



**GREEN
CLIMATE
FUND**

Meeting of the Board
30 September – 2 October 2017
Cairo, Arab Republic of Egypt
Provisional agenda item 14(b)

GCF/B.18/06

26 September 2017

Request for proposals for the pilot programme for REDD- plus results-based payments

Summary

As per decision B.17/18, paragraph (c), this document presents a draft request for proposals for the pilot programme for REDD-plus results-based payments and the related draft scorecard for consideration by the Board.

Table of Contents

I.	Introduction	1
1.1.	Mandate	1
1.2.	Linkages to other documents	1
II.	Analysis of the implications on existing GCF policies and procedures	1
2.1	Background	1
2.2	Application of GCF policies and procedures to activities undertaken in the past	2
2.3	Application of GCF policies and procedures to the use of RBPs	4
2.4	Other Policy Matters	5
2.5	Conclusion	6
III.	Key procedural and technical elements	6
IV.	Matters for consideration by the Board at its eighteenth meeting	9
V.	Considerations for the full operationalization of REDD-plus results-based payments	9
	Annex I: Draft decision of the Board	10
	Annex II: Draft terms of reference for the pilot programme for REDD-plus results-based payments	11
	Annex III: Draft scorecard	20

I. Introduction

1.1. Mandate

1. At its fourteenth meeting, the Board, through decision B.14/03, paragraph (b), requested the Secretariat to develop a request for proposals (RFP) for REDD-plus results-based payments (RBPs), including guidance consistent with the Warsaw Framework for REDD-plus and other REDD-plus decisions under the United Nations Framework Convention on Climate Change (UNFCCC).
2. At its seventeenth meeting, the Board, through decision B.17/18, paragraph (b), requested the Secretariat to undertake a further analysis of existing GCF policies and procedures adopted by the Board and reflect those in the draft RFP. Paragraph (c) of the same decision also requested the Secretariat to finalize the draft RFP for the pilot programme for REDD-plus RBPs and the related draft scorecard in the light of the final analysis referred to in paragraph (b).
3. This document responds to the above-mentioned request by the Board. It provides further analysis of the GCF existing policies and procedures, and presents a final draft RFP with terms of reference (see annex II) for consideration by the Board at its eighteen meeting.

1.2. Linkages to other documents

4. This document has linkages with documents on the following:
 - (a) Pilot programme for REDD-plus results-based payments;¹
 - (b) Progress on support for REDD-plus;²
 - (c) Support for REDD-plus;³
 - (d) The GCF and the Paris Agreement;⁴ and
 - (e) Further development of the initial results management framework, including the initial logic framework for REDD-plus results-based payments.⁵

II. Analysis of the implications on existing GCF policies and procedures

2.1 Background

5. Paragraph 35 of the Governing Instrument confirms that REDD+ financing is eligible for GCF support⁶ and further emphasizes that “*A results-based approach will be an important*

¹ Document GCF/B.17/03

² Document GCF/B.15/Inf.07

³ Document GCF/B.14/03

⁴ Document GCF/B.13/06

⁵ Document GCF/B.08/07

⁶ Governing Instrument, paragraph 35 “The Fund will finance agreed full and agreed incremental costs for activities to enable and support enhanced action on adaptation, mitigation (**including REDD-plus**), technology development and transfer (including carbon capture and storage), capacity-building and the preparation of national reports by developing countries.”

criterion for allocating resources” (paragraph 51) and “*The Fund may employ results-based financing approaches, including, in particular for incentivizing mitigation actions, payment for verified results, where appropriate*” (paragraph 55).

6. In document GCF/B.17/13, the Secretariat noted that all Board-approved policies and procedures adopted to date were prepared on the assumption that they would be applied to projects or programmes which would be implemented in the future and did not specifically consider their application to activities which had already been completed by the time a funding proposal was approved. The document provided the Secretariat’s initial review of the then existing policies in this context.

7. Accordingly, in decision B.17/18, paragraph (b), the Board requested the Secretariat to “*undertake a further analysis of existing GCF policies and procedures adopted by the Board and reflect in the draft request for proposals ... the manner in which such policies and procedures would need to be applied or otherwise considered in order to operationalize GCF REDD-plus results-based payments proposals*”. The following description therefore sets out the results of this analysis.

8. The analysis undertaken considered the following issues:

The application of policies and procedures to activities that lead to REDD-plus results undertaken in the past (see Section 2.2);

- (a) The application of policies and procedures to the use of proceeds of the RBPs made by the GCF (see Section 2.3); and
- (b) Other policy issues relevant to REDD+ results based payments which may not be adequately captured in Sections 2.2 and 2.3 (see Section 2.4).

9. Recommendations in respect of the relevant matters are also presented for the Board’s consideration, and have been incorporated in the draft Request for Proposals and scorecard presented as Annex III of this document.

2.2 Application of GCF policies and procedures to activities undertaken in the past

10. The Secretariat has resolved that many of the Board-adopted policies and procedures can be applied in full to activities undertaken in the past. Concerns relating to their *ex ante* character can be addressed during the funding proposal review process and at the point of Board approval (e.g. by assessing the implementation and outcome of the relevant activity against the relevant policy or procedure, e.g. in terms of how the proposed activity fits within the Risk Management Framework) or in the Funded Activity Agreement (in the form of appropriate representations and warranties given by the accredited entity that the relevant policies and procedures have been complied with during the implementation of the relevant REDD+ activity).

11. The Secretariat could provide further guidance to accredited entities (AEs) on these matters, and identify the documents that should be submitted to the Secretariat along with the funding proposal in order to allow for the relevant assessments.

12. However, the application of the following policies and procedures to activities undertaken in the past may require further Board consideration:

- (a) **Interim Environmental and Social Safeguards.**⁷ The interim Environmental and Social Safeguards (ESS) standards of the Fund, which were designed to ensure that projects and programmes were implemented consistent with defined standards, were adopted by the Board in decision B.07/02 (October 2014). Given that most, if not all, activities whose achieved results are envisaged to be paid under the pilot programme will have commenced prior to the adoption of the ESS standards and thus would not have considered the GCF interim ESS standards in their design and implementation, it will be necessary to describe how the measures to address and respect the Cancun safeguards in the REDD+ activities have been implemented in a manner consistent with the applicable GCF ESS standards. The Secretariat recommends that in relation to the ESS Standard:⁸
- (i) AEs should, at the time of submission of the funding proposal, provide an assessment describing the extent to which the measures undertaken to identify, assess, and manage environmental and social risks and impacts, in the context of the relevant REDD+ activities and results, were consistent with the applicable GCF's interim ESS standards. The Secretariat should take such assessment into account as part of its overall consideration of the funding proposal against the scorecard, complementing the country's own assessment of how the Cancun safeguards were addressed and respected in the REDD+ activities, before recommending the proposal to the Board for approval; and
 - (ii) The GCF should have the right in the relevant FAA to undertake investigations in relation to complaints and grievances raised by affected stakeholders and exercise appropriate remedies during the implementation period.
- (b) **Gender policy.** The Gender Policy for the GCF and Gender Action Plan 2015 - 2017 (Gender Policies),⁹ which were designed to ensure that gender aspects were mainstreamed into projects and programmes, were adopted in decision B.09/11 (March 2015). For the same reasons set out in paragraph 12(a), the Gender Policies are unlikely to have been considered during the implementation of such activities. The Secretariat recommends that in relation to the Gender Policies, the recommendation proposed in paragraph 12(a) above should apply *mutatis mutandis*.
- (c) **Interim policy on prohibited practices.** The Interim Policy on Prohibited Practices¹⁰ (IPPP), which was designed ensure that GCF Proceeds are not used to finance or support 'prohibited practices', was adopted in decision B.12/31 (March 2016). While the IPPP did not exist at the time that many of the eligible activities began and/or completed implementation, it is reasonable for the GCF, in the discharge of its fiduciary responsibilities, to expect that the IPPP would have been complied with during the implementation of the relevant project or programme. The Secretariat recommends that in relation to the IPPP:
- (i) Notwithstanding that the IPPP was adopted after the start and/or completion of the implementation of the relevant activity, the relevant accredited entity must

⁷ In respect of REDD+ RBP mechanism, the UNFCCC Cancun Safeguards must be complied with in full as set out in Section III. Therefore, a consideration must be made of the necessity of requiring consistency or compliance with two sets of environmental and social safeguard policies.

⁸ A similar approach is recommended for the Indigenous Peoples' Policy which is intended to be presented to the Board at its nineteenth meeting. The envisioned GCF-wide Indigenous Peoples policy provides a framework for ensuring that activities are developed and implemented in a way that fosters full respect of indigenous peoples' dignity, rights, identity, aspirations consistent with the Cancun safeguards (iii) and (iv).

⁹ Decision B.09/11

¹⁰ Decision B.12/31

demonstrate that through the implementation of the activities that lead to the REDD+ results, no prohibited practices occurred during the implementation period, through delivery of an appropriate due diligence report submitted alongside the funding proposal, and give a representation in the related FAA to this effect; and

- (ii) The GCF should have the right in the relevant FAA to undertake investigations and exercise appropriate remedies in relation to allegations of prohibited practices during the implementation period.
- (d) **Monitoring and Accountability Framework.** The Monitoring and Accountability Framework¹¹ (MAF), which sets out the principles for the institutional and project level monitoring that is expected from accredited entities, was adopted in November 2015, at B.11. In relation to project-level reporting and monitoring, the annual performance reporting, including financing management reporting regime set out in the MAF which envisages the submission of reports every year during implementation, does not make sense in relation to activities that have been completed by the time that the funding proposal is submitted to the GCF. The Secretariat recommends that in relation to project-level reporting and monitoring:
 - (i) For the activities undertaken in the past, the MAF will not apply as these occurred prior receiving GCF funding.

2.3 Application of GCF policies and procedures to the use of RBPs

13. Unlike typical investment-type projects, where the GCF provides funds for an activity in the future, under the RBP funding modality, funds provided by the GCF are in respect of results achieved by an activity in the past. In this context, considerations arise in relation to what GCF proceeds should be used for and, in particular, whether any of the GCF's policies and procedures should apply to the use of such proceeds by the recipients.

14. Unlike investment projects, there may be no identifiable project, programme or activity for which RBP proceeds will be used at the time of submission of a funding proposal. As the RBPs proceeds are paid for the results of past activities, the Secretariat considers that such lack of defined clarity with respect to the future use of RBP proceeds is acceptable.

15. Notwithstanding this, however, the Secretariat contends that this does not mean no GCF policies and procedures are applicable to the use of such proceeds. Instead, a fit-for-purpose approach should be adopted.

- (a) **Interim ESS standards.** With respect to the ESS standards, the accredited entity shall undertake the appropriate level of due diligence, through an environmental and social management framework (ESMF) that will be broadly described in the funding proposal, including the types of activities that may be supported by the RBP proceeds, the processes that will be undertaken to manage the environmental and social risks and impacts, the policies, laws and regulations that will be applied, the description of further detailed assessments and management plans for the activities that will be supported once they become known, the consultation and stakeholder engagement process that will be followed, and the grievance redress mechanisms that will be used or established.

¹¹Decision B.11/10

- (b) **Gender Policy.** With respect to the GCF gender policy, the accredited entity shall describe in the funding proposal how it will undertake activity-level gender assessment and action plan once the details of the activities become known.
- (c) **Indigenous Peoples' Policy.** With respect to the prospective Indigenous Peoples policy, the accredited entity, as part of its due diligence report and funding proposal, shall describe how the activities will meet the requirements of the policy and guided by the prevailing relevant national laws and/or obligations of the countries directly applicable to the activities under relevant international treaties and agreements.
- (d) **Interim Policy on Prohibited Practices.** The AE shall provide information that assures that the activities for implementing the plan for use of proceeds will follow the interim policy on prohibited practices, such as: Undisclosed prohibited practices, including money laundering and the financing of terrorism; improper subsequent use of GCF proceeds in the prohibited practices; and double payment or financing for the same results achieved, etc.
- (e) **Monitoring and Accountability Framework.** A simplified reporting regime be established in place of that set out in the MAF for the use of RBPs which should include information on the activities undertaken with GCF funding and reporting compliance with the above mentioned GCF policies. The reporting period would be consistent with the period of execution of the proceeds as presented in the description on how proceeds will be used (see paragraph 30).

2.4 Other Policy Matters

16. This section sets out other policy matters which apply to both the REDD+ activities and the future use of RBP proceeds, as well as other legal matters which will need to be addressed in order to operationalize the pilot programme.

- (a) **Interim Policy on Fees for Accredited Entities**¹². While there is no practical issue applying the GCF's fee policy to the projects and programmes to be submitted under the pilot programme, the Secretariat proposes a delegated authority to the Executive Director of the GCF secretariat to define the fee for accredited entities according to the expected roles and responsibilities of the AE in relation to RBPs, which is expected to be different to the projects with upfront investment which applies the current interim policy on fees. A detailed analysis on the fees to be paid to the AEs would be conducted on a case by case basis in order to define the fees for RBPs.
- (b) **Accreditation:** Access to GCF resources will be through national, regional and international, public or private entities accredited by the Board through the accreditation process developed in accordance with the GCF initial guiding framework for accreditation,¹³ and applied with a fit-for-purpose approach.¹⁴ Entities may be accredited for different scopes of accreditation, e.g. size of the project/programme activity, fiduciary functions and environmental and social risk category, which thereafter form the maximum scope within which the AE may submit a funding proposal. In this context and recognizing that there will be a REDD+ activity that has been completed at the time of the AE submitting a funding proposal that involves the

¹² Decision B.11/10

¹³ Annex I to decision B.07/02 (annex I to document GCF/B.07/11).

