



**GREEN
CLIMATE
FUND**

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Consideration of funding proposals – Addendum XIX

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 (FP028-FP030, FP032-FP037) submitted for the Board’s consideration at its fifteenth meeting.

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Reply to the Independent Technical Advisory Panel assessment findings (FP 028)

Proposal name: Business loan programme for GHG emissions reduction
 Accredited entity: XacBank LLC (XacBank)

Impact potential
XacBank concurs with the positive assessment from iTAP and believes it accurately reflects the design of the program, its priorities, and its anticipated impact.
Paradigm shift potential
XacBank concurs with the positive assessment from iTAP and believes it accurately reflects the strength of the Funding Proposal in promoting paradigm shift concepts that are important to the GCF and its board.
Sustainable development potential
XacBank concurs with the positive assessment from iTAP and believes it accurately reflects the sustainable development potential of the FP in terms of accessing all sectors of the EE and Re supply chain and promoting the participation of women-led MSMEs in GHG emissions reductions, while taking steps to significantly reduce technological risks.
Needs of the recipient
XacBank concurs with the positive assessment from iTAP and believes it accurately reflects the program’s ability to address key barriers to RE and EE development in Mongolia as well as the program’s alignment with national legislation, such as the Energy Conservation Law and the Green Development Strategic Plan.
Country ownership
XacBank concurs with the positive assessment from iTAP and believes it accurately reflects the strong relationship between the FP and the NDA, the relevant municipalities, and civil society stakeholders.
Efficiency and effectiveness
XacBank concurs with the positive assessment from iTAP and believes it accurately reflects the large anticipated carbon emission reductions as well as the low cost per ton of reduced carbon on the part of the Green Climate Fund.
Overall remarks from the independent Technical Advisory Panel:
The only overall remark from iTAP advised the focal point to investigate and select a third party energy insurance program to eliminate the burden of technological risk. The Focal Point would like to re-iterate our intention to implement this recommendation after an assessment of the most suitable third party partners.

Reply to the Independent Technical Advisory Panel assessment findings (FP 029)

Proposal name: SCF Capital Solutions

Accredited entity: Development Bank of Southern Africa (DBSA)

Impact potential
Findings and comments accepted.
Paradigm shift potential
Findings and comments accepted.
Sustainable development potential
Findings and comments accepted.
Needs of the recipient
Findings and comments accepted.
Country ownership
Findings and comments accepted.
Efficiency and effectiveness
Findings and comments accepted.
Overall remarks from the independent Technical Advisory Panel: The DBSA acknowledge and accept the findings/comments of the Independent Technical Advisory Panel assessment.

Reply to the Independent Technical Advisory Panel assessment findings (FP 030)

Proposal name: Catalyzing private investment in sustainable energy in Argentina – Part 1

Accredited entity: Inter-American Development Bank (IDB)

Impact potential
IDB would like to thank the ITAP for its careful review. We concur with its conclusions on this point.
Paradigm shift potential
IDB would like to thank the ITAP for its careful review. We concur with its conclusions on this point.
Sustainable development potential
IDB would like to thank the ITAP for its careful review. While we consider the Program will have very concrete and significant contributions to sustainable development (mainly in terms of economic and environmental sustainability of the power sector, contributing to its transformation towards a much more sustainable growth path) we understand the rationale of the “medium” rating as a result of the indirect nature of some of these benefits, the full effect of which will materialize as replication and high levels of renewable energy penetration occur.
Needs of the recipient
IDB would like to thank the ITAP for its careful review. We consider this program provides a robust set of financial and non-financial tools to address very concrete and critical needs of various recipients (renewable energy project sponsors, commercial lenders, and policy planners and regulators, among other). While energy consumers will benefit in the short term from renewable energy projects that come immediately on board (diversifying supply and displacing expensive fossil fuel imports), the full scale of benefits will be experienced over time through the Program’s broader contribution to capacity building and replication.
Country ownership
IDB would like to thank the ITAP for its careful review. We concur with its conclusions on this point.
Efficiency and effectiveness
IDB would like to thank the ITAP for its careful review. We concur with its conclusions on this point.
Overall remarks from the independent Technical Advisory Panel:

Reply to the Independent Technical Advisory Panel assessment findings (FP 032)

Proposal name: Enhancing women and girls adaptive capacity to climate change in Bangladesh

Accredited entity: United Nations Development Programme (UNDP)

Impact potential

We, UNDP, thank ITAP for its commentary on the project. We appreciate ITAP's recognition of the serious shortage of freshwater for people in the Ganges Dependent Area. These people are confronted with the increased incidence of freshwater resources due to contamination of surface and groundwater by salinity associated with sea level rise. It is a serious issue that transcends the obvious issue of insufficient availability of freshwater for consumption purposes. It is triggering a series of chain reactions that ultimately compounds the vulnerability of communities to climate change. For the poor and marginalized, already with limited options to begin with, it undermines their ability to overcome climate hazards as valuable time is used to search for water, therefore further thrusting them deeper into poverty.

It is in this context, and specifically in recognition of the grave impact on women and young girls, that one of the core issues that the project seeks to address. The sustainable provision of additional amounts of clean potable water is beyond what is available through Government-led initiatives to a target population of 1.25 million extremely poor people. Results from this project potentially inform and guide the further scale-up of an economically-efficient solution that is also practical, additionally providing clean water in other areas of the Ganges Dependent Area. The region is projected by climate scenarios to continue to be further affected by the salinity of freshwater in the Ganges Delta, further plunging vulnerable communities from the creeping onset of sea level rise.

During the development of the water-related component of this project, several technological solutions were examined including, but not limited to, desalination plants, extraction methods and the purification of river water and drawing water from wells, which are common practices in use but with serious limitations in the potential for scale-up. In all cases, the economic, environmental and social impacts and water quality issues were considered too significant and detrimental to people and the fragile ecosystems in the targeted area. In contrast, the proposed solution balances the need for scale of impact, cost-effectiveness, minimizes risks in terms of environmental and social impacts and fits within the local context. More importantly, the proposed solution to expand water supply through rainwater harvesting tanks is not a standalone intervention. Rather, it is part of a theory of change underpinning this project that, along with provision of cash transfers and skills and climate-resilient livelihoods training, seeks to remove a set of key barriers faced by extremely poor women and girls to adapt to the inevitable consequences of fast unfolding climate change impacts.

