processes. Therefore FAO suggests that consistent with the project design, this should continue to be done in implementation instead of a condition precedent for first disbursement.

All the other elements under this condition can be addressed under the requested plan of action or project operational manual. We suggest for the outline of the plan of action or project operational manual to be agreed with the GCF Secretariat.

Condition 2. The information for the specific water system interventions including technologies, schematic designs, costs, selection processes for beneficiaries, operations and maintenance plans has been included in the funding proposal Section C.3, in the Feasibility Study (pages 94-103) and in supplementary material to Feasibility Study (Annex B.2- Rainwater Harvest System). The proposed systems have been widely tested in the country and elsewhere (Refer to Funding Proposal paragraphs 86- 88). FAO will compile all this information and include it in a revised plan as requested by iTAP. We suggest for the outline to be agreed with the GCF Secretariat.

Condition 3. It is recognized that market access has the potential to support vulnerable families to improve their resilience to face external shocks in the case of farmers having production surpluses. FAO will prepare a plan that involves market and financial mechanisms integrating existing national initiatives from the Ministry of Agriculture and Livestock (Agribusiness Division) that promotes and articulates actions to link producers to sustainable insertion in agricultural markets and offers services for: i) incorporation of producers to marketing events carried out by the MAG, ii) promotion of commercial links between final consumer producers, iii) advice to producers on issues of business management, costing, negotiation and marketing of products; and iv) providing information on markets to the agricultural sector.

This plan will also include the recommendations for the expansion of the Agricultural Development Bank (BFA) lending portfolio to cover adaptation measures and target the project beneficiaries (refer to funding proposal activity 3.2). The suggested plan can constitute a project activity ideally implemented around the mid-term, rather than a condition for disbursement. As these are project activities, we suggest that the delivery of the plan itself is not considered as a condition prior to the first disbursement, but could be delivered in the implementation phase.

Reply to the Independent Technical Advisory Panel assessment findings (FP 088)

Proposal name: Biomass Energy Programme in the South Pacific

Accredited entity: Korea Development Bank (KDB)

Impact potential
KDB appreciates the iTAP's positive assessment findings on the impact potential; the Programme anticipates the adaptation impact as well as the mitigation impact. For the sake of clarity, KDB only takes the role of an accredited entity and respective project SPC(s) will act as an executing entity of Component 1 and 2 of the Programme, which was agreed by both KDB and the GCF. Also, the Programme will seek greater impact potential under the feasible monitoring system as committed in funding proposal.
Paradigm shift potential
KDB appreciates the iTAP's positive assessment findings on the paradigm shift potential.
Sustainable development potential
KDB appreciates the iTAP's positive assessment findings on the sustainable development potential. As the iTAP commented on item 8, USD 4 million of grants will be used for TA activities which will contribute to the sustainable "maintenance of biomass plantation and the monitoring of this process".
Needs of the recipient
KDB appreciates the iTAP's positive assessment findings on the needs of the recipient. As the iTAP recognizes, the Programme is expected to play a central role in fulfilling NDC goals of the Fijian government. Furthermore, it will pave a way for achieving NDC goals of PNG.
Country ownership
KDB appreciates the iTAP's positive assessment findings on the country ownership.
Efficiency and effectiveness
KDB appreciates the iTAP's positive assessment findings on the efficiency and effectiveness of the Programme. The Programme will assign a larger portion of grants into PNG so as to enhance the efficiency and effectiveness in PNG as well as in Fiji.
Overall remarks from the independent Technical Advisory Panel:
KDB appreciates the iTAP's comments which contributed to the enrichment of the Programme.

Reply to the Independent Technical Advisory Panel assessment findings (FP 089)

Proposal name: Transforming Financial Systems for Climate

Accredited entity: Agence Française de Développement (AFD)

Impact potential
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Paradigm shift potential
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Sustainable development potential
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Needs of the recipient
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Country ownership
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Efficiency and effectiveness
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<p>Overall remarks from the independent Technical Advisory Panel:</p> <p>Thank you for your positive assessment.</p> <p>We would like to add the following comment related to AFD's engagement with Direct Access Entities (DAEs): AFD, as an international entity, committed through its AMA signed with the GCF to support potential subnational, national and regional entities to meet the accreditation requirements of the GCF in order to enhance country ownership.</p> <p>Through the implementation of the TFSC Programme, which includes a TA component aiming at strengthening the capacities of the LFPs targeted by the Programme, AFD will play this role. While the financial component will provide additional climate finance flows to the countries, the TA component is designed to remove the barriers preventing the financial institutions from financing climate investments. In addition, peers dialogue between LFPs and AFD teams could take place during the implementation of the Programme on climate finance, E&S standards and risk management, compliance and fight against money laundering and terrorism financing or procurement process.</p> <p>Through this specific and tailor-made technical support, the implementation of the TFSC Programme will help the LFPs wishing to directly access the GCF resources, to develop their capacities, awareness, operational track record, climate strategies and E&S standards, all required in the GCF accreditation process. AFD does not have any other significant comment with respect to the TAP assessment.</p>

Reply to the Independent Technical Advisory Panel assessment findings (FP 090)

Proposal name: DBSA Climate Finance Facility
 Accredited entity: Development Bank of Southern Africa (DBSA)

Impact potential
AE concurs with ITAP assessment
Paradigm shift potential
AE concurs with ITAP assessment
Sustainable development potential
AE concurs with ITAP assessment
Needs of the recipient
AE concurs with ITAP assessment
Country ownership
AE concurs with ITAP assessment
Efficiency and effectiveness
AE concurs with ITAP assessment
Overall remarks from the independent Technical Advisory Panel: AE concurs with ITAP remarks and recommendation
