

Readiness Proposal

**with the Ministry of Finance and Planning
for the United Republic of Tanzania**

08 November 2015 | NDA Strengthening & Country Programming



**GREEN
CLIMATE
FUND**

(Please submit completed form to countries@gcfund.org)

Executive Summary <i>(in one page)</i>	
Country	United Republic of Tanzania
Submission Date	13/10/2015
NDA or Focal Point	The Vice-President's Office (VPO)
Contact Point (both NDA/FP and delivery partner)	<p>Official NDA contact person: Name: Sazi Salula Position: Permanent Secretary Tel. +255 22 2113857/2116995 E-mail: ps@vpo.go.tz E-mail: km@vpo.go.tz</p> <p>Additional NDA contact person: Name: Richard Muyungi Position: Assistant Director and Focal Point - UNFCCC Tel: +255 222113857/2116995/+255 754 542 832 Email: tanzania37@gmail.com</p> <p>Full Office address: 6, Albert Luthuli Street, P.O .Box 5380, Dar es Salaam , Tanzania</p>
Readiness Area/s	<p><input checked="" type="checkbox"/> 1. Establishing and strengthening National Designated Authorities (NDAs) or Focal Points</p> <p><input checked="" type="checkbox"/> 2. Strategic frameworks for engagement with the Fund, including the preparation of country programmes</p> <p><input type="checkbox"/> 3. Selection of implementing entities or intermediaries, and support for accreditation</p> <p><input type="checkbox"/> 4. Initial pipelines of programme and project proposals</p>
Request Summary (in 200 words)	<p>Tanzania formulated its national climate change strategies for mainland and Zanzibar in 2012 and 2014 respectively in response to the urgent need of increased efforts to tackle climate change already affecting the country. The strategies identify key sectors highly impacted by climate change and set out actions to be taken to address the impacts through the implementation of the associated action plans. They are geared to help Tanzania achieve sustainable development while contributing to the global efforts in combating climate change. The country has also in place NAPA, National REDD+ Strategy, CC Communication Strategy and NAP Roadmap.</p> <p>The implementation of climate change strategies depends on the availability of enough funding for building capacity of national institutions and for implementing climate change initiatives. Some efforts have been made to mainstream climate change into development plans at various levels but only limited progress has been achieved due to the funding challenge. However, with the VPO having additional responsibilities in its capacity as the NDA of the Green Climate Fund (GCF), further support is needed to build a strong framework for combating climate change challenges in Tanzania with GCF support.</p> <p>Specifically, GCF readiness support will be used to: 1: Strengthen the NDA to effectively fulfil its roles and responsibilities with respect to the GCF; and 2: Engage key stakeholders to develop programmes as a way towards implementing the climate change strategies.</p> <p>The NDA is specifically seeking to obtain readiness support under the standardized packages for Activity 1 (Strengthening NDA) and Activity 2 (Country Programmes) offered by the Fund, with the guidelines and budget set aside for these activities (version 3.0 dated 26 August 2015).</p>
Anticipated Duration	01/11/2015 – 31/10/2016 (12 months)
Estimated total cost	US\$ 300,000

SECTION A: RATIONALE FOR REQUEST

A.1

Background

The United Republic of Tanzania ratified the United Nations Framework Convention on Climate Change (UNFCCC) in 1996 and Kyoto Protocol in 2002. The population of Tanzania has grown from 12,313,469 in 1967 to 44,928,923 in 2012 (URT, 2013). On average over the last decade (2004 – 2013), the economy of Tanzania grew by 7.0%. Agriculture remains the mainstay of livelihood and economy of the country with about 80% of the population being dependent on agriculture as the main source of income.