Water-related activities

Taking into account the amount of analytical work that has gone into this project, we respectfully disagree with ITAP's statement that the "*choice of technology (the use of 605,000 litre water storage tanks),... and delivery from single point, the beneficiaries will only receive drinking water a few months per year (late May until mid-October) and in almost all cases, the*



rainwater storages will be exhausted within weeks after the last monsoon rainfall.” The design of this project included an in-depth analysis of the time it takes to fill up the proposed water tank making conservative assumptions about the catchment area, water capture efficiency rates, and average rainfall in the targeted area. The analysis was undertaken by technically qualified water engineers, economists, safeguard specialists, on field local experts, many with more than 15-20 years of relevant experience each and specific experience in Bangladesh. The detailed analysis is available upon request. In this response, we summarise the findings.

As outlined in the proposal and feasibility study, against the backdrop of increasing salinity of freshwater surface and ground-water resources from sea-level rise, the south-western districts of Bangladesh receive more than 2,000 to 2,600 mm/annum rainfall. These quantities, based on climate models, are projected to increase with climate change. This rainfall is also not limited to a number of months although it is acknowledged that about two-thirds of the rainfall will fall within four (4) to five (5) months.

As per the calculations presented below, to stress test the technological option in this project, we assume the lower end of average rainfall in south-western Bangladesh (2,000mm). Based on these estimates, the time it takes to fill each of the proposed water tanks is roughly about 3 months. For ease of exposition, the following assumes that rainfall is constant across the year and spread evenly across the months. While this is not an exact replication, it provides a worst-case scenario. In fact, based on known rainfall estimates, the tanks would fill more quickly during monsoon events.

For each Tank		
Water Tank Capacity	605,000	Litres
Catchment Area	1,500	m ² of roof area (targeted catchment area based on assessment of public buildings in 450 targeted sites). Some sites visited indicated buildings where total areas suitable for water harvesting was approximately 2400 m ² .
Water capture efficiency rate	0.85	Efficiency rates as per industry standard. We stress-tested this by using lower rates as well.
Rainfall (using minimum mm/year for area)	2,000	mm/year (lower end of current and projected rainfall)
Rainfall (average in metre/year)	2	metres/year (= 2000mm/year/1000)
Volume of rainfall in catchment	2550	m ³ /year (= catchment area x efficiency rate x average rainfall)
	2,550,000	In Litres/year (= 2550 x 1000)
Time taken to fill each tank	2.85	months (= rainfall in catchment/ water tank capacity/ 12 months)

The above indicates that given the size of the water tank, and available catchment area based on buildings in good condition in the targeted areas (which we based on the results of an in-depth preliminary survey of buildings in over 1000 locations), it would take approximately 2.85 months to fill up in a worst case scenario. If the water capture efficiency-rate were to fall to 0.6, it would take approximately four (4) months to fill. The water capture efficiency rate accounts for loss, extraction, etc. These conservative estimate are in fact reasonable.

Thirdly, when we calculate the amount of potable water at the targeted sites, we get the following results:

Total Amount of Potable Water at targeted sites over year		
Public Sites (Government buildings, School, hospitals etc.)	450	Sites - these sites have already been surveyed with preliminary assessment of the condition of buildings for planning purposes
With three (3) tanks/site	1350	number of tanks in all targeted sites
Total water capture	3,442,500,000	Total Litres that could be captured (=1350 tanks x 2,550,000 litres/tank)

Taking into account a minimum amount of the additional water requirements (*in line with the principle of additionality*) beyond what the targeted population (1.25 million) has access to, and in the context of the theory of change for this project, GCF and co-financing investments will secure a total of approximately 607.5 million litres. Assuming no rain for 8 months (243 days – used as a worst-case scenario), the installation of three (3) tanks per site, and therefore the additional water supply is possible if they each have a capacity of over 605,000 litres per tank. When the above estimates were subject to further stress of 15% water loss at capture and a further loss of 15% of discharge (beyond the typical industry standards for water capture efficiency) this would mean that 114% and 97% (almost 100%) respectively, of water needs would be met in the worst of cases. This is unlikely as the estimates of rainfall is likely to be higher based on scenarios of climate change.

Given the undisputed challenge at hand that the increased incidence of salinity is significantly affecting the amount of fresh water available, a point which ITAP also acknowledges, sustainable, cost effective solutions for the provision of potable water needs to be found. The proposed solution is therefore an important step in making a scaled-up solution possible.

We would be pleased to sit down with the reviewer from ITAP and determine just where there is a divergence in the calculations that underpins the conclusion on whether the proposed technology would be suitable or not.

Paradigm shift potential

ITAP comment was that “*There is no indication whatsoever of how rainwater is going to be collected in the harvesting tanks*”

In our previous response to ITAP, we provided information on the proposed locations of the rainwater tanks, which would be adjacent to government buildings, school, hospitals, etc. By placing them at these locations, there would be no need for any form of land acquisition. Further, the government buildings observed during field visits in December 2015 showed that many of the buildings were of the requisite size and many already had downpipes that could be used to transfer the rain water to the tanks. One example is provided below. Surveys have been conducted in 450 locations. Most the buildings are in a good condition to serve as catchment for the water that will be collected in the tanks. We further provided ITAP with a copy of the financial calculations that showed the costings for fittings such as downpipes to move the water from the roof to the water tanks. All government buildings that were observed during the field visit had space for the tanks.

ITAP comment that 3 different estimates of the catchment-area size were provided, implying a key issue was not considered.