¹⁴ Annex I to decision B.08/02 (annex I to document GCF/B.08/45).

receipt and use of RBP proceeds, the funding proposal shall fit within the AE's scope of accreditation.

2.5 Conclusion

17. As the results that will be paid by the Fund under the REDD+ RBP pilot programme will have been produced by REDD+ activities occurring prior to a funding decision being made by the GCF, the Secretariat will need to retrospectively determine the extent to which the AE can provide assurance that the proposal complies with the relevant GCF policies and procedures, prior to making a recommendation to the Board about a RBP. To give effect to this, the Fund:

- (a) will ask the AE to provide due diligence reports in which the AE will be required to detail how and to what extent the relevant past activities complied with applicable GCF policies and procedures;
- (b) will ask the AE to provide an analysis with respect to legal title to results and compliance with Cancun safeguards, as further set out in Section III;
- (c) will ask the AE to give representations and warranties in the FAA that the information in such due diligence and technical reports is true and accurate;
- (d) will have the rights to conduct ad hoc check and/or investigations in respect of the past activities; and
- (e) will have rights under the FAA to seek refund of all or part of the RBP or to exercise other remedies in circumstances where past activities were conducted in a manner inconsistent with the requirements of the pilot programme.

18. Using the information provided in the funding proposal, the Secretariat will assess the information against a scorecard of compliance with the relevant GCF policies and procedures. Provided that the funding proposal is assessed as being sufficiently compliant with GCF policies and procedures, the REDD+ funding proposal will be recommended to receive RBP.

19. The information which the GCF should request from the AE prior to approving a Funding Proposal are outlined in the request for proposal.

III. Key procedural and technical elements

20. Building on the consultations¹⁵ held and analyses conducted by the Secretariat, some concrete determining factors were identified as the basis for each design element. These factors are summarized below.

21. **Access modality:** Following GCF policy on access modalities and accreditation, the submission of proposals for REDD-plus RBPs and the RBPs themselves would be channelled through accredited entities (AEs) of the GCF,¹⁶ with consent by the REDD+ national entity or focal point, where designated.

22. **Financial valuation of results:** Based on the experiences of existing initiatives and extensive discussion throughout the consultation process, a uniform and fixed value of USD 5 per tonne CO₂ eq is suggested for the pilot programme. It is recognized that such value may not necessarily cover all costs of the implementation of REDD+ activities, but would serve as a

¹⁵ More detailed information of consultations is available at: www.greenclimate.fund/reddplus-results-based-payments.

¹⁶ Governing Instrument for the GCF, paragraph 45.

positive incentive for their implementation. The table below provides an overview of existing practices of similar initiatives implementing REDD-plus results-based payments:

Table 1: Overview of payments per tonne of CO₂ from existing REDD-plus RBP initiatives

Initiative	Payment per tonne of CO ₂ eq
Forest Carbon Partnership Facility Carbon Fund	Subject to negotiation to pay up to USD 5 per t CO ₂ eq. No additional payment premium for co-benefits provided
REDD+ Early Movers (REM)	USD 5 per t CO ₂ eq
Norway-Guyana bilateral agreement	USD 5 per t CO ₂ eq
Norway-Brazil bilateral agreement	USD 5 per t CO ₂ eq

23. **Eligibility period for results and length of the RFP:** The definition of the eligibility period of results for payments under the GCF has implications on the range of countries eligible for RBPs. It affects: the potential volume of emission reductions (ERs); the amount of funding required to pay for the eligible volume of ERs; possible requirements for informing how the GCF environmental and social safeguards and Cancun safeguards for REDD-plus were addressed and respected in the process of achieving the results; the programming process; and the timing of payments. It also gives a signal to countries that have been investing in policies and action to produce REDD+ results following UNFCCC decisions.

24. In order to meet its objective to quickly mobilize RBP for REDD-plus and to generate lessons, as well as to minimize the complexity of the programme and the financial exposure of the GCF, the Secretariat recommends that this pilot considers ex-post payments for results achieved after the time of the adoption of the Warsaw Framework for REDD-plus in December 2013 and before 31 December 2018.

25. The process of evaluation by the GCF would occur on a rolling basis, so the first approval of RBPs could take place prior to December 2018 for results that are already submitted in a REDD-plus Annex to the BUR or about to be submitted, and the last approval of RBPs for results achieved in 2018 could take place at the last Board meeting of 2022. Therefore, the RFP will run from the time of the adoption by the Board of the RFP in early October 2017 until the last board meeting of 2022 i.e. it would be open for five years.

26. **Size of the RFP:** The Secretariat recommends that the RFP be outfitted with a flexible funding envelope of up to USD 500 million, which will cover only a fraction of possible eligible results, including results generated in both the recent past and the near future. Considerations for determining the amount include: the number of countries that could participate in the pilot programme; the potential volume of ERs from countries compliant with UNFCCC requirements to be recognized through the GCF RFP; the cost-efficiency and opportunity to generate additional ERs; and the available funding at the GCF.

27. As of September 2017, 25 countries have submitted their reference levels, and the technical analyses have been completed by the UNFCCC technical assessment team and published on the UNFCCC web portal for 12 of them. Also, 4 countries have submitted REDD-plus results to the UNFCCC secretariat and undergone the technical analysis. Considering a period of eligible results for payments from December 2013 to December 2018, it is probable that around 10 countries could participate in the pilot programme.

28. **Double payment and double financing:** Double payment refers to the risk of paying for the same ER more than once. Based on the consultations and analysis, the risk of double payments will be managed in this pilot through appropriate control policies (i.e. the UNFCCC

web portal and other analogous platforms at national or subnational level in the host countries). In addition, countries must disclose any received payments for the results offered as well as any pending payment requests for those results. Countries are also requested to attest that measures are in place to prevent risk of double payments

29. Double financing may be difficult to comprehensively determine because of the complexity of determining attribution of the achieved results. While recognizing that REDD-plus results cannot easily be attributed to specific funding, the possibility double financing of results should be monitored. A combination of continuous efforts and finance is needed to achieve results and ensure its permanence overtime. Providing information on finance, including information on support received directly related to results, and providing more detailed information on sources of finance, as required in a country's biennial update report (BUR) to the UNFCCC, would facilitate the understanding of how ex-ante and ex-post financing is used in a complementary manner and would improve transparency and reduce the risk of double financing.

