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# Progress and outlook report of the Readiness and Preparatory Support Programme

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## **Summary**

The Progress and Outlook Report of the Readiness and Preparatory Support Programme gives an overview of progress made with the Programme since inception and specific results obtained since October 2015, including the country ownership activities and Project Preparation Facility (PPF).

The Board is requested to take note of the information provided in this document.

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## I. Introduction

1. This document reports on the implementation progress of the Readiness and Preparatory Support Programme, including activities linked to country ownership and the Project Preparation Facility (PPF). It covers progress and results achieved from October 2015 to February 2016, as well as cumulative results since the programme's inception, as appropriate, including those related to strengthening the national designated authorities (NDAs) and focal points, and the development of country programmes for the GCF.

2. As at February 2016, the Secretariat has received 139 nominations for NDAs or focal points in developing countries (see annex I). The Secretariat had direct contact with nearly 110 countries through regional workshops, received readiness requests (in the form of expressions of interest) from 101 countries, and readiness proposals from 60 countries. The Secretariat has approved proposals for readiness support in 45 countries under activity areas 1–3, totalling USD 11.2 million (see figure 1 for details). Thirty of the 45 countries are small island developing States, the least developed countries and African States.

3. Specifically, activity area 1 focuses on building the institutional capacity of NDAs and focal points; activity area 2 on developing their strategic frameworks for engagement with the GCF; activity area 3 targets support for regional, national and sub-national entities nominated by the NDAs/focal points to meet the GCF accreditation standards; and activity area 4 and/or PPF provides support to build the countries' pipelines for the GCF.<sup>1</sup>

**Figure 1: Status of readiness support as at February 2016 (number of countries)**

Status	All areas	Activity area 1+2	Activity area 3	Activity area 4 & PPF
Requests submitted	101	77	30	24
Proposals submitted	60	53	17	3
Proposals approved	45 USD 11,157,000	38 USD 10,602,000	12 USD 555,000	0
Legal arrangements completed	24 USD 4,305,000	13 USD 3,750,000	12 USD 555,000	na
Resources disbursed	12 USD 575,295	4 USD 356,165	8 USD 219,130	na

**Note:** As some countries have requested support in multiple areas, the total number of countries is lower to avoid double-counting countries.

### 1.1 Implementation of Board decisions and guidance

4. As mandated by decision B.11/04, this report provides updates on the following:

- (a) Simplifying procedures for disbursements of country programming and readiness and preparatory support (chapter IV);<sup>2</sup>

<sup>1</sup> Decisions B.08/10, B.08/11 and B.11/04.

<sup>2</sup> Decision B.11/04, paragraph (e), and UNFCCC decision 1/CP.21 paragraph 17.

- (b) Supporting developing countries in the processes for formulating their voluntary national adaptation plans (NAPs) (chapter V);<sup>3</sup> and
- (c) Reviewing the allocation system for readiness and preparatory support of the GCF taking into account the needs and priorities of developing countries (chapter VI).<sup>4</sup>

5. Additionally, as a continuation of its role as mandated in decisions B.08/10 and B.10/10, the Secretariat has deepened engagement with country civil society and other stakeholders to facilitate their inclusion in readiness processes led by NDAs and focal points. Notably, the Secretariat has also invited local civil society representatives in all GCF regional workshops.<sup>5</sup>

6. Finally, as guided by Board decision B.08/11, the Readiness and Preparatory Support Programme comprises two overarching impact areas that directly contribute to the GCF paradigm shift objective of moving towards low-emission and climate-resilient sustainable development pathways in a country-driven manner. The first impact area is the strengthening of the capacity of NDAs/focal points and direct access entities. The second impact area is the development of the GCF pipeline of projects and programmes that build on countries' own strategies. An initial results management framework for the Programme is proposed in Figure 2 (also included in document GCF/B.12/13 titled "Further development of indicators in the performance measurement frameworks"), in line with the overall initial results management framework of the GCF.<sup>6</sup>

**Figure 2: Results management framework for the Readiness and Preparatory Support Programme**

Level	Results			
<b>Paradigm shift</b>	Shift to low-emission sustainable development pathways and climate-resilient sustainable development			
<b>Impacts (GCF level)</b>	Strengthened GCF-related institutional capacities of NDAs/focal points and direct access entities <sup>a</sup>		Developed the GCF pipelines of projects and programmes that build on countries' strategic frameworks	
<b>Project/programme outcomes (national or sub-national)</b>	Strengthened NDA/focal point capacity to undertake GCF-related roles and responsibilities, and engage national stakeholders	Strengthened capacity of direct access entities to meet the accreditation standards of the GCF, and monitoring and accountability framework requirements	Developed strategic framework for engagement with the GCF, including a country programme, built on existing strategies and plans	Developed pipelines of projects and programmes aligned with the objectives and investment framework of the GCF
<b>Programme outputs /activities (national or subnational)</b>	To be determined by NDAs/focal points			

<sup>a</sup> This result is linked to the GCF initial results management framework results 5.0 (for mitigation and adaptation) and contributes to the stated paradigm shift objective of the GCF.

<sup>3</sup> Decision B.11/04, paragraph (j), and UNFCCC decision 1/CP.21 paragraph 47.

<sup>4</sup> Decision B.06/06 paragraph (a), decision B.08/11 paragraph (h), and decision B.11/04, paragraph (i).

<sup>5</sup> A informal group of accredited civil society organization (CSO) observers (CSO Advisory Group) was constituted following a meeting with them at the ninth meeting of the Board. This group of CSOs has expressed an interest in facilitating the engagement of local civil society in the operations of the GCF in countries.

<sup>6</sup> Decision B.07/04.

## II. Progress update on the Readiness and Preparatory Support Programme

### 2.1 Early impacts and lessons learned

7. The Readiness and Preparatory Support Programme, through direct interaction with countries, has impacted in positive ways nearly all NDAs/focal points, and at around 50 nominated entities (36 countries) seeking accreditation under the direct access track. Specifically, countries and entities have increased their knowledge and understanding of the GCF results areas, investment framework and accreditation process. Ongoing technical assistance support by the Secretariat to a number of entities (nominated by 12 countries) is also enabling them to accelerate their accreditation applications, while stimulating the improvement of their internal policies and systems.

8. Key emerging lessons learned from the initial phase of the Programme are listed below and are more details provided in annex II:

- (a) Timely provision of information and documents on the operations of the GCF is required to enable NDA/FPs and entities to effectively engage with the GCF (templates, forms);
  - (b) Simplification of some procedures would allow NDA/FPs to submit their applications for readiness support in a more efficient manner and expedite disbursements;
  - (c) Advance payments may be required in some cases in order to enable NDA/FPs and entities to complete some legal requirements;
  - (d) Flexibility would be important to consider to be responsive to country circumstances; and
  - (e) Sharing of experience would be an important aspect of the Programme going forward.
9. These lessons have been duly taken into consideration as detailed in chapters IV and V.