The reference to 200 m² and 500 m² is related to sizes of the roof area of some building sites that have been surveyed to play a role in water catchment. The 1500 m² reference, which is close to the 2,000 m² that ITAP agree is the catchment area required, is the total targeted catchment-area that the project will work with to collect the water required to fill the tanks. These are not three random estimates. We therefore, respectfully, disagree that the presentation of these numbers is an indication that “[the] project proponents have not considered these issues for each of the locations, which poses a considerable risk to the sustainability of the project.” On the contrary, detailed surveys have been conducted, with exact locations of the buildings identified, the condition of the buildings has also been assessed, and roof areas have been measured.

Furthermore, contrary to the ITAP comment, there will be no use of river water in the proposed solution. The salinity of the river water due to sea level rise is the reason why the project is proposed in the first place.

While UNDP acknowledges that it may be beneficial to undertake detailed design work at all 450 locations, the cost of this would be problematic. Neither UNDP nor GoB can afford to assume this risk at this time given that GCF financing is not assured. Such work would also entail raising expectations of very poor people, an issue that obviously needs to be handled with sensitivity. However, recognizing the need for as much information as possible to meet GCF requirements, assessments were conducted at all potential sites (and more) to obtain key information (such as the condition and size of roofs, exact location) to be certain that the proposed solution is feasible. While perhaps helpful for ITAP to better understand the project, we also do not believe that any additional details at this point will change the fundamentals of the proposed project including the budget and risk assessment. Contingencies have been built into the design as per industry standards. Once funding is confirmed, UNDP and GoB will undertake a full assessment of each building prior to procuring the tanks and organizing installation and this is expected to be done in year 1 of the project, consistent with other country submissions already approved by the Board, especially those in LDCs and SIDs. This will also enable the more active and meaningful participation of targeted women beneficiaries in deciding on the exact location of the water tanks as the location does impact on collection, which is largely done by women in Bangladesh.

ITAP comment “*The proposal contains no indication of how are the potential users are going to access the water.*”

ITAP refers to a “*serve yourself*” option. ITAP also states that there is “*hardly any literature that suggests that community based similar systems have been successfully implemented in the target areas.*”

Please note that the proposal does not propose a “*serve yourself*” option. Quite the contrary, the proposal indicates that women, organised into collectives as is the current practice, will be responsible for the distribution of the water from the tanks. Importantly, communally managed water schemes exist in the specific districts in south western Bangladesh. During field visits undertaken during the design phase, examples of such schemes have been observed including on several occasions, community managed desalination plants. Photos of an example of this operation are included below. Setting aside the environmental damage caused by desalination plans (as opposed to the proposed cleaner technology of rainwater harvesting) as well as high costs of operation and maintenance, the community management approach is in practice and effective. From consultation with management committees and users, this model has proved extremely successful and is one that is preferred by local communities as it cultivates a sense of ownership. The proposed project will rely on a similar model where people come to collect water from the storage location, which is managed by community members, as is acceptable practice in the region. Typical issues that arise with common property (underinvestment, free riding) are unlikely given the private characteristics that prevail when there are community/collectively managed water system.

ITAP comment “*The proposed project has not made any allocation for the operation and maintenance.*”

The operational and maintenance requirements are not significant for rainwater tanks. Once established, the main maintenance issue for the tanks themselves is the replacement of a sacrificial magnesium anode every ten years. The cost of the anode is not significant, approximately \$40. Maintenance of the filters and lamps would be undertaken to be consistent with the environmental code of practice for water tanks that established operational and maintenance regimes. This was included as requested by GCF in the Environmental and Social Management Plan. If followed, this will significantly minimize the operational and maintenance costs of the project. It should be noted that the purchase of these items in bulk will further reduce the costs. As such, the project designers believe that \$50 is a reasonable estimate per tank. Even assuming a doubling or quadrupling of

maintenance cost per tank is still a relatively marginal cost and is adequately covered by cofinancing secured for this project. Additional community investments would also be secured during project implementation as agreements are reached with community members for the maintenance of the system. This means that the maintenance issue, while important, is not a risk that UNDP nor GoB are concerned about.

ITAP comment “*There is no reason for having only one brand name of tanks specified.*”

The proposal is not designed to be implemented with a single source vendor in mind. As discussed with ITAP and as included in UNDP’s response, the reference to the cost profile associated with a specific brand for the water tanks was due to the availability of full pricing data. While several other potential vendors were contacted, the full cost estimates necessary to establish a reliable cost profile came from a well-known vendor. No other company provided full costings. However, based on the partial cost estimates provided, coupled with the full cost estimates we have received from a single vendor, adjustments have been made to estimate the cost associated with the solution. Contingencies have been built in. The costs for all other items such as UV filters, etc., is based on a survey of several vendors. Contingencies have been built in here as well. In any event, as included in the response to the questions of ITAP’s, UNDP procurement process would provide full transparency in purchasing the tanks. The tanks will be procured through public international and national tender processes that would allow other suppliers to provide competitive quotes. This project is categorically not designed with a single supplier in mind as prohibited by Government and UNDP procurement rules and policies for such likely transaction volumes.

ITAP comment on cash transfers

We respectfully disagree with the ITAP’s assertion that “*direct cash transfers to individual women and adolescent girls will not necessarily lead to behavioural change from non-climate resilient livelihoods to climate resilient livelihoods.*” At no time is it stated that the social protection scheme that is proposed is a standalone activity and that alone is going to result in behavioural change. It is a necessary element but we have not claimed it is sufficient. On the contrary, GCF investment will be alongside ongoing social safety-net programmes implemented by the Ministry of Women’s and Children’s Affairs. That said, we acknowledge that ITAP does conclude that “*the cash [transfer] will be useful in creating income opportunities*”.

It is true that the social protection scheme will require a number of facilitators and a system is in place for this. The project design does take into account the training, management and oversight of facilitators prior to their deployment to assist women and girls in designing adaptive plans that will ensure the cash transfer will lead to adaptive livelihoods. An impact evaluation monitoring system will be designed in the first year to track the effectiveness of the support provided and to ensure that remedial measures can be implemented. This will also lead to information that can be transferred into the broader social protection programmes in Bangladesh to ensure that they are also fully adapted to the realities of climate change pressures.