30. **Use of proceeds:** A county receiving REDD-plus RBPs should reinvest the proceeds in activities in line with their current or next nationally determined contribution (NDC) as established under the UNFCCC Paris Agreement, REDD-plus strategies, or low-carbon development plans consistent with the objectives of the GCF. This will be reflected in the FAA. Countries are required to submit a plan detailing the use of proceeds, together with the Funding Proposal. The description on the use of proceeds should include information about compliance with all relevant policies as described in section II above, as well as other relevant applicable policies such as the Indigenous Peoples policy, once adopted by the Board.

31. **Ownership, legal title and implications on NDCs:** The ERs paid for by the GCF under this pilot programme will not be transferred to the GCF. Payments should be recognised on the UNFCCC website and on the appropriate national website(s). Countries can consider, at their own discretion, using ERs achieved towards their NDCs.

32. The legal framework in many REDD-plus host countries does not currently provide for tradeable carbon units. As a consequence, many host country laws do not explicitly detail how rights to carbon are allocated, and the rights and privileges the state has to such carbon. This creates challenges for rights and obligations in relation to retiring results, because there may be ambiguity about the state's rights to the result vis-à-vis others and creates risk of double counting.

33. Accordingly, host countries will be expected to covenant that no other party has rights to the results other than the host country and provide information in the funding proposal about how such results will be treated or used. The accredited entities will then be expected to monitor the use of the results to ensure they are not used for purposes which are inconsistent with UNFCCC rules and the information provided in the funding proposal.

34. **Scale of implementation:** As set out in the UNFCCC guidance for REDD-plus, the proposals should be designed to achieve tonnes of ERs or enhanced removals at national or, in the interim, at subnational level.¹⁷

35. **Forest reference emission levels/forest reference levels and results:** The GCF will employ a scorecard (see annex III) to assess the results submitted to UNFCCC.

36. **Operationalization of the 'Cancun safeguards':** There are key differences between the Cancun safeguards and the GCF environmental and social safeguards standards that will need to be considered in the development of the proposals for RBPs. The differences apply to both

¹⁷ Further details on the definition of scale can be found in chapter 3.7 of annex II.

substantive contents and the environmental and social issues addressed. The countries applying for RBPs will have the primary responsibility of demonstrating how the Cancun safeguards have been addressed and respected in the implementation of the REDD-plus activities, during the relevant year(s) for which payments are being applied for, through their 'Summary of information'. The AEs, working with the countries, will prepare a document describing how the GCF interim environmental and social safeguards standards have been met and applied for the REDD-plus activities consistent with the Cancun safeguards.

IV. Matters for consideration by the Board at its eighteenth meeting

37. The Board may wish to provide additional guidance for the future development of the RFP pilot programme, particularly on the following issues:

- (a) The size of the RFP pilot programme;
- (b) The value per tonne to be awarded by the GCF to eligible ERs;
- (c) The distribution of payments; and
- (d) The eligibility start and end dates for results achieved.

V. Considerations for the full operationalization of REDD-plus results-based payments

38. The pilot RBP programme will allow for the operationalization of the UNFCCC decisions for REDD-plus and the testing of procedural and technical elements of RBPs in the context of the GCF. Through this pilot programme, it is expected that useful lessons will be learned that will feed into the development of a future REDD-plus RBP framework under the GCF. The full operationalization of REDD-plus RBPs by the GCF will necessitate the analysis of other situations and actions beyond the lessons learned through the pilot programme. For this reason, the current RFP shall not prejudice future RFPs or the GCF REDD+ RBP mechanism and could be subject to review when required by the Board. Some of possible future actions may include:

- (a) Analysis and development of technical and procedural elements for payments at different starting dates for past and future results;
- (b) Exploration of various other options for the valuation of REDD-plus results. For example, options other than a single and fixed value may be explored, including variable values, reverse auction, differentiated pricing to recognize co-benefits, and linking the value to the assessment results against the scorecard criteria by applying discounting factors;
- (c) Examination of various other options for access modality (e.g. consideration of prioritizing the access of REDD-plus RBPs to direct access entities);
- (d) Development of the linkage between REDD-plus RBPs (phase 3) and the early phases of REDD-plus by, for instance, exploring options for using various financial instruments and innovative financing options in phase 1 and phase 2 investments that can lead to phase 3 results-based actions; and
- (e) Analysis of possible future scenarios of volumes of ERs and potential candidate countries considering their progress in fulfilling all the requirements to access to REDD-plus RBPs in relation to the available funding.

Annex I: Draft decision of the Board

The Board, having considered document GCF/B.17/06 titled “Request for proposals for the pilot programme for REDD-plus results-based payments”,

- (a) *Takes note* of the progress made in finalizing the draft request for proposals for the REDD-plus results-based payments pilot programme, as mandated in the decision B.17/18, in the form set out in annex II;
- (b) *Decides* to set, for the REDD-plus results-based payments pilot programme only, the valuation of results at USD 5 per tonne of verified emission reductions of carbon dioxide equivalent (CO₂ eq);
- (c) *Decides* to allocate up to USD 500 million to the request for proposals for the pilot programme for REDD-plus results-based payments.
- (d) *Decides* to adopt the request for proposals for the pilot programme for REDD-plus results-based payments as set out in annex II and the corresponding scorecard provided in annex III;
- (e) *Requests* the Secretariat to develop all corresponding templates and guidance for national designated authorities and accredited entities for applying to the request for proposals no later than two months after its adoption by the Board.

Annex II: Draft terms of reference for the pilot programme for REDD-plus results-based payments

I. Introduction

1. At its fourteenth meeting, the Board requested the Secretariat to develop a request for proposals (RFP) for REDD-plus results-based payments (RBPs), including guidance consistent with the Warsaw Framework for REDD-plus and other REDD-plus decisions under the United Nations Framework Convention on Climate Change (UNFCCC).¹⁸
2. The objective of the RFP pilot programme for REDD-plus RBPs is to operationalize REDD-plus results-based payments and gather experience to further improve the procedural and technical elements of RBPs using the GCF resources in the learning stage.
3. The pilot programme will run from the launch of the RFP in October 2017 until the last meeting of the Board in 2022. A minimum of 3 Concept Notes need to be submitted to initiate the RFP evaluation process. The assessment of the concept notes will occur in the order in which they were received by the Secretariat.
4. The RFP will encompass two stages: in the first stage, Concept Notes are received by the GCF on a rolling basis after the launch of the RFP, allowing any interested countries to apply. In the second stage, countries that are notified of their eligibility (according to the scoring in section 1 below) are invited to submit a Funding Proposal to the GCF.