### 2.2 Support for national designated authorities and focal points through activity areas 1 and 2, and support from the Secretariat in response to country demand

10. As of February 2016, the Secretariat has approved readiness support for 38 countries, totalling USD10.6 million, for activity area 1 (to strengthen the institutional capacity of their NDAs or focal points), and for activity area 2 (development of their strategic frameworks for engagement with the GCF) (see annex III for details). The country programmes to be developed with this support are expected to benefit from inputs by multiple stakeholders, including the private sector and civil society, and will be aligned with national strategies, including their nationally determined contributions and national adaptation plans (NAPs). Eleven of these 38 countries will access readiness resources directly through national entities, 6 through regional entities, and 21 through international entities. The financial management capacity of all entities have been either assessed through the accreditation or deemed sufficient by the Secretariat or other funds such as the Adaptation Fund and the Global Environment Facility.

11. Activities in these 38 countries are about to start implementation further to the finalization of legal arrangements and the preparation of inception reports, including implementation plans, budgets, procurement plans and disbursement arrangements. Thirteen countries have already signed grant agreements, while seven have completed an inception report. A total of over USD 356,165 has been disbursed to four countries, the Cook Islands, Ethiopia, Mali, and Rwanda, upon the signing of the grant agreement, and other disbursement conditions,

namely the approval of an inception report, submission of a disbursement request, and satisfactory legal opinion and evidence on the identity and authority of the signatories.<sup>7</sup> The outputs specified in the grant agreements for these four countries are summarized in table 1.

**Table 1: Expected results from the readiness resources disbursed**

Country (USD disbursed)	Outputs	Due/completed
Cook Islands (USD 75,000)	<ul style="list-style-type: none"> <li>• Online materials on the nomination of direct access entities and a no-objection procedure developed; and</li> <li>• Assessment of the country's priorities in line with the principles of the GCF, identified through stakeholder consultations</li> </ul>	Due September 2016
Ethiopia (USD 120,000)	<ul style="list-style-type: none"> <li>• Coordination process among stakeholders established;</li> <li>• Training provided to an NDA on the operations of the GCF;</li> <li>• Communications plan prepared; and</li> <li>• Country programme prepared</li> </ul>	Due December 2016, July 2017 and September 2017
Mali (USD 41,165)	<ul style="list-style-type: none"> <li>• Workshop on country programming priorities</li> </ul>	Completed April 2015
Rwanda (USD 120,000)	<ul style="list-style-type: none"> <li>• Country programme prepared;</li> <li>• Process for supporting coordination across stakeholders established; and</li> <li>• A no-objection procedure established</li> </ul>	Due December 2016

**Abbreviation:** NDA = national designated authority.

12. NDAs and focal points are now able to submit readiness proposals, inception reports and other documents through a user-friendly online platform, which was launched on 25 January 2016 by the Secretariat. It is important to note however, that the Secretariat is dealing with an increasing number of requests from NDAs and focal points for direct assistance and guidance, including requests to participate in national stakeholder workshops. The Secretariat is committed to providing all the information and documents (templates and guidance materials) necessary to allow NDAs and focal points to properly execute of their GCF-related responsibilities. However, it is faced with increasing difficulty to fully service this demand due to capacity constraints.

### 2.3 Support for entities nominated by national designated authorities/focal points through activity area 3

13. The Secretariat is providing in-kind accreditation support to 51 entities nominated by the NDAs/focal points of 36 countries in all three regions (see the list of countries in annex IV). Such support includes guiding them through the steps in the accreditation process and on the information to be submitted as part of their accreditation application. Among them, 15 entities nominated by 12 countries have been approved for an in-depth assessment of their institutional capacity, and fiduciary, environmental and social safeguards (ESS) and gender standards to meet GCF accreditation requirements (see annex III for details). Legal arrangements for support to all 15 entities are in place, and USD 219,130 has been disbursed for the implementation of support to 10 entities nominated by eight countries. The assessments are undertaken by

<sup>7</sup> The NDA/focal points' proposals and inception reports have been published on the GCF website at: <http://www.greenclimate.fund/ventures/readiness/fine-print>.

PricewaterhouseCoopers, a professional services firm selected by the Secretariat following a competitive procurement process.

14. The scope of services provided by PricewaterhouseCoopers include the following:
  - (a) Initial meetings to understand the entity, and explain the fit-for-purpose accreditation process and the institutional gap analysis assessment process;
  - (b) Desk and on-site reviews of documentation, including interviews with staff; and
  - (c) Preparation of drafts and final detailed institutional assessment, including the identification of the gaps and recommended actions to address gaps.
15. Assessments have been completed for eight entities, action plans finalized for four entities in three countries (Brazil, Colombia and Honduras), and two more action plans are scheduled to be sent to the entities by the end of February. Of the four entities whose actions plans were finalized, two have submitted their accreditation applications and are at Stage I of the accreditation process, one is working to close gaps identified in order to submit their application in coming months, and the fourth entity is in discussion with the NDA that nominated it to receive additional readiness support to implement the action plan.
16. In order to further facilitate the understanding of the accreditation process in the future, the Secretariat has developed the online Green Climate Fund Accreditation Self-Assessment Tool,<sup>8</sup> in collaboration with Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH and the World Resources Institute. The tool outlines GCF accreditation requirements, and includes 10 key questions about the entity and a user guide for the GCF accreditation process. The tool has also been used by NDAs/focal points when considering whether to nominate an entity. One hundred seventy seven users have accessed the tool (113 of whom have completed it) so far (latest update as of 31 January 2016).
17. Finally, the Secretariat has launched a process to build a roster of institutions that could provide technical and capacity-building support to entities to develop their ESS and gender capacity. Such support would be available to entities seeking to apply for accreditation as well as accredited entities seeking to upgrade their accreditation type.

## 2.4 Support for pipeline development through activity area 4 and/or the Project Preparation Facility

18. The Secretariat maintains active engagement with NDAs/focal points and direct access entities to support them in developing their pipelines for the GCF (activity area 4). To date, 24 NDAs/focal points have expressed an interest in receiving such support. The proposals of two countries—Senegal and Vanuatu – have been developed by the NDAs of these countries in partnership with the International Finance Corporation and the Secretariat of the Pacific Regional Environment Programme respectively and are at the approval stage. A PPF proposal for a project in Rwanda has been submitted by the Ministry of Natural Resources of Rwanda. The three proposals are being submitted to the Board as addendums to this document.
19. In addition, the Secretariat has developed guidance documents and templates to assist countries in preparing their proposals for pipeline development and project preparation.<sup>9</sup> The Secretariat has also launched a process to build a roster of institutions that could provide countries with support to develop funding proposals for the GCF.<sup>10</sup>

<sup>8</sup> <[www.askallo.com/w6408kfx/survey.html](http://www.askallo.com/w6408kfx/survey.html)>.

<sup>9</sup> <<http://www.greenclimate.fund/ventures/readiness/fine-print>>.

<sup>10</sup> <<http://www.greenclimate.fund/the-fund/opportunities/procurement>>.