ITAP’s assertion that the targeted beneficiaries are helpless

Finally, we do not agree with ITAP’s assertion that the targeted beneficiaries are helpless. The ingenuity of people of Bangladesh to cope and adapt to climate change, despite difficult and challenging circumstances are well established in the literature. Bangladesh is often cited as the place to witness adaptation in action. Yes, there are barriers that certainly need to be removed and this is the point of the proposed interventions financed by GCF. Importantly, numerous examples of women moving out of poverty have been demonstrated in empirical studies.



Sustainable development potential

The GCF investment will be in a landscape that is characterised by several schemes to help the poor graduate from their current status in life. Microcredit and other schemes are available in Bangladesh and there is no value for GCF resources to replicate these. The point of the GCF project is to remove a key barrier that currently is impeding the poorest women and young girls who are left out of the current system of support. The GCF investments will provide a critical opportunity for the targeted women and girls to rise above their fringe status (with GCF funded cash transfer programme targeting specifically resilience-enhancing, livelihood-measures) and in so doing, make use of other support systems in place such as microcredit. At no time is the proposal suggesting that a single cash transfer is all that it will take for this transformation to happen. However, it is a necessary ingredient for those in the fringes who currently have no access to financial assistance. With the opportunity that GCF funds will create for targeted women and adolescent girls, the technical assistance support, for example knowledge services and direct support by facilitators, that will be provided to help them to invest the resources into climate resilient, climate-smart options, it is anticipated that the beneficiaries will be able to latch on to microcredit or other forms of financial support to further advance on economic upliftment.

Further, the proposed project will supply highly sustainable additional amounts of potable water, beyond what is available, with almost no environmental and social impact in an area that has been subject to significant climate change impacts including but not limited to an increase in salinity levels of ground water. The technology being used in this project is considered good international industry practice for water storage and supply. As highlighted above, an environmental code of practice for the water tanks has been developed for the project. This provides for the maintenance of the rainwater harvesting infrastructure that will provide a long term sustainable development solution.

In this context, we believe the sustainable development potential is extremely high. In fact, the ITAP appears to agree when it states *“if the investments are effectively managed, they could lead to women and girls being brought out of perpetual poverty and being more prepared to fight climate risks.”* During the project implementation, there will be further elaboration on the transition to make these options available to women and girls after project completion.

Needs of the recipient

ITAP readily acknowledges the needs of Bangladesh are High. We agree.

With respect to the selection of the beneficiaries of the cash transfers, the project has built on existing selection criteria and developed specific selection criteria that will allow for the selection of the beneficiaries in the context of vulnerability to climate change. Importantly, the selection criteria ensure that women and girls that cannot access other potential funding are included in GCF financed scheme. Further, the project has included a Grievance Redress Mechanism for any woman or girl that may require it.

Please also note that consultations with the broader community and specifically, ethnic minorities were undertaken during the development of the project. This information is included in both the Environmental and Social Management Plan and the Indigenous People’s Planning Framework that have been submitted to GCF. Dialogue with ethnic minorities that have commenced will be further continued during and throughout the implementation phase.

Country ownership

While the MoWCA is the implementing agency, GoB and UNDP has engaged with all relevant Ministries that will have input into the project. Where necessary, during implementation, NDA and UNDP will continue to work with relevant Ministries to ensure the project is highly effective including but not limited to the Department of Public Health Engineering.

Efficiency and effectiveness

The development of the GCF proposal has been guided by MoWCA. The Ministry has committed US\$ 7.8 million in co-finance (cash commitment). This shows strong evidence of support for the results that this project seeks to achieve. This amount of co-financing for a LDC should be commended.

Water-related activities

The ITAP was provided with the full costing spreadsheet for the water tanks. It sets out the costs for the rainwater tanks themselves (this cost includes construction), guttering and downpipes, an inspection ladder, the pad for the construction of the tank, shipping etc. As such, we respectfully disagree with ITAPs comments that this information is limited. UNDP and GoB has provided specific details on costs of a range of options that were used to select the most appropriate technological option.

While it is acknowledged that the costings for the water tanks only are based on one company, the costs of water tanks are set by the market. Several companies were approached during the development of the proposal but were very reluctant to provide full pricing unless there were provided with specific details on what they were quoting for. Costs for other items for the rainwater harvesting output were sources from a range of suppliers via an assessment of prices on the internet. Given economies of scale, the costs are likely to be less where items are purchased in bulk. Importantly, all procurement will be undertaken in a transparent manner, through public international and national tender processes, thus allowing for all interested companies to demonstrate their prices as per the procurement request.

Cash Transfer

The project targets women and adolescent girls from below the lower poverty line (earning less than US\$ 1.25 day). They are not the usual clients of micro-credit in Bangladesh. The micro-credit programmes cover households with assets (informally as collateral) and having household members that earn income. The proposed project targets women who do not have enough of an asset-base to enrol in such microcredit programmes, and consequently are on the fringes of society. The GCF initiative will therefore target marginalized communities who do not have access to “solidarity” lending.

Overall remarks from the independent Technical Advisory Panel:

We appreciate the ITAP recommendation to the GCF Board to approve this project. It is a much-needed source of support for marginalized women and young girls in Bangladesh who are on the fringes of society and victims of climate change impacts.

However, based on the above submission, we do not agree that there is a need for a “revised water system model.” Assessments that have already been completed have identified more than 450 public building locations that are suitable in the targeted areas of this project. Beyond the preliminary assessments that have already been completed, all 450 sites would be fully assessed during the implementation phase of the project in year 1. These are typical activities during project implementation. Further, UNDP cannot legally enter agreements with a second party until financing is assured. There are legal and ethical concerns with entering

agreements prior to confirmation of financing. Once financing is confirmed through Board approval, and within the first year prior to the 2nd disbursement, UNDP and GoB will enter agreements with the relevant Union Parishads and these agreements will be made public and shared with the GCF Secretariat.