II. Eligibility criteria

5. Proposals must meet the following criteria:
 - (a) By the time of submission of a Concept Note, the following information related to UNFCCC requirements, including the elements reflected in decision 1/CP.16 paragraph 71, should be in place and made publicly available (e.g. on the UNFCCC REDD-plus web platform):
 - (i) The National REDD-plus Strategy or Action Plan;
 - (ii) FREL/FRL that is applied to the results period for which payments are requested are submitted to the UNFCCC and have undergone the Convention's Technical Assessment¹⁹ of FREL/FRL;
 - (iii) National Forest Monitoring System (i.e. description provided in the BUR Annex);
 - (iv) A safeguards information system (SIS) to inform how the safeguards are addressed and respected, and a summary of information on how all the Cancun REDD-plus safeguards were addressed and respected.²⁰
 - (b) The REDD-plus results, for which payments are requested, are submitted to the UNFCCC in a Technical Annex of the country's BUR by the time of submission of the RBP Concept Note; in addition, the Technical Analysis²¹ should be completed and the report made

¹⁸ Decision B.14/03

¹⁹ The FREL/FRL must be technically assess per UNFCCC Decision 13/CP.19.

²⁰ Decision 9 CP.19 paragraph 11 and decision 17/C P.21

²¹ The results measured against the reference levels, must pass through a technical analysis process per decision14/CP19.

available on the UNFCCC website by the time of submitting the complete RBP Funding Proposal.

- (c) The scale of the REDD-plus results-based payments proposal should be national or subnational.²²
- (d) Written consent for participation in the RFP provided by the REDD-plus national entity/focal point to the UNFCCC where a national entity/focal point has been nominated by a country.
- (e) A no objection letter (NOL) provided by National Designated Authority (NDA) at the time of submission of the RBP Funding Proposal.

III. Modality and scope

3.1. Access modality

6. The submission of REDD-plus RBP Funding Proposals should be through existing AEs to the GCF, in coordination with the REDD-plus national entity/focal point to the UNFCCC, and following the procedures defined by their corresponding National Designated Authority (NDA). In accordance with the Board's initial no-objection procedure, approved by decision B.08/10, a no-objection letter from the NDA /focal point is required for all REDD-plus RBP proposals. In addition, written consent from the REDD-plus national focal point to the UNFCCC secretariat, where nominated by the country, must be provided.

3.2. Financial valuation of results

7. A fixed value of USD 5 per tonne of carbon dioxide (CO₂) equivalent of reduced emissions or enhanced removals, fully measured, reported and verified, consistent with UNFCCC methodological guidance and GCF requirements, will apply for the pilot programme. The final amount to be paid by the GCF per country will be determined based on a combination of factors including the scorecard results and available finance for the pilot programme and is subject to Board approval.

3.3. Eligibility period for results

8. Under the pilot programme, the GCF will accept for consideration the results from a country's BUR REDD-plus annex starting in 31 December 2013 (time of adoption of the Warsaw Framework for REDD+) until 31 December 2018 that have been technically assessed through the UNFCCC process.

3.4. Size of funding and distribution of payments

9. The REDD-plus pilot programme will be limited to a maximum amount of USD 500 million. Considering a valuation of USD 5/tCO₂eq, the GCF would be able to pay for up to 100 million tCO₂eq emission reductions (ERs). The maximum amount of payments per country would be set at 30% of the total envelope (30 MtCO₂eq) during the entire length of the pilot.

²² See section 3.7

10. The funds will be provided on a rolling basis to the approved proposals on a first-come first-serve basis. The payments will be provided following the steps below:

- a) **Step 1:** AEs proposes a volume of ERs to be considered for the pilot programme indicating the volume of achieved results and the indicative volume to be achieved in the eligible period of results.
- b) **Step 2:** The volume of ERs offered is translated into GCF volume of ERs applying the equation below, carbon based on the scores of sections a) and b) of the Stage II Scorecard elements (see Annex III). The resulting GCF volume of ERs should not exceed 30% of the maximum payable volume of ERs per country in the entire period of eligible results²³:

$\text{Volume of ERs offered (X) } \frac{\text{Total score achieved}}{\text{Maximum score}} = \text{GCF volume of ERs}$

Total score achieved = score achieved by the full proposal in section 2 of the scorecard in annex III
Maximum score = 27 in accordance with the section 2 of the scorecard in annex III

- c) **Step 3:** The resulting volume will be translated into payments by multiplying the GCF volume of ERs and the fixed rate of USD 5 per tonne of carbon dioxide equivalent (CO₂).

3.5. Use of proceeds

11. Countries receiving REDD-plus RBP through the AEs must reinvest the proceeds in activities in line with their current or next Nationally Determined Contributions (NDCs) as established under the UNFCCC Paris Agreement, their REDD-plus strategies, or low-carbon development plans. These activities must also be consistent with the objectives of the GCF. Countries must provide a description of the anticipated use of proceeds, including the main activities to be conducted, the agencies or relevant stakeholders involved, the timeframe for implementation, and the safeguards assessment process, consistent with GCF policies. Compliance with GCF policies will be required as well as reporting on the proposed activities.

3.6. Ownership and legal title

12. Ownership of the emissions reductions paid for by the GCF will not be transferred to the GCF. Payments should be recorded in the UNFCCC web portal and recipient countries' national counterpart, and corresponding results will no longer be eligible for RBPs under the GCF or in any other arrangement. Countries could consider at their own discretion to use the emission reductions towards achievement of their NDCs. The proposals should indicate the measures to be taken to ensure that such emissions reductions will not be transferred and/or used for any other purposes (e.g. offsetting).

3.7. Scale of the proposal

²³ A country could submit through an AE more than one proposal provided that the total amount of GCF payable volume of ERs will not exceed more than 30% of the overall payable volume of ERs.

13. Per UNFCCC guidance for REDD-plus, the proposals must account for tonnes of emissions reductions or enhanced removals at a national or, on an interim basis subnational level. Any subnational program proposal should be of significant scale, one political or ecosystem level down from national scale and defined by each country, demonstrating that an aggregation of such subnational scales can constitute the national level (e.g. states, provinces, biomes, etc.). Subnational level proposal should also demonstrate ambition to scale up to national level, and should demonstrate a contribution to national ambition for emissions reductions, for example, the NDC and/or the implementation of the national REDD-plus strategy.