Tanzania is a least developed country vulnerable to the climate change impacts, which adversely affect all sectors of the economy. In order to address climate change, a number of initiatives have been undertaken. Such initiatives include: enacting an Environment Management Act in 2004, development of the National Clean Development Mechanism (CDM) Investor's Guide in 2009, development of NAPA in 2007 and the Quick Scan on the Impacts of Climate Change in 2009. Tanzania has also put in place a National Climate Change Strategy (2012), the National REDD+ Strategy and Action Plan (2013); and the Zanzibar Climate Change Strategy (2014). In addition, Tanzania has prepared a roadmap for National Adaptation Plans, which identifies priority areas for enhancing adaptation in the country. Tanzania is currently in the process of formulating its Nationally Appropriate Mitigation Actions, and Low Emission Development Strategy, and is also establishing National Greenhouse Gas (GHG) Inventories and associated Measurement, Reporting and Verification systems.

An economics of climate change study which was undertaken in Tanzania in 2012 shows that Tanzania needs about US\$ 600 million annually to address climate change challenges. However, accessing required climate financing has been a challenge. With increased impacts of climate change such as drought, the economic success made in the past decades may be jeopardized since the cost of adaptation is higher than the cost of avoiding the impacts of climate change. For example, Tanzania pays a heavy price for drought: In particular, drought has repeatedly impacted Tanzanian's capacity to produce hydroelectric power. The cost of emergency power plants has been borne by the government. Also, as recently as 2008/9 drought impacted agricultural production so severely that the government was forced to import commodities (maize), distribute food and compensate cattle farmers. Increasing the resilience to climate change and enhancing adaptation and mitigation capacity will help to foster economic growth of the country. Thus, considerable efforts are needed to ensure that Tanzania access required resources to address climate change challenges for the betterment of current and future generations.

Climate change coordination in Tanzania is under the Vice President's Office-Division of Environment. As NDA, the office requires to strengthen its capacity at the institutional, technical as well as individual expert levels. Capacity gaps exist in institutional arrangement as climate change is within a section dealing with environmental assessments. In order to effectively implement GCF and other climate change related activities, it will be necessary to work on the process of having in place a new institutional arrangement so as to expand the staffing, budgets as well as the coordination role countrywide. GCF Readiness project will therefore contribute significantly to this process, including through awareness to key stakeholders and decision as well as policy makers.

A.2

Justification for request

Despite there being political will within the government and Tanzania having a number of climate change strategies for mainland and Zanzibar, the implementation of these strategies need to be strengthened. In most cases, the implementation challenges arise due to inadequate funding as well as coordination challenges among government ministries (and departments) and other stakeholders including private sector and civil society. Some efforts have been made to mainstream climate change into development policies and plans at various levels but only limited progress has been achieved due to the funding challenges.

While the current technical experts within the NDA have accumulated experiences and built capacity to oversee and implement various climate change related activities, there is need to enhance their technical capacity further, particularly in the context of GCF. Capacity to review GCF write ups and provide concentrate comments and recommendations is just one example of the capacity gaps that exist in this area. In addition, training other technical staff that can potentially join the climate change team will be necessary in order to effectively implement GCF and other climate change related activities. GCF readiness project will therefore be key in contributing to this end.

One other capacity gap that exist within VPO, sectors as well as LGAs and other stakeholders is related to equipment and systems, including having in place a functional climate change database which will be necessary for information sharing and exchange. In addition, it will also be necessary to link sector climate change related sections with the NDA through such a system so that climate change information management, networking and sharing is made possible to ensure effectiveness in taking up climate change related activities. Developing and implementing GCF projects for example, will require a strong system for information sharing and stakeholders engagement. Therefore, the need for a strong system to facilitate stakeholders' engagement, networking, information management and sharing cannot be over-

emphasised in this context.

It is in this context the Government of the United Republic of Tanzania through the Vice-President's Office serving as the NDA of the GCF requests readiness support from the GCF. Through this support, the NDA will strengthen its capacity to effectively fulfil its roles and responsibilities in relation to the GCF and also ensure effective engagement of relevant stakeholders in the processes of developing climate change programmes and projects to be considered by the GCF. The overall goal of the readiness support for Tanzania is to assist the country in building its capacity to implement existing climate change strategies and plans as a way to promote sustainable development while contributing to global efforts to reduce GHG emissions.