A similar pragmatic approach was adopted by countries such as Tuvalu, Malawi, Maldives, Sri Lanka, Viet Nam and Pakistan where site specific details were a challenge to collect at the time of design—not without a significant prior investment of resources and time. The costs of undertaking a full assessment at each and every 450 sites at this time would be especially cost prohibitive for Bangladesh, a Least Developed Country.

Further, as highlighted above, the code of practice for the operational and maintenance regimes has already been established within ESMP. Compliance with this code will ensure costs are minimised. All cost estimates are based on industry standards and practices. Contingencies have been accounted for and, taking into account the due diligence work completed at the design phase, the proposed water supply solution is robust, given the local context.

In this regard, UNDP and GoB agree to provide additional details for the water within six months after the project implementation phase commences (i.e. after the first disbursement).

With respect to the cash transfer scheme, pre-feasibility studies on foreseen investments (activities) that would enhance the adaptive livelihoods of women and girls will be developed in year 1. This will take into account “entry points for normative and behavioural change in providing educational, training and livelihood opportunities for women and girls” as well as financial sustainability options to ensure that the activities developed with cash investments are sustained after the two-year period of grant disbursement. A scheme to select beneficiaries, ensuring equitable allocation and avoiding political interventions, is already defined. This will be refined in year 1. The design of the training the trainers course for NGOs and possible facilitators of the project is a project activity in year 1.

In conclusion, taking into account the significant costs involved in this work, not to mention expectations that will be reached, it would be agreeable that the information ITAP recommends that UNDP and GoB collect are provided to the Secretariat prior to the Second (2nd) disbursement. This will enable Bangladesh to commence urgent activities with the assurance of financing and minimise any perceived risks to GCF. UNDP, as GCF AE, will ensure that there is full compliance with this requirement for additional information.



Photographs from sample locations for siting of water tanks



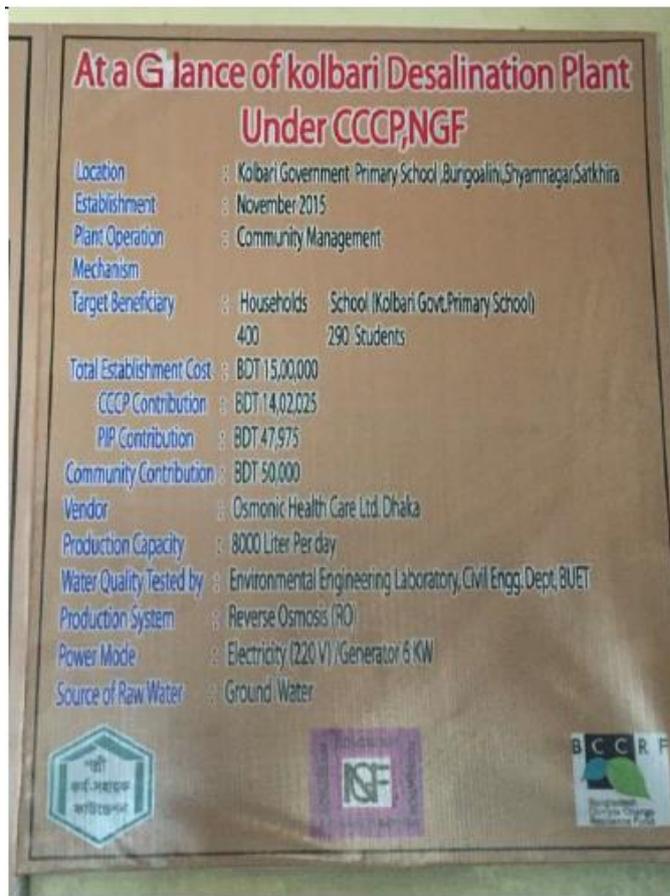
Example Government Building



Existing downpipes on Government Building – the photo shows that water is currently being released straight to the ground



Existing downpipes on Government Building



Desalination Plant under community management (line 3 re plant operation)



Women collecting water at communally managed desalination plant

Reply to the Independent Technical Advisory Panel assessment findings (FP 033)

Proposal name: Accelerating the transformational shift to a low-carbon economy in the Republic of Mauritius

Accredited entity: United Nations Development Programme (UNDP)

Impact potential

We concur with the iTAP finding of a “High Impact Potential” for the proposal. The project’s strong alignment with the Nationally Determined Contribution (NDC) of Mauritius and the country’s Long-Term Energy Plan will ensure the GCF project’s relevance and support at the highest political levels. The project’s significant GHG emission reduction benefits, support to the country’s strategy to become more energy-independent and its strong adaptation co-benefits will all ensure large-scale beneficial impacts.

Paradigm shift potential

We concur with the iTAP finding of a “High Paradigm Shift Potential” for the proposal. The project’s focus on grid strengthening so as to enable the national electricity grid to accept larger injections of intermittent renewable energy (wind and solar) without jeopardizing grid stability (voltage and frequency modulation) will benefit not only the renewable energy investments to be directly facilitated by the GCF but also much broader investment. In short, the leverage potential of the GCF proposal will be significant. Moreover, many of the issues faced by Mauritius as it seeks to embark on a low-carbon development trajectory – notably, its small, isolated grid vulnerable to fluctuations in electricity generated by intermittent renewables – are shared by other SIDS, so the demonstration/replication impact of the Mauritius proposal is likely to be very high.

Sustainable development potential

We concur with the iTAP finding of a “High Sustainable Development Potential” for the proposal. The project’s support to Government policy, the creation of new jobs, the ‘democratisation’ of energy generation (transforming passive consumers into active ‘prosumers’) and the growing energy independence (reduced fossil fuel imports) that will result will all be positive sustainable development outcomes.

Needs of the recipient

We concur with the iTAP finding of a “High” rating for the “Needs of the Recipient”. The proposal was designed with the full involvement of a range of Mauritian institutions and stakeholders – government and non-government – and therefore fully reflects the needs of Mauritius to catalyse domestic renewable energy generation.

Country ownership

We concur with the iTAP finding of “High Country Ownership” for the proposal. In addition to the positive factors identified by iTAP, it should also be noted that the project will be

implemented under UNDP's National Implementation Modality (NIM) – meaning that the project will be implemented on a day-to-day basis by Mauritian Government institutions, thereby ensuring intrinsic national buy-in and policy alignment.