3.8. Forest reference emission levels / forest reference levels (FREL/FRL) and results

14. The FREL/FRL and REDD-plus results reported on the UNFCCC REDD-plus web platform will be considered using the relevant criteria defined in the scorecard (see Annex III), building on the UNFCCC Technical Assessment of the FREL/FRL and Technical Analysis of the BUR Technical Annex.

3.9. Safeguards information and assessment

15. The information provided in the summary of information on how safeguards were addressed and respected during the full results period will be evaluated according to the criteria defined in the scorecard (Annex III). In this regard, the following aspects will need to be considered:

- (i) **Due diligence responsibilities:** the AEs, working with countries, will prepare an assessment describing the extent to which the measures undertaken to identify, assess, and manage environmental and social risks and impacts, in the context of the relevant REDD+ project or programme, were consistent with the applicable GCF 's ESS standards, and the Secretariat should take such assessment into account as part of its overall consideration of the funding proposal against the scorecard, and complementing the country's own assessment as to how the Cancun safeguards were addressed and respected in the REDD+ activities, to recommend the proposal to the Board for approval. The GCF will undertake its own due diligence on the assessment;
- (ii) **Risk category:** all GCF-financed activities, both from past results and future activities financed through GCF, are categorized based on the levels of environmental and social risks and potential impacts. RBP proposals will be categorized to determine the type of assessment report to be prepared and submitted; and
- (iii) **Stakeholder engagement:** within the parameters of GCF-financed activities for the use of proceeds, the stakeholder engagement relates to two types of requirements: (1) consultations with affected and potentially affected communities conducted during programme design, due diligence, and implementation of the REDD-plus strategy or action plans; and (2) the stakeholder engagement process that describes the actions to ensure effective consultation and participation for period of implementation of the use of proceeds. For RBP proposals, stakeholder engagement will form part of the information provided by the countries through the UNFCCC summary of information as well as the environmental and social assessment (ESA) prepared by the AEs. Information related to the stakeholder engagement process will

include the identified stakeholders and how they have participated, how stakeholders were consulted, and how information on the activities was communicated.

- (iv) **Grievance redress:** Included in the stakeholder engagement process should be an operational mechanism to receive complaints and address these complaints effectively. The ESA will include a description of the grievance redress mechanisms, or analogous system whether established as part of the REDD-plus activities or as integral to the system of the country. The ESA will also specify how the mechanisms were accessed, the complaints that were received, and how these were resolved. These can all be reflected as representations in the funded activity agreement (FAA).

IV. Proposal approval process for the REDD-plus results-based payment pilot programme

16. The RFP will encompass two stages: in the first stage, concept notes may be submitted to the GCF up to on a rolling basis through all the period of the RFP and before the last disbursement at the last Board meeting in 2022, allowing all interested countries that fulfilled the UNFCCC requirements²⁴ to request REDD-plus results-based payments. In a second stage, eligible countries (per scoring of the Concept Note) are invited to submit a results-based payment (RBP) Funding Proposal to the GCF. The Board will consider RBP Funding Proposals based on the Secretariats' assessment and the recommendations from the Independent Technical Advisory Panel (ITAP).

17. The proposal approval process will follow the sequence provided in figure 2 below:

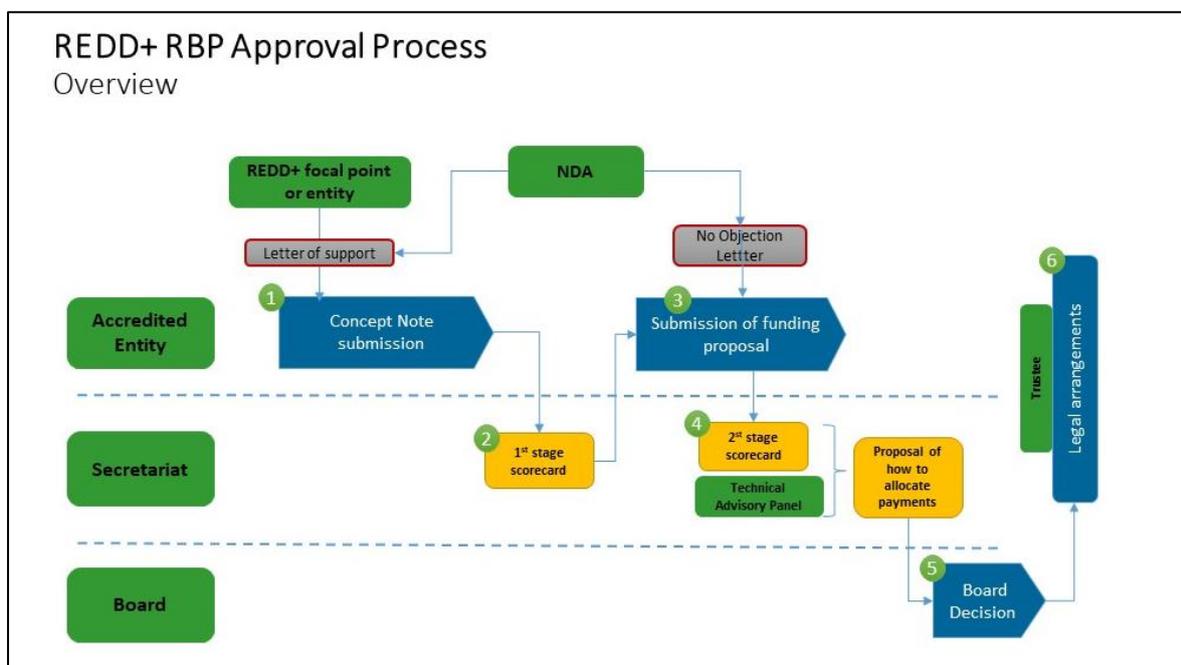


Figure 2: REDD-plus RBP proposal approval process

²⁴ Countries should have all of the elements referred to in decision 1/CP.16, paragraph 71, in place, in accordance with decision 9/CP.19, paragraph 3.