The readiness support will allow Tanzania to augment and strengthen capacities of the NDA to leverage greater participation of different stakeholders, including government, private sector, and civil society, and enable them to access resources from the GCF to support the implementation of its climate change strategies for sustainable development noted above. It will also enable it to support appropriate coordination and oversight of GCF activities in the country once under implementation.

SECTION B: SCOPE OF WORK	
B.1	Description of activities (<i>Please see the detailed logical framework attached here as an Annex I</i>).
<p>The following activities will be undertaken in relation to this request:</p> <p>Component 1: Strengthening the capacity of the NDA to effectively fulfil its roles</p> <p>The GCF funding will be used to strengthen the institutional capacity of the NDA so that it can effectively fulfil its mandate as stipulated in the GCF's <i>Initial Best-practice Guidelines for the selection and establishment of NDA and focal points</i>. Under this component, the NDA will:</p> <ol style="list-style-type: none"> 1) Establish an effective framework for operation of the NDA to perform its functions as the NDA, including its engagement with other ministries and relevant stakeholders; 2) Procure necessary IT equipment to facilitate the day-to-day GCF-related tasks officers in the NDA would need to undertake; and 3) Through training, build technical capacity of staff at the NDA and other relevant institutions supporting the NDA to better understand GCF operational procedures, including on financial instruments, and monitoring and evaluation requirements. <p>Component 2: Engage key stakeholders to develop programmes as a way towards implementing the climate change strategies.</p> <p>GCF readiness support will be used to establish an effective process for engaging stakeholders in development, implementation and oversight programmes and projects supported by GCF in the country. Under this component, the NDA will:</p> <ol style="list-style-type: none"> 1) Establish a framework for engagement of relevant partners and stakeholders for GCF-related activities in the country; 2) Consult with stakeholders at national and sub-national levels, including government, civil society and private sector actors consistent with the Fund's <i>Initial Best practice options for country coordination and multi-stakeholder engagement</i>; and 3) Towards the implementation of both mainland and Zanzibar climate change strategies and plans, prepare a country programme with strategic and paradigm-shifting projects/programmes for consideration by the GCF. 	
B.2	Expected results
<p>GCF readiness support will assist Tanzania to:</p> <ul style="list-style-type: none"> - Strengthen and enhance the capacity of the NDA to effectively fulfil its roles and responsibilities; - Establish an effective system for engaging stakeholders (governments, sub-national institutions, civil society, and the private sector); - Develop and implement strategic and paradigm-shifting programmes and projects to attain its sustainable development taking a gender sensitive approach; - Create strong and coherent national coordination mechanism; - Increase understanding on the Fund's initial operational policies and procedures; and - Develop human capacity in for programme and project appraisal and oversight. <p>Please refer to Annex I for the Logical Framework.</p>	

SECTION C: BUDGET *(include total cost and share of GCF funding)*

The proposed budget is based on the guidelines contained in the standardised packages for Activity 1 and 2 offered by the GCF. Further details on the budget will be included in the inception document.

Category	Total (USD)
Consultant fees	125,000
Travel and per diem of consultants	35,000
Workshops (venue, catering, travel, per diem, materials, etc.)	95,000
Other (incl. audit costs)	13,500
Contingency	13,500
Project management costs	18,000
Grand Total	300,000

Note: Consultants will include experts supporting the NDA in exercising its GCF roles and responsibilities, as well as trainers needed to build the capacity of the NDA and other stakeholders.

SECTION D: IMPLEMENTATION PLAN

D.1 Implementation arrangements

The United Nations Development Programme (UNDP) has been identified as the delivery partner to support Tanzania in its GCF readiness project. It has been also arranged that the management of GCF readiness funds will be done through UNDP under existing implementing modalities agreed between UNDP and the Government. The NDA will lead the implementation of readiness activities with the support of UNDP as the delivery partner. Further details on the implementation of activities will be included in the inception document, which will include a detailed implementation plan, budget, and procurement plan.