Efficiency and effectiveness

Given that the project will utilize \$28.21 million of GCF resources to achieve emission reductions of 4.27 million tCO₂e, at a low unit cost to the GCF of just \$6.6/tCO₂e, we are surprised that the Efficiency and Effectiveness of the proposal is judged to be only “Medium”. Nonetheless, we acknowledge the positive findings highlighted by iTAP.

Overall remarks from the independent Technical Advisory Panel:

We are pleased that iTAP shares our view that the Mauritius proposal offers considerable climate mitigation benefits, augmented by broader adaptation and development co-benefits. The Board can be assured of the full support of the Government of Mauritius for this proposal and for subsequent project implementation.

Regarding iTAP's proposed condition for Board approval of the proposal – that a MARENA action plan be produced as part of the Phase 1 review to describe MARENA's role in Phase 2 of the project – we are in full agreement. This is a good idea, not only to provide the Board with assurance of the ongoing relevance of Component 1 of the project and its inter-linkages with Components 2 and 3, but also to help MARENA itself to become fully embedded in the emerging institutional architecture for renewable energy in Mauritius. MARENA has a legal mandate and prescribed roles, as set out in its founding Act of Parliament. But the GCF project will be able to play a pivotal role in assisting MARENA to operationalize its role and live up to its full potential as a catalytic agent for renewable energy in Mauritius.

Reply to the Independent Technical Advisory Panel assessment findings (FP 034)

Proposal name: Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda

Accredited entity: United Nations Development Programme (UNDP)

Impact potential

We appreciate the ITAP's acknowledgement that the project is, therefore, in line with the funding criteria of the GCF. In line with the GCF investment criteria, the Government of Uganda (GoU) does seek to achieve at scale targets in terms of beneficiaries. The GoU and UNDP had extensive consultations with experts who are familiar with the local context and relied on available data at every district to identify the correct number of beneficiaries and indirect beneficiaries. Field surveys, census data, satellite imagery have all been part of the methods and tools used to assess the number of hectares of restoration that the GCF grant can support together with co-financing from the GoU. The GoU stands by this is achievable target, a necessary aspiration in the context of the climate change challenge at hand. A strong M&E plan and system, based on the principles of impact evaluation (using survey data), will be set up in year 1 to ensure that impacts are tracked carefully including number of beneficiaries.

Paradigm shift potential

The project is indeed a scaling up of results achieved in a smaller scale. This should not to devalued as it suggests that the GCF investment is that much more secure because of the lessons that have already emerged. This is in line with GoU's responsibility to invest in tested methodologies and approaches, especially given that the stakes are high. The innovation and transformative aspects of this project is in the pursuit of an integrated approach, by: 1) providing support to the local population dependent on the wetlands for their subsistence with improved agricultural practices, alternative livelihoods, and employment skills that are relevant in the context of emerging climate change risks; 2) The establishment of an effective early warning system that will transform the way the beneficiaries will use climate information to plan their crops and react to severe and extreme weather events, thereby saving lives. The combination of resilient agriculture and alternative livelihoods, coupled with a functioning early warning system will significantly reduce climate change risks to the target population. Previous efforts have not been able to pursue this dual approach, largely due to financing constraints. The GCF financing opportunities allows for a game-changing approach to be followed. Much emphasis will be put on capacity building of both local farmers and government officials in the relevant ministries who provide extension support. An effort to capture and share widely all the lessons learnt and best practices will be developed prior to project start up, and further refined during the course of project implementation. The annual performance review will capture these details.

Sustainable development potential

This project was designed to address various SDGs, as noted by the ITAP. A strong focus on implementing sustainable systems was at the core of the work while preparing the project in consultations with local communities and government. Furthermore, gender considerations and ensuring that the project would contribute towards gender transformative outcomes was central to a successful design. Government of Uganda and UNDP is in agreement with the ITAP comments which are positive.

Needs of the recipient

Government of Uganda and UNDP is in agreement with the ITAP finding that the needs of the recipient are undoubtedly high and well justified to tap GCF resources.

Country ownership

Government of Uganda and UNDP is in agreement with the ITAP finding that country ownership of the project is high.

Efficiency and effectiveness

Government of Uganda and UNDP is in agreement with the ITAP finding that the project is financially attractive. We recognize that some benefits (especially biodiversity, clean water) were not captured in the economic analysis. This was also to remain conservative about the impacts and benefits of the project. We also recognize that the analysis relies on estimates from outside Uganda to calculate costs and benefits of wetland restoration. It is important to note these figures have been contextualized to the situation in Uganda and have been judged as realistic, based on previous experience of the GoU in restoring wetlands. LDCs, particularly in Africa, can have difficulties in providing all the required data for a full GCF economic analysis, yet we need to work within this reality. UNDP recognizes that GoU will need assistance with project delivery and support will be provided to strengthen national systems to do so. A strong M&E system to track beneficiaries and impacts will be in place in year 1.

Overall remarks from the independent Technical Advisory Panel:

We appreciate the recommendation to the board to approve this project. We also agree with the covenants.

- A review of the logical framework will be carried out prior to first disbursement, however we are confident that the numbers are accurate, achievable in the project timeline and budget and that the commitment of the GoU will be upheld. We will nevertheless have yet another review and reconfirm in the annual performance review.
- A strong monitoring and evaluation plan will be submitted to the GCF within six months of after the first disbursement. The M&E plan will be based on impact evaluation principles and will be rolled out during the 1st year. Details on this will be provided via the annual performance review process
- A long term operation and maintenance plan, with allocated budgets, will be designed and submitted to the GCF prior to the second disbursement. The plan will focus on ensuring that all assets generated by the project are carefully operated and maintained, particularly the early warning system and its associated equipment and infrastructure. Public private partnerships will also be explored in line with actions that the GoU has already initiated through another UNDP supported initiative on Climate Information for Resilient Development and Adaptation.