4.1. Stage 1: Submission of results-based payment Concept Notes:

18. The Concept Note should be submitted by the AE. It will be subject to the eligibility criteria as defined in chapter II above, and should follow the template developed by the GCF Secretariat for RBP Concept Notes. It should include:

- References to relevant information in the UNFCCC REDD-plus web platform and other public documentation as required in the UNFCCC decisions, including:
 - o The FREL/FRL that is applied to the eligible results period for which payments are being requested, submitted to the UNFCCC, and confirmation that the Technical Assessment of a FREL/FRL has been finalized and the report is available on the UNFCCC REDD+ web platform;
 - o Evidence that the BUR Technical Annex containing the REDD+ results for which payments are being requested, has been submitted to the UNFCCC and either evidence of the completed Technical Analysis or an indication of when the Technical Analysis will be completed;
 - o Evidence that the System of Information on Safeguards (SIS) is in place;
 - o Reference to the most recent summary of how safeguards covering the time period within which the results for which payment is being requested were achieved, were addressed and respected (referred to in Appendix I of 1/CP.16) during the results period on the UNFCCC REDD+ web platform;
 - o Reference to the National REDD+ Strategy or Action Plan;
 - o Evidence that the National Forest Monitoring System (NFMS) is in place, with, if appropriate, a subnational monitoring and reporting system (as an interim measure, in accordance with national circumstances), and link to where it is described (i.e. REDD+ BUR annex);
- An explanation of the scale of the REDD+ results-based payments proposal, which must be national or, as interim, subnational.²⁵
- Disclosure of information on any payments received for REDD+ results during the period for which payments are being requested (or payment requests pending in other institutions/bilateral arrangements);
- Written consent for participation in the RFP provided by the REDD+ national entity/focal point to the UNFCCC where a national entity/focal point has been nominated by a country.
- A no objection letter (NOL) provided by National Designated Authority (NDA) at the time of submission of the RBP Funding Proposal.

19. The Concept Note may include additional information that supports the above required documentation or on other criteria mentioned in the scorecard. For example, evidence of non-carbon benefits accrued from implementation of the REDD-plus activities associated with the reported results may be provided on a voluntary basis.

20. The Concept Notes will be assessed by the Secretariat against the eligibility criteria presented in section II and set out in section 1 of the scorecard contained in Annex III.

²⁵ See section 3.7

21. Concept Notes fulfilling the criteria will be invited to submit a complete RBP Funding Proposal. A Concept Note may be resubmitted considering the results of the scorecard allowing improvements after the first submission.

4.2. Stage 2: Developing a GCF REDD-plus results-based payment funding proposal:

22. A complete RBP Funding Proposal should be submitted by the selected AE or the NDA. The complete Funding Proposal should be submitted consistent with the template developed specifically for REDD-plus RBP Funding Proposals. In addition to the references to the documents requested in the Concept Note, the proposal will require the following additional information:

- If not already submitted in the Concept Note, reference to the BUR Technical Annex containing the REDD+ results for which payments are being requested, and the report of the completed Technical Analysis²⁶ as made available on the UNFCCC website;
- An indication of achieved results offered to the pilot programme as well as indication of expected results to be achieved in the following years of the eligibility period.
- A description of the alignment of the proposals with the GCF Investment Framework during the full period over which results were generated;
- A demonstration of the "programme outcomes (national or subnational)" and "Fund level impacts" against the initial REDD-plus Logic Framework and Performance Measurement Framework for REDD-plus results-based payments;
- The ESA describing how the activities leading to the relevant results align with the applicable and relevant requirements of the GCF interim environmental and social standards (the International Finance Corporation's Performance Standards). The ESA should indicate how environmental and social risks have been managed, and how the activities complied with the national requirements during the full period of reported results;
- Any additional information on safeguards considered by the country to provide sufficient information to demonstrate that each Cancun safeguards have been addressed and respected in the full period during which results were generated;
- Evidence that demonstrates that the information on safeguards has been made transparently available to domestic and other stakeholders;
- A description of the measures to be undertaken for assurance that such emission reductions, for which payments are being requested, will not be transferred, offered for payments, and/or used for other purposes (e.g. offsetting);
- A disclosure of how different financing (domestic and international) contributed to the achievement of the reported results;
- If applicable, a description of rationale for use of different FREL/FRL for other funding institutions;

²⁶ The results measured against the reference levels, must pass through a technical analysis process per decision14/CP19.

- A description with any available evidence of non-carbon benefits accrued from implementation of the REDD-plus activities associated with the reported results (optional);
- A description of how the proceeds will be used consistent with the country's NDC and national REDD+ strategy, and/or low-GHG development strategy including a timeline of implementation of public and private institutions involved as well as relevant stakeholders, it may also include a benefit sharing plan, consistent with the objectives of the GCF and corresponding ESS requirements; and
- If the scale of the FREL/FRL and results are subnational, a description of how the subnational scale is defined, how it contributes to national ambition for emissions reductions (e.g. toward the achievement of the NDC or the implementation of the REDD-plus strategy), a demonstration that an aggregation of such subnational units can constitute the national level, and information on and how the country intends to scale its efforts up to the national level;

23. Support from the project preparation facility (PPF) can be requested for the preparation of the RBP Funding Proposal

4.3. Assessment of the results-based payments Funding Proposals and distribution of payments

24. The results already achieved in the proposals submitted will be considered by the Secretariat based on the scorecard included in Annex III. The indicative results to be achieved in the following years of the eligibility period will be considered for estimating potential payments and availability of funding for receiving proposals. The review of the indicative results will be conducted in a new funding proposal with the achieved results.

25. Depending on the number of funding proposals received, the Secretariat may take two to four weeks to respond and provide feedback to the AEs. The Secretariat may request additional information, clarification, and revision of the submission, based on its second-level due diligence.

26. After the second-level due diligence and completion of the review against the relevant sections of scorecard included in Annex III related to GCF policies and procedures done by the Secretariat, the Independent Technical Advisory Panel (ITAP) will assess the funding proposal using the scorecard provided in Annex III, sections 2 and 3. ITAP may request additional information and clarification from the AE. The composition of the ITAP members should assure the relevant expertise and qualifications with recognized LULUCF experts to assess the proposals against the scorecard.

27. The Secretariat will provide to the Board of a proposed results-based payments based on the results of the application of the scorecard by the Secretariat and ITAP and the approach set out in section 3.4 above.

4.4. Board consideration

28. The Secretariat will submit a recommendation based on its review and the assessment report by ITAP to the Board for consideration and potential approval of qualified Funding Proposals. The Secretariat will also submit a proposed distribution of payments among qualified Funding Proposals based on the results of the application of the scorecard, the criteria set out in section 3.4 above. The Board will consider these proposals at every board meeting.

4.5. Legal arrangements and disbursement:

29. The GCF will transfer funds through the accredited entity to the recipient defined in the funding proposal in a single disbursement after approval by the Board. The fees will be negotiated between the GCF and the accredited entity based on the delegated authority to the Executive Director of the GCF to decide a fee structure for RBPs. Further details on the legal arrangements will be developed for the purpose of the REDD-plus RBP and reflected in the funded activity agreement (FAA).

V. Monitoring and progress control

30. AEs will be required to provide reporting on the use of proceeds in compliance with GCF interim ESS standards, Gender Policy, Indigenous People's Policy and Interim Policy on Prohibited Practices in a form of a yearly report.