## 2.5 Support for knowledge-sharing and learning through activity area 5

20. As at February 2016, the Secretariat organized five regional workshops in Africa and the Middle East, Asia, the Caribbean, Central America, and the Pacific, and a training event for direct access entities on ESS and gender. Through these events, the GCF has engaged with the NDAs and focal points of around 110 countries and 13 accredited entities. The Secretariat has also organized the visits of officials from the NDAs/focal points of Antigua and Barbuda, Fiji, Pakistan and Viet Nam to the GCF headquarters. The representatives met with the different divisions of the Secretariat, shared their country's strategic priorities for engagement with the GCF and readiness needs, and learned details of the operational modalities of the GCF. These visits have been well received, as evidenced by the feedback shared by the visitors and the demand for more such visits by the NDAs/focal points of other countries.

21. The awareness and technical support activities show that the demand for strengthening the relationship between NDAs/focal points, accredited entities and the Secretariat is growing, and remains paramount to the success of the GCF activities in countries. However, this will require additional dedicated exchanges over the coming months in order to create a stronger network of partners for the GCF. The Secretariat is planning an event in April 2016 in Songdo, Republic of Korea, targeting countries accessing readiness support directly to accelerate the implementation of their readiness activities, and to deepen support to direct access entities that are in the process of building their capacity and GCF pipelines. Options for other events, including regional workshops, during the course of 2016 are being explored with various regional and international institutions.

22. In 2015, information products such as *Elements 01* – a resource guide for NDAs and focal points on their roles and responsibilities – and *Elements 02* – a guide on potential areas that the GCF could support – were developed in order to increase NDA/focal point knowledge of GCF operations. The Secretariat has hired translation services to translate these information materials, guidance documents and templates into French and Spanish. Furthermore, the Secretariat has initiated the development of country webpages on the GCF website that will host information on the NDAs/focal points, their country's programming priorities for the GCF, and relevant documents. The country webpages will be available to the public and will also include a secured space to allow for information exchange and experience-sharing among NDAs/focal points.

## 2.6 Working with other partners delivering GCF-specific readiness support

23. In order to coordinate the GCF-specific readiness activities of other international partners, the Secretariat has created a readiness coordination group, initially comprising six institutions – the African Development Bank, Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH, KfW Development Bank, the United Nations Development Programme, the United Nations Environment Programme and the World Resources Institute. The group agreed to a set of principles to guide their GCF-specific readiness support and has met three times to coordinate its activities – two times in person in the margins of the ninth and tenth meetings of the Board, and once virtually in October 2015. The group intends to hold its fourth meeting in the margins of the twelfth meeting of the Board.

24. The group has been periodically exchanging information on its readiness activities, and explored ways to better coordinate activities at the national level to better serve the NDAs/focal points and direct access entities. They have also actively participated in the above-mentioned regional workshops. Other institutions, namely the Adaptation Fund secretariat, the Asian Development Bank, the Commonwealth secretariat, the Climate Technology Centre Network

secretariat, and the Inter-American Development Bank, have participated in recent meetings as observers with the aim of joining the group as active members. More recently, the Korea International Cooperation Agency and the World Food Programme have expressed an interest in joining the group.

### III. Outlook for 2016

#### 3.1 Strengthening GCF-related capacities of national designated authorities/focal points and direct access entities

25. The NDAs/focal points and the accredited entities are the primary country partners of the GCF. Strengthening their capacity, in particular that of the NDAs/focal points and the direct access entities to effectively fulfil their GCF-related roles and responsibilities will maximize and sustain the impact of the activities of the GCF and funding on the ground.

##### 3.1.1 National designated authorities/focal points

26. Throughout 2016, the Secretariat anticipates demand from 60-70 new countries to support their NDAs/focal points. Readiness proposals from 20 countries are relatively advanced and the Secretariat expects to accelerate support to cover all NDAs/focal points requesting such support, notably through partnerships with international delivery partners and retaining a fiduciary agent to assist with those NDAs/focal points requesting direct support (see chapter IV).

27. Building on the initial best-practice guidelines for the establishment of NDAs and focal points<sup>11</sup> and subsequent decisions that have an implication on their roles and responsibilities, the Secretariat has initiated work to revise the guidelines on NDAs/focal points for consideration by the Board. It is in the process of compiling information on the capacities and institutional arrangements of NDAs/focal points, and early experiences in exercising their functions.

28. Also, some NDAs/focal points face particular challenges in identifying experts and consultants who are familiar with the GCF. Thus, the Secretariat is developing a roster of experts, whom the NDAs and focal points will be able to draw upon to implement their readiness activities, including engagement with public, private and civil society stakeholders.

29. The Secretariat is also developing terms of reference for procuring services to design materials and modules on the operations of the GCF and stakeholder engagement (both face-to-face and e-learning). The materials and modules will include tutorials to complete country programmes for the GCF to ensure the overall quality of outputs.

##### 3.1.2 Direct access entities (pre- and post-accreditation)

30. The Secretariat will extend in-kind support (including translation services) to potential direct access entities in 2016, with an emphasis on enabling more entities nominated by NDAs/focal points to complete accreditation applications. In parallel, an evaluation of the technical assistance provided to date is under way so as to provide a basis for the extended support needed in 2016. The Secretariat will also work with NDAs/focal points to identify and support local institutions that demonstrate a strong potential to be accredited by the GCF through specific readiness support packages.

31. Finally, post-accreditation, several direct access entities still require readiness support to meet the conditions of their accreditation, strengthen their institutions, and develop multi-year

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<sup>11</sup> Annex XIII to decision B.08/10 (annex XIII to document GCF/B.08/45)

plans of activities or GCF pipelines. The planned event in Songdo mentioned above offers an opportunity to kick-start this initiative.

### 3.2 Developing pipelines of projects and programmes for the GCF building on countries' strategies

32. A key goal of the Readiness and Preparatory Support Programme and the PPF is to enable countries, through the NDAs/focal points in partnership with accredited entities, particularly direct access entities, to develop country-driven projects/programmes that support the country's climate change priorities and plans.

33. The Secretariat will continue to support countries in implementing their priorities identified in their intended nationally determined contributions, NAPs and other strategies and plans to enable them to turn their commitments into action, using their country programme for the GCF strategically in order to develop an implementation (or investment) plan. Such a plan may be supported partially by the GCF or other sources of public and private finance, as appropriate. The Secretariat intends to provide the Board with annual compilations of such country programmes submitted by countries.

### 3.3 Estimated cumulative commitments by end of 2016

34. As at February 2016, the Readiness and Preparatory Support Programme has committed a cumulative total of USD 12.7 million and disbursed (grants and technical assistance) or spent (in-kind) USD 2.2 million (see annex V for details). The estimated cumulative demand up to 30 June 2016 is USD 23.3 million, and up to 31 December 2016 is USD 34.8 million. The estimates are based on the following assumptions for the remainder of 2016 (February to December):

- (a) An additional USD 19.4 million committed to 62 countries for activity areas 1 and 2;
- (b) An additional USD 740,000 committed to 20 nominated direct access entities to undertake institutional gap assessments for accreditation under activity area 3;
- (c) USD 860,000 committed for workshops with NDAs/focal points and accredited direct access entities under activity area 5; and
- (d) USD 1.1 million committed towards providing in-kind support to NDAs/focal points and nominated direct access entities.