Reply to the Independent Technical Advisory Panel assessment findings (FP 035)

Proposal name: Climate Information Services for resilient development in Vanuatu (Van CIS RDP)

Accredited entity: Secretariat of the Pacific Regional Environment Programme (SPREP)

Impact potential

The value of the delivery of Climate Information Services as a public good is well documented, and as one of the most vulnerable countries in the world to climate impacts, Vanuatu stands to benefit greatly from the proposed investment, which will support ongoing, long-term, climate resilient development through the application (and mainstreaming) of CIS at multiple levels, addressing multiple climate hazards.

The impact of the project will be demonstrated and measured via the effective uptake and use of CIS for enhanced decision-making by end users at national, provincial, community and household levels across the 5 sectors to achieve more resilient outcomes. Hence the project has a strong focus on supporting the generation, dissemination and application of CIS through top-down and bottom-up, demand driven approaches, including for example through CIS action plans and real-time case studies.

The Readiness supported consultations helped validate the overarching theory of change, while also elucidating detailed information about sector specific baselines, vulnerabilities, needs and capacity, which will be refined further through the implementation phase, and ongoing delivery of the project.

The sustainability of the project outcomes will be supported via mainstreaming of applied CIS across 5 sectors; enhanced and self-sustaining institutional capacity of VMGD (for which VMGD has made a statement of ongoing resourcing commitment); and delivery within the regional context of ongoing CIS support and coordination (including via the Pacific Climate Change Centre and the progress of the Pacific Islands Meteorological Strategy 2021).

The project will phase out leaving Vanuatu with country owned and operated CIS delivery system, based on sufficient cross-institutional capacity, and ongoing demand for applied CIS.

Paradigm shift potential

The objective of the project is to mainstream the use of CIS at various levels to support ongoing resilient development in Vanuatu. The challenges are recognized and hence the project is adopting a multi-faceted strategy to demonstrate applicability, enhance capacity, facilitate coordination and flow of information, and ultimately establish a demand and supply based CIS system for Vanuatu.

The technical platforms supported by the project align with the strategic priorities of VMGD. In turn, each planned CIS output can be linked through to target next/end-user application and every CIS product will be designed to deliver on-ground impact

It is important to note that CIS will be targeted for use by multiple users for multiple hazards at different spatial and socio-economic scales, for example agricultural extension and research officers will support the transfer of downscaled seasonal rainfall/drought impact modelling on the agriculture sector for localized application.

The project will produce tangible assets (knowledge products, case examples, CIS tools etc.) for replication and upscaling across the region, for which it is hoped additional GCF support can be secured for a multi-country CIS for Resilient Development Programme, to be associated with the Pacific Climate Change Centre for regional coordination, climate services and capacity support.

Sustainable development potential

Through the application of CIS at different scales, and addressing multiple hazards across different sectors the project is expected to have multiple social, economic and environmental benefits, and project will be the first of its kind to measure the social and economic benefits of CIS, drawing on real-time (and existing) data collected through the project (see Activity 3.6). This will be in addition to other qualitative and semi-quantitative data and information used to support evaluative reporting on the uptake and use of CIS.

As discussed the project will be largely driven by real-time next/end-user needs. The specific interventions within these sets of activities are yet to be finalised in detail, and will be further refined and applied through the inception phase and ongoing project delivery where targeted community input, including from gender groups, can be further incorporated.

In line with the above, the specific services to be delivered by the Delivery Partners, international and local services providers will be finalized during the inception phase. Local services will be used wherever possible, though the technical nature of establishing CIS platforms and tools (etc) will require the specialized (and in-kind), support of the Delivery Partners, who, along with SPREP, have an ongoing commitment to CIS support and capacity in the region.

Needs of the recipient

The proposal has been informed by the Readiness consultation workshops, with national provincial and community representation which verified the range of ways CIS can support resilient development Vanuatu based on mapped vulnerabilities and priorities. The project, and is aligned very closely with national frameworks.

As stated above, the project, while supporting technological platforms for CIS, has a distinct focus on ensuring products are tailored around defined next/end-users, bottom-up demand. In part the project will support the creation of this demand through awareness and capacity development, user interface systems and research and development.

While the project has a focus on 5 development sectors, it is anticipated that the CIS platforms and outputs will also address the needs of other development sectors.

Country ownership

As acknowledged the project has been designed on the basis of existing policy and strategic frameworks Framework for Climate Services and is aligned with Vanuatu’s Climate Change and Disaster Risk Reduction Policy 2016–2030. The design has also been informed by Readiness consultations with stakeholders at national provincial and community levels across 5 sectors.

It is the intent of the project that upon completion the CIS platforms and knowledge products (etc.) will be wholly maintained and operated by VMGD, and the network of next/end users. Through delivery of specific activities to support the systematic mainstreaming of CIS in the decision-making process across 5 sectors, it is planned that upon exit, the project outcomes will be sustained through established communication channels; demand driven CIS, capacity

for responsive VMGD services; and ongoing maintenance of CIS delivery platforms and infrastructure.

VMGD has provided a written commitment to sustaining the required resourcing for ongoing operational delivery and maintenance beyond the life of the project at the national level. Requirements will be mapped out during the inception phase, as part of the overall work plan and refined and confirmed during the closing stages of the project.

Efficiency and effectiveness

The project design has leveraged off considerable learnings of related regional CIS programs, and has incorporated the established GFCS as the key design element for the scope of work. The project also achieves considerable synergies through concurrent development and application of multiple CIS products to address six largely interdependent climate hazards across five priority sectors.

The project budget will be spent on services and equipment to strengthen the CIS capacity of VMGD, and users across the 5 target sectors. The delivery of activities and services will be via a mix of local and international service providers and Delivery Partners.

The CIS technology and delivery platforms will be mostly developed for continued use and maintenance within Vanuatu, including by integrating into existing and maintained platforms. The project will exit with the establishment of self-sufficient CIS development, dissemination and application systems, with limited (though typical) dependency on ongoing external support from regional and international partners, including via the Pacific Climate Change Centre to be based at SPREP from 2018.