D.2 Disbursement and implementation schedule

It is expected that the funding will be transferred to UNDP in three tranches:

- The first disbursement, which amounts to US\$ 120,000, will be transferred upon the submission of an inception document the NDA completed with support from UNDP, in a form and substance acceptable to the Fund, which includes a detailed implementation plan, procurement plan and budget;
- The second tranche of US\$ 130,000 will be transferred upon submission of an interim progress report and financial report, in form and substance acceptable to the Fund, including an expenditure statement; and
- The final disbursement of \$50,000 will be made upon submission of a completion report and financial report, including an audited expenditure statement.

D.3 Procurement plan

It is anticipated that this project will involve procurement of consultants and IT equipment in particular and the procurement will be carried out using UNDP's procurement policies and procedures in consultation with VPO (NDA). Further details on the procurement plan will be included in the inception document.

SECTION E: MONITORING & REPORTING PLAN

The NDA will monitor the implementation of the readiness activities with the support of UNDP, and submit the reports mentioned in section D.2 above. The reports will include progress against the logical framework included in Annex I.

SECTION F: RISK & MITIGATION MEASURES

Risk	Mitigation measure
1) Inadequate capacity of stakeholders to contribute to the process of identifying priority programmes and projects to develop for GCF consideration	The project will include activities to train stakeholders on the GCF's operational policies and procedures to enable them to identify viable programmes and projects to develop for consideration by the GCF
2) Delay in execution of planned activities resulting in delayed disbursements	Set up a monitoring process to strictly adhere to the schedule of activities towards disbursement of funds
3) Potential conflict of interest in implementation of activity area 2 as UNDP is also an accredited entity seeking to develop projects/programmes	Any such conflict will be avoided by ensuring that the NDA, through multi-stakeholder engagement processes, make final decisions on the results of activities undertaken in relation to developing the country programme

Annex I. Logical Framework

	PROJECT SUMMARY	INDICATORS
OUTCOMES	1. NDA capacity to undertake Fund-related responsibilities and engage national stakeholders strengthened	1.1 Capacity to coordinate across stakeholders and facilitate effective consultation and communication 1.2 Knowledge on climate and finance priorities strengthened 1.3 System for reviewing proposals and issuing recommendations (or no-objections) established 1.4 Capacity and systems to monitor, evaluate and report on the activities of the Fund and other relevant finance mechanisms and institutions established 1.5 Information, including in local languages, on procedures of the Fund to disseminated to country stakeholders
	2. Strategic framework for engagement with the Fund developed	2.1. Engagement of private sector, civil society, government and local government stakeholders on priorities for engagement with the fund 2.2. Priorities for project and concepts to be developed for accessing the fund 2.3. Country programming document developed and published in adherence with the initial guidance from the Fund

OUTPUTS	<p>1.1 A process for supporting coordination across stakeholders and facilitating engagement (including periodic meetings / workshops)</p> <p>1.2 Annual report on activities of the Fund and other relevant funding mechanisms and institutions in the country</p> <p>1.3 Information materials on the operational procedures of the Fund in local languages (where relevant) and distribution lists of recipients</p>	<p>1.1.1 Write up of the coordination process, and convening schedule</p> <p>1.1.2 Meeting minutes and participant lists documenting engagement of at least xx groups</p> <p>1.2.1 Electronic copy of the annual report, and details of public dissemination channels</p> <p>1.3.1 Links to electronic copies of presentations, information materials, climate and development information disseminated to distribution lists where relevant.</p> <p>1.3.2 At least xx information materials on the fund developed and disseminated to at least xx people</p>
	<p>2.1 Country programme, including elements provided in the Fund's Initial Guidelines for Country Programmes</p> <p>2.2 Summaries of meetings of multi-stakeholder engagement, including list of participants</p>	<p>2.1.1 Copy of country programme, completed using the initial guidance on country programmes prepared by the GCF secretariat</p> <p>2.1.2 Background documentation on the programme, and links to public dissemination channels</p> <p>2.2.1 Agendas and summaries from workshops convened as part of the country programme process</p> <p>2.2.2 Short note on lessons learned from country programming, and good practices in stakeholder engagement</p>