35. The GCF has sufficient resources available to meet the projected demand up to June 2016. Additional resources may be required to meet the estimated demand up to December 2016. In this case, the Secretariat will request the Board to consider the further release of resources at its thirteenth meeting in June 2016.

## **IV. Simplifying access to funds for country programming and readiness and preparatory support**

36. The Secretariat has streamlined processes for approving requests to the Readiness and Preparatory Support Programme, enabling the GCF to commit to funding to 45 countries using standardized support packages. These countries are also making steady progress in developing their inception reports and in submitting disbursement claims. However, disbursements have been slow particularly as they relate to the conclusion and/or implementation of legal arrangements aimed at protecting the interests of the GCF, and some of the operational limitations corresponding to decision B.08/11 (see annex VI for a details). As a result, only 4 of the 38 countries with readiness support approved for activity areas 1 and 2 have complied with disbursement conditions.

37. The Secretariat has explored options to accelerate disbursements:

- (a) Entering into bilateral umbrella agreements with multilateral or bilateral delivery partners;
- (b) Entering into a collaborative arrangement with a United Nations agency to serve as a fiduciary agent for the management of the readiness grants signed with NDAs/focal points or their national/regional delivery partners; and
- (c) Advance payments upon signing of readiness grant agreements.

38. The Secretariat further recommends streamlining operational procedures as mandated in decision B.08/11 by:

- (a) Revising the caps on number of workshops and participants at workshops using a United States dollar cap; and
- (b) Streamlining the USD 300,000 cap of direct support to national designated authorities/focal points to an annual cap aligning it with the USD 1 million annual cap per country.

## **V. Review of the allocation system for the Readiness and Preparatory Support Programme**

### **5.1 Overall allocation for the Readiness and Preparatory Support Programme**

39. To date, the Board has allocated a total of USD 30 million for the execution of the Readiness Programme – USD 1 million in decision B.06/11, USD 15 million in decision B.08/11, and USD 14 million in decision B.11/04. Additionally, in decision B.08/11, the Board decided that all developing countries can have access to readiness support, and that the GCF would aim for a floor of 50 per cent of the readiness support allocation for particularly vulnerable countries, including small island developing States, the least developed countries and African States.

40. In the same decision, the Board further decided that readiness commitments to will be capped at USD 1 million per country per year. With 139 NDAs/focal points nominated and each of them possibly requesting the full amount of readiness resources available to them, the readiness support needed may increase up to USD 417 million by 2018. A further revision in the allocation may be necessary, especially should the Board provide new mandates to the Readiness and Preparatory Support Programme, such as separate allocations for accredited direct access entities (as proposed below).

## 5.2 Dedicated resources for accredited direct access entities

41. As NDAs/focal points have to make trade-offs between how to use the USD 1 million cap, some accredited direct access entities may find it challenging to seek the support of an NDA/focal point to use the readiness resources available to them in order to support the needs of accredited direct access entities. This is particularly true of accredited regional direct access entities or accredited national direct access entities in countries where the NDA/focal point has nominated multiple entities or countries with weaker capacities. Some of these entities have been seeking readiness support to build their institutional capacity or the capacity of executing entities, including to be in a better position to develop GCF projects/programmes. NDA/focal points and direct access entities will need additional capacity down the road in order to properly monitor and report on projects/programmes financed by the GCF.

42. Providing specific caps of up to USD 500,000 annually for accredited direct access entities distinct from the country caps can help to meet this need. Activities funded with these resources may include training and capacity-building to strengthen climate change expertise for project identification, appraisal and monitoring, as well as to strengthen their capacity to meet the ESS and gender requirements of the GCF. The consideration of such requests would require no objections from an NDA or focal point in order to ensure country ownership. Further guidelines on the scope of support, eligible activities, and costs will be developed in consultation with NDAs/focal points, and accredited direct access entities.

## 5.3 Support for voluntary country-driven national adaptation planning processes

43. The Governing Instrument for the GCF, reaffirmed by the Board in decision B.11/04, states that the GCF may support the preparation or strengthening of voluntary country-driven national adaptation planning processes through the Readiness and Preparatory Support Programme, in coordination with other programmes and channels.<sup>12</sup> Decision B.08/11 also mandates the use of readiness resources to develop country strategic frameworks for engagement with the GCF, including country programmes, building on existing strategies and plans, including those for adaptation.

44. To date, the GCF has received readiness requests for NAP-related support from Mongolia and Vanuatu. The readiness proposal from Vanuatu, which covers activity areas 1 and 2, included support for activities for the completion of vulnerability assessments in the context of expanding their NAPs towards the development of their GCF country programme. The NDA in Mongolia is working with the United Nations Environment Programme to develop a proposal for the formulation of its NAP. In addition, the GCF participated in events of the LEG to raise awareness about the GCF in the context of its work on NAPs.

45. At its eleventh meeting, the Board requested the Secretariat to include in its revised allocation system for readiness and preparatory support an information note on how the GCF can support developing countries in their voluntary national adaptation planning processes. An information note providing an overview of NAP mandates and current support for NAPs is included in annex VII.

46. In this context, options for consideration by the Board that could increase the role of the Readiness and Preparatory Support Programme in the NAP process include the following:

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<sup>12</sup> Governing Instrument, chapter V, paragraph 40.

- (a) Supporting closing specific gaps and completing/strengthening NAPs with a view to developing country programmes for the GCF (activity area 2);
  - (b) Supporting the preparation of priority projects/programmes identified in the NAPs (activity area 4/PPF); and/or
  - (c) Supporting information dissemination and collaboration on the formulation of NAPs through awareness raising and knowledge-sharing workshops and other similar activities (activity area 5).
47. Such activities could be supported from within the current country caps for readiness support or the revised caps proposed in this document.
48. Another option that the Board may consider includes providing a resource envelope of up to USD 100 million for full NAPs formulation by countries, which at an average of USD 5 million per country could cover up to 20 countries, each being submitted for approval to the Board using the funding proposal approval cycle.