The budget cost of the radar is based on expert advice, and additional budget is provided for operation and maintenance.

The two-pronged project management approach has been adopted to facilitate the management of delivery of international services and support (via the SPREP PMU), while also supplementing capacity at VMGD for overall project delivery. Once established (and supported by associated capacity strengthening including scholarship program recipients), the VMGD will be positioned to maintain the CIS platforms.

Overall remarks from the independent Technical Advisory Panel:

SPREP thanks the iTAP and appreciated the thought that has gone into assessment and the recommendations intended to strengthen the delivery of the project

Many of the recommended conditions were anticipated to be met during the inception phase of the project, and in general SPREP would be willing to accept the recommended conditions, which it believes would be best addressed in an integrated manner as indicated below.

The condition for a 'long-term management and monitoring plan' prior to FAA effectiveness can be met to some extent, noting that further refinement would be required upon development of detailed work plan (inception phase), and throughout delivery of the project. Such a plan would be most effective through integration with the standard VMGD planning and reporting processes. The plan can also set out an elaborated exit strategy including measures to ensure 'project intake', and 'effective technological transfer'. Associated with this, arrangements for the operation and maintenance of the radar system can be defined, noting that such a plan would also benefit from ongoing refinement and modification through related activity implementation, including training and initial capacity support. The plan would be developed in the context of the planned regional (multi-country) CIS for resilient Development Programme with the GCF, ongoing coordination and support for the Pacific Meteorological Councils and implementation of the Pacific Islands Meteorological Strategy, and ongoing

support and engagement via the Pacific Climate Change Centre to be based at SPREP from 2018. Where appropriate the above can be reflected in the ('coordination') agreement between SPREP and VMGD.

An assessment of the information, meteorological services and other systems already in place has been undertaken to some extent during the Readiness phase, and can be further elaborated based on inception phase planning. Delivery of Activity 1.1 will also result in greater clarity of sector specific arrangements, and it is proposed this condition be addressed largely through early delivery of Activity 1.1. Similarly, the theory of change can be further refined and detailed during the inception to capture greater detail on end-user beneficiaries and related activities.

As stated in the proposal, the inception phase will be focused on development of a detailed (and joint) work plan, outlining activities to be delivered, specifics around allocation of budget, timeframes, and elaboration on governance and specific roles and responsibilities.

Reply to the Independent Technical Advisory Panel assessment findings (FP 036)

Proposal name: Pacific Islands Renewable Energy Investment Program

Accredited entity: Asian Development Bank (ADB)

No response was provided.

Reply to the Independent Technical Advisory Panel assessment findings (FP 037)

Proposal name: Integrated flood management to enhance climate resilience of the Vaisigano River Catchment in Samoa

Accredited entity: United Nations Development Programme (UNDP)

Impact potential

Government of Samoa and UNDP is in agreement with the ITAP rating for the impact potential: Medium to High

Paradigm shift potential

Government of Samoa and UNDP is in agreement with the ITAP rating for the paradigm shift potential: Medium to High

Sustainable development potential

Government of Samoa and UNDP is in agreement with the ITAP rating for the sustainable development potential: High

Needs of the recipient

Government of Samoa and UNDP is in agreement with the ITAP rating for the needs of the recipient: High

Country ownership

Government of Samoa and UNDP is in agreement with the ITAP rating for the country ownership: High

Efficiency and effectiveness

Government of Samoa and UNDP is in agreement with the ITAP rating for efficiency and effectiveness: Medium to High

Overall remarks from the independent Technical Advisory Panel:

We would like to acknowledge all ITAP findings, comments and recommendation to the GCF Board to approve this project. Please find below a brief response to the 5 remarks received from ITAP.

Remark 1: The accredited entity shall deliver to the GCF, prior to the first disbursement, a draft terms of reference for the sub-activity 1.1.1 titled "Review of the interdependence of flood mitigation options", in a form and substance satisfactory to the GCF Secretariat.

Agreed. UNDP and GoS will prepare a draft Term of Reference for the sub-activity 1.1.1 prior of the first disbursement.

Remark 2: The accredited entity shall confirm to the GCF Secretariat, within six months after the mid-term evaluation, that the executing entity has undertaken and completed an assessment of its O&M capacities, including the necessary financial, human and material needs for the sustainability of the infrastructure components of the project (river works and drainage system).

Agreed. UNDP will carry out an assessment of the O&M capacities of the executing agency (Ministry of Finance) within six months after the mid-term evaluation.

Remark 3: The accredited entity shall complete, six months after the first disbursement, the capacity assessments of the main implementing entities (e.g. the Ministry of Finance, the Ministry of Natural Resources and Environment, the Land Transport Authority, the Ministry of Health and the Ministry of Works, Transport and Infrastructure).

Agreed. UNDP, through an independent third party, will complete capacity assessments of the main implementing entities six months after the first disbursement.

Remark 4: The accredited entity shall deliver to the GCF, six months after the first disbursement, a description of the selection criteria to be used for the ecosystem activities (activity 2.2), in a form and substance satisfactory to the GCF Secretariat. These criteria should take into consideration the fact that agricultural activities must consist of proper agroforestry systems, which involves planting agricultural crops together with tree crops, minding high crop diversity and avoiding the use of biocides.

Agreed. UNDP will deliver a description of the selection criteria to be used for the ecosystem activities (activity 2.2) six months after the first disbursement.

Remark 5: The accredited entity shall ensure that, within 12 months after the effectiveness of the funded activity agreement, an operational manual containing detailed guidelines and procedures for the implementation of activity 2.2 is prepared and delivered to the GCF, in a form and substance satisfactory to the GCF Secretariat. The document should include, inter alia, financial arrangements, business procurement, eligibility and selection criteria for beneficiaries, and the typology of investments and measures.

Agreed. UNDP will keep working with relevant stakeholders to prepare an operational manual containing detailed guidelines and procedures outlined by ITAP for the implementation of activity 2.2. UNDP will deliver the operational manual to the GCF within 12 months after the effectiveness of the funded activity agreement.