## **Annex I: List of countries with national designated authorities/focal points**

1. Afghanistan	48. Grenada	95. Papua New Guinea
2. Albania	49. Guatemala	96. Paraguay
3. Algeria	50. Guinea	97. Peru
4. Antigua and Barbuda	51. Guinea Bissau	98. Philippines
5. Argentina	52. Guyana	99. Republic of Korea
6. Armenia	53. Haiti	100. Republic of Moldova
7. Bahamas	54. Honduras	101. Rwanda
8. Bangladesh	55. India	102. Saint Lucia
9. Barbados	56. Indonesia	103. Saint Vincent and the Grenadines
10. Belarus	57. Iran (Islamic Republic of)	104. Samoa
11. Belize	58. Jamaica	105. Sao Tome and Principe
12. Benin	59. Jordan	106. Saudi Arabia
13. Bhutan	60. Kazakhstan	107. Senegal
14. Bolivia (Plurinational State of)	61. Kenya	108. Serbia
15. Bosnia and Herzegovina	62. Kiribati	109. Seychelles
16. Botswana	63. Kyrgyzstan	110. Sierra Leone
17. Brazil	64. Lao People's Democratic Republic	111. Singapore
18. Burkina Faso	65. Lebanon	112. Solomon Islands
19. Burundi	66. Lesotho	113. Somalia
20. Cambodia	67. Liberia	114. South Africa
21. Cameroon	68. Libya	115. Sri Lanka
22. Central African Republic	69. Madagascar	116. Saint Kitts and Nevis
23. Chad	70. Malawi	117. Sudan
24. Chile	71. Malaysia	118. Suriname
25. China	72. Maldives	119. Swaziland
26. Colombia	73. Mali	120. Syrian Arab Republic
27. Comoros	74. Marshall Islands	121. Tajikistan
28. Congo	75. Mauritania	122. Thailand
29. Cook Islands	76. Mauritius	123. Timor-Leste
30. Costa Rica	77. Mexico	124. Togo
31. Côte d'Ivoire	78. Micronesia (Federated States of)	125. Tonga
32. Cuba	79. Mongolia	126. Tunisia
33. Democratic Republic of the Congo	80. Montenegro	127. Turkey
34. Djibouti	81. Morocco	128. Turkmenistan
35. Dominica	82. Mozambique	129. Tuvalu
36. Dominican Republic	83. Myanmar	130. Uganda
37. Ecuador	84. Namibia	131. United Republic of Tanzania
38. Egypt	85. Nauru	132. Ukraine
39. El Salvador	86. Nepal	133. Uruguay
40. Equatorial Guinea	87. Nicaragua	134. Uzbekistan
41. Eritrea	88. Niger	135. Vanuatu
42. Ethiopia	89. Nigeria	136. Viet Nam
43. Fiji	90. Niue	137. Yemen
44. Gabon	91. Oman	138. Zambia
45. Gambia	92. Pakistan	139. Zimbabwe
46. Georgia	93. Palau	
47. Ghana	94. Panama	



## Annex II: Lessons learned from deploying readiness support to strengthen national designated authorities/focal points, and developing country strategic frameworks and regional workshops

Lessons learned		Possible actions
<b>Communications</b>	<p>Some countries and entities face challenges in keeping track of GCF developments and in clearly understanding country-related or accreditation information produced by the Secretariat</p>	<ul style="list-style-type: none"> <li>• Promote the use of the GCF website by NDAs/FPs and entities, and assist them in gaining familiarity with its content, while also improving its ease of use;</li> <li>• Generate clearer materials, updated presentations and FAQ documents for improved understanding of the accreditation and readiness processes;</li> <li>• Continue developing and generating tools or materials that will help to improve understanding of GCF fiduciary, ESS and gender standards; and</li> <li>• Accelerate the translation of key information documents relevant for NDAs/FPs and direct access entities into French and Spanish, and assist them in translating readiness proposals from French and Spanish into English</li> </ul>
<b>Readiness templates and approval process</b>	<p>Countries and entities lack a clear, upfront understanding of the timelines and procedures involved in the GCF readiness approval process, including the fiduciary assessments and legal procedures</p> <p>Countries and entities could benefit from a clearer understanding on the benefits of linking the different readiness activities</p>	<ul style="list-style-type: none"> <li>• Develop an operations manual for the Readiness and Preparatory Support Programme and also directly clarify processes involved</li> <li>• Include templates of relevant readiness-related documents in the operations manual to enable countries to assess the amount of work and time involved;</li> <li>• Simplify and streamline GCF readiness processes and templates, including the establishment of submission/approval cycles (e.g. quarterly); and</li> <li>• Generate guidelines linking the different readiness activities to build better and more robust preparatory support and capacity-building to the countries</li> </ul>
<b>Knowledge management</b>	<p>Countries may benefit from more interactions between NDAs/FPs across regions with potential and already accredited entities as well as with GCF staff</p> <p>Countries and entities could value receiving information and understanding other readiness support experiences from international entities (accredited and non-accredited to the GCF)</p>	<ul style="list-style-type: none"> <li>• Consider thematic workshops, possibly at GCF headquarters;</li> <li>• Accelerate the development of a platform to assist NDAs/FPs in forming communities/networks and exchanging knowledge;</li> <li>• Develop information products such as case studies and testimonies on experiences and best practices, including through videos, as well as toolkits in partnership with relevant institutions;</li> <li>• Facilitate country coordination and engagement with representatives of relevant stakeholders such as the private sector, academia and civil society organizations, among others; and</li> <li>• Create options for country coordination and multi-stakeholder engagement such as exchange opportunities and workshops for NDAs/FPs in order to create country's climate change strategies and project pipelines with subnational, national or regional entities and implementing entities</li> </ul>



<p><b>Standardization</b></p>	<p>Limitations set on eligible costs do not allow some countries to implement readiness activities effectively (e.g. number of stakeholder consultation meetings, number of participants in stakeholder meetings, etc.)</p>	<ul style="list-style-type: none"> <li>• Modify limits-based lessons learned from country requests;</li> <li>• Allow countries flexibility based on their national circumstances with reasonableness of requests being evaluated by the Secretariat; and</li> <li>• Consider setting United States dollars caps with a degree of flexibility on the number of meetings/participants</li> </ul>
<p><b>Early assistance and internal capacity</b></p>	<p>A few countries have indicated an interest in receiving advanced payments in order to prepare the readiness proposals</p> <p>Countries and entities need assistance to understand the readiness activities and generate transformational proposals</p>	<ul style="list-style-type: none"> <li>• Promote a stronger engagement of delivery partners in the proposal preparation process;</li> <li>• Provide more in-kind support to help NDAs/FPs to develop the required readiness proposal documentation; and</li> <li>• Provide assistance to NDAs/FPs, including through outreach efforts in regional/national events, to identify the most suitable subnational, national or regional entities that meet GCF standards to be accredited for their countries</li> </ul>

**Abbreviations:** ESS = environmental and social safeguards, FAQ = frequently asked questions, FPs = focal points, NDAs = national designated authorities.

## Annex III: Readiness support approved as at February 2016

	Country	Activity area	Delivery partner/ service provider	Access type	Amount (USD)	Duration (months)
1	Antigua and Barbuda	1+2	Environment Division, Ministry of Health and Environment	Direct	300,000	12
2	Bangladesh	2	UNDP	International	150,000	12
3	Benin	1	UNEP	International	150,000	24
		3	PwC	na	37,000	-
4	Bolivia (Plurinational State of)	1+2	Ministry of Development Planning	Direct	300,000	24
5	Brazil	3	PwC	na	37,000	-
6	Cambodia	3	PwC	na	37,000	-
7	Central African Republic	1+2	UNDP	International	300,000	12
8	Chad	1+2	UNDP	International	300,000	24
9	Chile	1+2	Ministry of Finance	Direct	300,000	12
10	Colombia (2 entities)	3	PwC	na	74,000	-
11	Comoros	1+2	UNEP	International	300,000	24
12	Cook Islands	1	Ministry of Finance and Economic Management	Direct	150,000	12
13	Costa Rica	1+2	UNDP	International	300,000	12
14	Côte d'Ivoire	1+2	UNDP	International	300,000	24
15	Democratic Republic of the Congo	1+2	CSE	Direct	300,000	24
16	Djibouti	1+2	CSE	Direct	300,000	24
17	Dominican Republic	1+2	UNDP	International	300,000	12
18	El Salvador	1+2	Deputy Ministry for Development Cooperation, Ministry of Foreign Affairs	Direct	300,000	18
19	Ethiopia	1+2	Ministry of Finance and Economic Cooperation	Direct	300,000	24
20	Guatemala	1+2	Food and Agriculture Organization	International	300,000	12
21	Guyana	1+2	Caribbean Community Climate Change Centre	Direct	300,000	6
22	Guinea	1+2	UNDP	International	300,000	24
23	Honduras (2 entities)	1+2	UNDP	International	300,000	12
		3	PwC	na	74,000	-
24	India	1+2	UNDP	International	300,000	12
25	Kenya	1	Kenya National Treasury	Direct	150,000	12
		3	PwC	na	37,000	-
26	Liberia	1+2	UNDP	International	300,000	24
27	Mali	1+2	Sahel Eco	Direct	300,000	24
28	Mexico	3	PwC	na	37,000	-
29	Micronesia (Federated States of) (2 entities)	1+2	Secretariat of the Pacific Community	Direct	300,000	24
		3	PwC	na	74,000	-

<b>30</b>	Mongolia	1+2	GIZ	International	300,000	12
<b>31</b>	Niue	3	PwC	na	37,000	-
<b>32</b>	Pakistan	1+2	GIZ	International	300,000	6
		3	PwC	na	37,000	-
<b>33</b>	Palau	3	PwC	na	37,000	-
<b>34</b>	Peru	1+2	GIZ	International	300,000	6
<b>35</b>	Philippines	1+2	Climate Change Commission	Direct	300,000	12
<b>36</b>	Rwanda	1+2	Environment and Climate Change Fund	Direct	300,000	12
<b>37</b>	Senegal	1+2	CSE	Direct	300,000	18
<b>38</b>	Seychelles	3	PwC	na	37,000	-
<b>39</b>	Swaziland	1+2	UNDP	International	300,000	18
<b>40</b>	Thailand	1	GIZ	International	102,000	6
<b>41</b>	Togo	1+2	UNDP	International	300,000	24
<b>42</b>	Tunisia	1+2	The Sahara and Sahel Observatory	Direct	300,000	24
<b>43</b>	United Republic of Tanzania	1+2	UNDP	International	300,000	12
<b>44</b>	Vanuatu	1+2	GIZ	International	300,000	24
<b>45</b>	Zambia	1+2	Ministry of Finance	Direct	300,000	24
<b>Total</b>					<b>11,157,000</b>	

**Abbreviations:** CSE = Le Centre de Suivi Ecologique, GIZ = Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH, na = not applicable, NDA = national designated authority, PwC = PricewaterhouseCoopers, UNDP = United Nations Development Programme, UNEP = United Nations Environment Programme.

## Annex IV: Countries whose national designated authorities/focal points nominated entities that are receiving in-kind accreditation support as at February 2016

Africa	Asia and the Pacific	Latin America and the Caribbean
Benin	Bangladesh	Argentina (2)
Ethiopia	Cambodia	Belize
Kenya (3)	China	Brazil (2)
Morocco (2)	Fiji (2)	Bolivia (Plurinational State of)
Namibia (2)	India (2)	Colombia (2)
Rwanda	Indonesia (2)	El Salvador (2)
Seychelles	Jordan	Guatemala
Senegal	Marshall Islands	Haiti
South Africa	Micronesia (Federated States of) (2)	Honduras (2)
Tunisia	Mongolia	Mexico
	Palau	Panama
	Niue	Peru (2)
	Pakistan (2)	
	Viet Nam	

**Note:** Numbers in parentheses are the number of entities.

## Annex V: Estimated cumulative commitments up to end of 2016

Readiness activity area	End Dec 2015 (est.)	End Dec 2015 (act.)	As at Feb 2016 (act.)	End June 2016 (est.)	End Dec 2016 (est.)
<b>Activity areas 1 and 2</b>					
Number of NDAs/focal points	30	33	38	70	100
Commitments for NDAs/focal points (USD)	8,500,000	9,102,000	10,602,000	20,000,000	30,000,000
Disbursement for NDAs/focal points	-	161,165	356,165	na	na
<b>Activity area 3</b>					
Number of entities pre-accreditation	15	9	15	22	35
Commitments for entities pre-accreditation (USD)	500,000	333,000	555,000	814,000	1,295,000
Disbursements for entities pre-accreditation (USD)	-	73,650	219,130	na	na
Number of entities post-accreditation	8	0	0	na	na
Commitments in post-accreditation capacity-building (USD)	250,000	0	0	na	na
<b>Activity area 4/PPF</b>					
Number of proposals	3	2	3	na	na
Commitments (USD)	1,200,000	0	0	na	na
<b>Activity area 5</b>					
Regional workshops and NDA visits expenditures (USD)	700,000	640,112	640,112	1,000,000	1,500,000
In-kind support to NDAs and direct access entities expenditures (USD) <sup>a</sup>	1,048,422	935,472	935,472	1,500,000	2,000,000
<b>Total commitments (USD)</b>	<b>12,198,422</b>	<b>11,010,584</b>	<b>12,732,584</b>	<b>23,314,000</b>	<b>34,795,000</b>
<b>Total disbursements/expenditures (USD)</b>	<b>-</b>	<b>1,810,399</b>	<b>2,150,879</b>	<b>na</b>	<b>na</b>

**Abbreviations:** act. = actual, est. = estimated, na = not applicable, NDA = national designated authority, PPF = Project Preparation Facility.

**Note:** Cells marked as "na" will be estimated following decisions taken at the twelfth meeting of the Board

<sup>a</sup> Includes USD 398,442 spent in 2014

## **Annex VI: Issues and options related to simplifying access to funds for country programming and readiness and preparatory support**

### **Legal arrangements for readiness grants**

1. The legal provisions in the standard conditions for readiness grants that need to be considered by the Board include:
  - (a) The indemnity clause, which has been a particular issue for readiness delivery partners, such as United Nations agencies, selected by countries, seeks to provide the GCF an indemnity by the delivery partner from third-party claims. As the GCF is not protected against litigation in national courts, it is a likely target for law suits against which it needs to be protected especially when operating with a partner, which has the benefit of protection against litigation through privileges and immunities;
  - (b) The provisions on protecting the GCF against legal action in the host country require lengthy clearance processes such as approvals by the finance minister or parliament in some countries; and
  - (c) The requirements, as per standard international fiduciary practices (know your customer), to provide an independent legal opinion to confirm the identity and authority of the national designated authority (NDA)/focal point to represent the country for the readiness grants, and the authority of the signatory to represent the NDA/focal point under the readiness grant agreement also entails lengthy processes in some countries.
2. In order to overcome some of the above challenges, the Secretariat is exploring alternative legal arrangements described below.

#### *Umbrella agreements with international delivery partners*

3. The delivery partner for 20 of the 38 countries whose readiness proposals have been approved is Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ), the United Nations Development Programme or the United Nations Development Programme. Instead of signing 20 trilateral readiness grant agreements with these delivery partners for each country, the Secretariat is exploring the option of entering into bilateral umbrella agreements with them to streamline and accelerate the implementation of readiness support in these countries. Under such arrangements, the delivery partners will be responsible for delivering readiness support to countries either directly or by procuring the corresponding services, doing customary due diligence and monitoring the technical and financial progress of readiness support provided. Such delivery partners will report to the GCF quarterly on the portfolio of countries for which they serve as the delivery partner.

#### *Working through a fiduciary agent*

4. A collaborative arrangement with a United Nations agency to serve as a fiduciary agent for the Readiness and Preparatory Support Programme is under discussion. The fiduciary agent will support the Secretariat in administering readiness support to those countries accessing resources directly through the NDA/focal point or through a national or regional delivery partner (i.e. not through an international delivery partner).
5. The fiduciary agent may provide at least one or more of the following services:
  - (a) Financial management capacity assessment of the NDA/focal point or its national or regional delivery partners before the approval of a readiness proposal;

- (b) Preparing and signing an agreement or sub-agreements with the country or its national or regional delivery partner indicating the roles and responsibilities of each party and the disbursement schedule; and
- (c) Project/Programme management and verification that activities are implemented according to the grant agreement and disbursing funds to the NDA/focal point or its national or regional delivery partner in accordance with the agreed disbursement schedule.

6. The fiduciary agent will report to the GCF quarterly at a portfolio level, transmit outputs of the readiness support from each country to the Secretariat, and flag to the Secretariat changes that may be necessary to the scope of activities, or the implementation and disbursement schedules. Relying on their existing systems and templates, including legal arrangements with various country governments and national or regional institutions, will reduce the burden on the Secretariat of administering each individual grant, leverage the capacity and competence of a credible institution with a track record of having provided such services to other global funds, and also accelerate disbursements and the implementation of readiness activities in those countries seeking to access readiness support directly.

#### *Upfront payments upon signing of grant agreements*

7. As some countries are finding some of the conditions for effectiveness and disbursement time-consuming, the GCF could consider disbursing a share of the grant as an advance payment upon signature of the readiness grant agreement, while making the disbursement of subsequent tranches conditional on meeting outstanding requirements. In doing so, the GCF can respond to the immediate needs and capacity constraints in some countries by at least kick-starting some activities, while they go through the necessary processes to meet outstanding requirements.

#### **Streamlining operational limitations**

8. Some of the current operational rules pertaining to the Readiness and Preparatory Support Programme that could be streamlined include those listed below.

#### *Caps on number of workshops and participants at workshops*

9. The GCF is committed to fostering wide stakeholder engagement by the NDAs/focal points to develop awareness of the GCF and the potential it offers for countries. Several countries including Chile, the Democratic Republic of the Congo and Rwanda have shared their views that due to their national circumstances, the limits in decision B.08/11 on the numbers of and participation in workshops constrain their ability to undertake effective stakeholder engagement. The caps stipulate that: (a) no more than two workshops can be organized in a year, (b) there can be no more than one workshop per quarter, and (c) there can be no more than 15 participants per workshop. These limitations presume that the NDAs/focal points will organize national stakeholder workshops. In the case of many countries with federated political systems, these limitations are inhibiting their ability to plan workshops at the sub national (i.e. state or provincial) level.

10. This cap could be revised in two ways, as follows: (a) providing for additional caps for a number of workshops organized at sub national levels; (b) providing for a cap of up to USD 100,000 for workshops while allowing NDA/focal points flexibility on the number of workshops organized, whether nationally or sub-nationally, and the number of participants supported to participate in them. Providing a United States dollar cap will offer more flexibility to choose the consultation arrangements that best suit their country's needs.

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*Revising the 300,000 United States dollars cap of direct support to national designated authorities/focal points*

11. Decision B.08/11 also limits direct support to NDAs and focal points to USD 300,000 for a two-year period to cover the costs of meeting GCF requirements based on need and actual demand. This support has been targeted towards activity areas 1 and 2 in order to strengthen the NDAs and help them to develop their country's strategic frameworks for engagement with the GCF. A few countries have found the USD 300,000 cap inadequate. For example, Brazil, the Democratic Republic of the Congo and India have enquired about the possibility of higher budgets to engage with larger numbers of domestic stakeholders due to the size of their countries. Additionally, 19 countries have opted to implement activities amounting to up to USD 300,000 over a period of 12 months or less. It is expected that these countries will request additional support upon the completion of initial activities to ensure their continued ability to fulfil their responsibilities towards the GCF.

12. In order to address these issues and to accelerate desired outcomes of the readiness support, it is advisable to streamline the USD 300,000 cap annually for all countries thus aligning it with the USD 1 million annual cap per country. This change would enable more countries to complete their country programmes for the GCF within a 12-month, rather than a 24-month, timeframe.

## **Annex VII: Overview of national adaptation plan mandates and current support for national adaptation plans**

### **GCF mandate and Conference of the Parties to the United Nations Framework Convention on Climate Change guidance**

The Governing Instrument for the GCF mandates the GCF to support developing countries in pursuing project-based and programmatic approaches in accordance with climate change strategies and plans, including national adaptation plans (NAPs) and other related activities. Resources will also be made available for readiness preparatory activities and technical assistance for NAPs.

Through United Nations Framework Convention on Climate Change (UNFCCC) decision 1/CP.16 in Cancun, Mexico, the Conference of the Parties to the UNFCCC established the NAP process for the least developed country (LDC) Parties. UNFCCC decision 5/CP.17 in Durban, South Africa, adopted initial guidelines for NAPs and requested the Least Developed Countries Expert Group (LEG) and the Adaptation Committee to develop detailed technical guidelines. These guidelines were published in 2012 and built on the initial guidelines and country experiences, including national adaptation programmes of action (see figure 3). The decision also requested the Global Environment Facility (GEF), through the Least Developed Countries Fund (LDCF), to enable activities for the preparation of NAPs, inviting other development partners to develop support programmes as appropriate.

In 2014, the Conference of the Parties to the UNFCCC recognized “the continuous, iterative and long-term nature of the national adaptation plan process, and that the national adaptation plans can serve as an important tool for ensuring a common understanding and for communicating progress made towards both reducing vulnerability and integrating climate change adaptation into national and development planning”, while also acknowledging “the importance of communicating, in a flexible manner, what the process to formulate and implement national adaptation plans involves, as well as the outputs and outcomes of that process”.<sup>1</sup>

The Paris Agreement further requests the GCF to expedite support for LDCs and other developing country Parties for the formulation of NAPs, and for the subsequent implementation of policies, projects and programmes identified by them. In addition, the Adaptation Committee (AC) 2016–2018 workplan prioritizes collaboration with the GEF, the GCF, the Adaptation Fund and others in order to support the process to formulate and implement NAPs, to enhance communication, awareness, coordination and complementarity of donors and funds. In the second half of 2016, the workplan will include the development of an information paper on the experiences of countries in accessing the GCF readiness programme in support of adaptation, including for the process to formulate and implement NAPs.

### **GCF support for national adaptation plans to date**

As at January 2016, the GCF has received requests for NAPs-related support from Vanuatu and Mongolia. Through its Readiness and Preparatory Support Programme, in September 2015, the GCF confirmed support for Vanuatu’s readiness proposal to develop the country’s GCF country programme under readiness activity area 2, which includes support for a part of Vanuatu’s NAP-related activities. The specific NAP-related activities to be supported include prioritized island vulnerability assessment(s), informing identification and development of bankable projects for possible GCF financing. In November 2015, the GCF received a request from the Government of

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<sup>1</sup> UNFCCC decision 3/CP.20, paragraphs 4 and 5.

Mongolia for the development of a NAP and is working with the United Nations Environment Programme to develop a proposal in this regard.

By way of outreach efforts, the GCF also participated in collaborative efforts by the LEG and the AC to support NAP awareness in 2015. This included inputs into a NAP overview document for countries as well as other contributions by Secretariat staff to regional training sessions and representation by the GCF Co-Chair at AC meetings.

**Figure 3: Summary of least developed countries expert group technical guidelines for national adaptation plans**

▶ <b>Steps under each of the elements of the formulation of national adaptation plans, which may be undertaken as appropriate<sup>a</sup></b>
<p><b>Element A. Lay the groundwork and address gaps</b></p> <ol style="list-style-type: none"> <li>1. Initiating and launching of the national adaptation plan (NAP) process;</li> <li>2. Stocktaking: identifying available information on climate change impacts, vulnerability and adaptation, and assessing the gaps and needs of the enabling environment for the NAP process;</li> <li>3. Addressing capacity gaps and weaknesses in undertaking the NAP process; and</li> <li>4. Comprehensively and iteratively assessing development needs and climate vulnerabilities</li> </ol>
<p><b>Element B. Preparatory elements</b></p> <ol style="list-style-type: none"> <li>1. Analysing current climate and future climate change scenarios</li> <li>2. Assessing climate vulnerabilities and identifying adaptation options at the sector, subnational, national and other appropriate levels;</li> <li>3. Reviewing and appraising options;</li> <li>4. Compiling and communicating national adaptation plans; and</li> <li>5. Integrating climate change adaptation into national and subnational development and sectoral planning</li> </ol>
<p><b>Element C. Implementation strategies</b></p> <ol style="list-style-type: none"> <li>1. Prioritizing climate change adaptation in national planning;</li> <li>2. Developing a (long-term) national adaptation implementation strategy;</li> <li>3. Enhancing the capacity for planning and implementation of adaptation; and</li> <li>4. Promoting coordination and synergy at the regional level and with other multilateral environmental agreements</li> </ol>
<p><b>Element D. Reporting, monitoring and review</b></p> <ol style="list-style-type: none"> <li>1. Monitoring the NAP process;</li> <li>2. Reviewing the NAP process to assess progress, effectiveness and gaps;</li> <li>3. Iteratively updating the national adaptation plans; and</li> <li>4. Performing outreach on the NAP process and reporting on progress and effectiveness</li> </ol>

**Note:** Figure adapted from the Least Developed Countries Expert Group *Technical guidelines for the national adaptation plan process*.

<sup>a</sup> Elements A to D for the formulation of national adaptation plans are given in the annex to UNFCCC decision 5/CP.17. The steps are numbered here for ease of reference, however, it is understood that countries will choose which steps are applicable for their country-specific situation, and in what order they will be undertaken.

### **National adaptation plan support programmes**

A wide range of bilateral and multilateral support is available for the NAP process. The AC published a comprehensive resource guide detailing available support ranging from knowledge and information provision to financial and technical support. To date, the majority of NAP-related work globally has focused on raising countries' awareness of the NAP process and guidelines through regional workshops and training. Financial support for the formulation of

NAPs, as well as their implementation, is seen as a central role of the GCF, and will build on the foundation built by the main NAP support programmes detailed below.

Based on available information, so far, existing support for NAPs mainly include:

- (a) USD 14 million from the LDCF and the Special Climate Change Fund, through the National Adaptation Plan Global Support Programme, provided all developing countries with some form of support for NAPs such as stocktaking, institutional support and in-country training (mostly element A of the LEG technical guidelines) on the NAP process. Of these, 15 countries are receiving further one-on-one support;
- (b) USD 12 million from Germany, through the United Nations Development Programme and the Food and Agriculture Organization of the United Nations, to eight countries so as to integrate agriculture into their NAP processes; and
- (c) Possibly USD 43 million from the LDCF for proposals from nine of the LDCs (ranging from USD 3 to 9 million) for country-specific NAPs processes and, in some cases, to cover urgent priorities identified in their national adaptation programmes of action.

The National Adaptation Plan Global Support Programme has been principally supporting countries to lay the groundwork and address gaps (element A), while the proposals submitted to the LDCF cover other elements of the LEG guidelines. Based on the information gathered, there appears to be a demand from countries to develop full NAP proposals similar to the ones submitted to the LDCF. For example, the United Nations Environment Programme has informed the Secretariat of such demand from three countries – Mongolia, Myanmar and Nepal. Based on the proposals submitted to the LDCF, the Secretariat estimates that requests to the GCF for similar proposals will be on average USD 5 million over a three- to five-year period. However, meeting this demand appears to be constrained by the availability of funding sources.

### **National Adaptation Plan – Global Support Programmes**

The National Adaptation Plan – Global Support Programmes (NAP-GSPs) for the LDCs commenced in August 2013. The programme provides one-on-one technical assistance, including training, tools and knowledge exchange, to the LDCs in order to identify technical, institutional and financial needs to integrate climate change adaptation into ongoing medium- and long-term national planning and budgeting. The programme is financed through the LDCF under the GEF.

The NAP-GSPs for non-LDCs commenced in July 2015. Technical support for NAP processes in non-LDCs includes institutional support to develop NAP road maps, training and tools, knowledge exchange and regional cooperation. The programme is financed by the Special Climate Change Fund under the GEF.

They are jointly implemented by the United Nations Development Programme (UNDP) and the United Nations Environment Programme in collaboration with development partners. The programmes assist countries in leveraging finance from existing sources through technical assistance, rather than direct grants. As at September 2015, 15 countries have received one-on-one support for activities, including stocktaking, institutional support and in-country training on the NAP process. NAP-GSPs are receiving the following financial support through the GEF:

- LDCF: USD 9.14 million approved as at January 2015 to support the LDCs with the NAP process; and
- Special Climate Change Fund: USD 5.09 million approved to support the NAP process of non-LDCs.

Additional funding has been mobilized through NAP-GSP partnerships, including USD 250,000 to UNDP from Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH to intensify

support to the LDCs as well as the support of the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety of USD 12 million to UNDP in partnership with the Food and Agriculture Organization of the United Nations in order to support eight countries to integrate agriculture into the NAP process.

### **NAP Central**

The LEG developed a hub for resources and information relevant to NAPs called NAP Central. It contains country portals allowing countries to manage their specific content, collaborative sites and public resource pages with information materials.

### **NAP Global Network**

The NAP Global Network was launched to enhance national adaptation planning and action in developing countries through coordination of bilateral support and in-country actors. The network also facilitates international peer learning and exchange. The International Institute for Sustainable Development functions as a secretariat for the NAP Global Network. Initial financial support for the network was provided by Germany and the United States of America.

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