Annex III: Draft scorecard

Document	Scorecard sections	Type of assessment	Compliance with
Concept Note (Stage 1)	Section 1: Eligibility criteria <i>It is required that all mandatory criteria qualify as “pass” for a proposal to be eligible for the pilot programme.</i>	Pass/fail	UNFCCC & GCF
Funding Proposal (Stage 2)	Section 2: Carbon elements a. Forest Reference Emission Level or Forest Reference Level (FREL/FRL) b. REDD-plus results reporting (BUR Annex)	Quantitative	UNFCCC & GCF
	Section 3: Non-carbon elements a. Cancun Safeguards b. Non-carbon benefits	Qualitative	UNFCCC & GCF
	Section 4: GCF Investment Framework <i>The criteria of the Investment Framework will be applied to inform on past actions towards achieving results.</i>	Qualitative	GCF
	Section 5: GCF Policies <i>Policies related o ESS, Risks, Gender and Monitoring and Evaluation would be considered for past and future actions where applicable.</i>	Qualitative	GCF

First stage scorecard (based on the Concept Note)

Section 1: Eligibility criteria	Evaluation	Score	Indicative guidance
<i>In relation to UNFCCC decisions</i>			
(i) Has a link to the National REDD-plus strategy or Action Plan been provided to the UNFCCC REDD-plus platform or is otherwise publicly available?	Pass/Fail		If yes, provide link
(ii) Has information on the NFMS been provided [to the UNFCCC Web platform in case BUR annex is not yet submitted or] within the Technical Annex to the BUR?	Pass/Fail		If yes, provide link
(iii) Has the FREL/FRL applicable to the results periods under consideration been submitted and its Technical Assessment (TA) finalized?	Pass/Fail		If yes, provide links to the FREL/FRL and the TA report. (including information on reference period, use of historical data, adjustments for national circumstances, HFLD eligibility, if relevant, how the proposed reference level reflects stated goals and ambitions and reference level agreements in other REDD+ fora, and intention to ratchet down). If TA not finalize, indicate the expected date for conclusion of the TA.
(iv) Was a system in place for providing information on how safeguards referred to in Appendix I of 1/CP.16 are addressed and respected during the period for which the results under consideration were generated?	Pass/Fail		If yes, provide evidence of the system
(v) Has a summary of information on how all of the safeguards were addressed and respected, during the results period under consideration, been provided to the UNFCCC Information Hub or in the National Communication?	Pass/Fail		If yes, provide link
(vi) Have REDD-plus results, within the eligible period for the RfP, been reported in a Technical Annex to the BUR?	Pass/Fail		If yes, provide link to the BUR (should appear on UNFCCC website)
(vii) Has the Technical Analysis been completed or an expected date of completion been provided?	Pass/Fail		If yes, provide link of the report or provide evidence of when the Technical Analysis will be concluded
<i>Eligible scale</i>			
(viii) Is the scale of results at a national or subnational level?	Pass/Fail		If yes, see section XX for definition of subnational level

<i>Other</i>			
(ix) Does the proposal include the support of the NDA and National REDD-plus Focal Point or Entity?	Pass/Fail		If yes, provide supporting evidence (e.g. letter from REDD-plus focal point or entity)
Total Concept Note Assessment	Pass/Fail		<i>Pass requires "pass" on all elements above</i>

Second stage scorecard (based on the Funding Proposal)

Section 2: Carbon Elements*	Evaluation	Score	Indicative guidance	Weighted score
Section 2a. Forest Reference Emission Level / Forest Reference Level (FREL/FRL)				
<i>The following items are scored on the basis of the UNFCCC Technical Assessment Report]</i>				
(i) Is the FREL/FRL consistent with the GHG inventory, including the definition of forest used?	0 to 2		0= no 1= evidence inconsistencies will be resolved in the next GHG, or justified 2= yes	1
(iii) Was a projection or an upward adjustment made to the FREL/FRL and, if so, was it justified and consistent with national circumstances?	0 to 2		0= yes, but not justified 1= yes, but justified 2= no	1
(iv) Has information been provided to provide an understanding of how UNFCCC guidance on FRELs has been addressed?)	Pass/Fail		Fail= no Pass (count 0.5) = Yes but some issues raised for improvement. Pass (count 1)= yes	1 If score fail, program fails
(v) Is the FREL/FRL complete? (has information been provided that allows for the reconstruction of the FREL/FRL?)	Pass/Fail		Fail= no Pass (count 1)= yes	1 If score fail,

			Pass (count 0.5) = Yes but some issues raised for improvement.	program fails
(vi) Is the FREL/FRL consistent? (were data and methodologies applied consistently over the relevant time series used for the construction of the FREL/FRL?)	0 to 2		0= no 1= some issues raised for future submissions 2= yes	1
(vii) Is the FREL/FRL accurate? (does it neither over- nor under-estimate emissions and/or removals that would have been expected in the absence of REDD-plus activities?)	0 to 2		0= no 1= some issues raised for future submissions 2= yes	1
viii) Have all activities that are a significant source of emissions been included?	0 to 2		0= no 1= no, but justified due to lack of data 2= yes	1
ix) Have all pools that are a significant source of emissions been included?	0 to 2		0= no 1= no, but justified due to lack of data 2= yes	1
(x) Have significant all gases that are a significant source of emissions been included?	0 to 2		0= no 1= no, but justified due to lack of data 2= yes	1
(xi) Is the information provided in the construction of the FREL/FRL (data, methodologies and estimates) in accordance with the most recent applicable IPCC guidance and guidelines as adopted by the COP?	Pass/Fail		Fail= no Pass= yes	
<i>The following criteria are additional to the UNFCCC Technical Assessment and Analysis process</i>				

(xii) Is the reference period chosen for the FREL/FRL between 5 to 10 years in length, and no more than 15 years, for which results are claimed?	0 to 1		0= no 1= yes	1
(xiii) Is the period of applicability of the FREL/FRL indicated? Are revisions of the FREL /FRL foreseen?	0 to 2		0= no 1= one or the other 2= yes	0.5
(xiv) Is the quantified uncertainty for activity data change equal or lower than 60 per cent?	Pass/Fail		Pass = uncertainty provided and below equal or below 60 per cent Fail = uncertainty not provided or if provided above 60 per cent	Pass/Fail
(xv) Are Emission Factors uncertainties provided? if yes, are they equal or below 60 percent?	0 to 2		0= not provided 1= higher than 60 per cent 2 = equal or below 60 percent	1
Section 2b. REDD-plus Results reporting				
<i>The following items are scored on the basis of the UNFCCC Technical Analysis report of the reporting of REDD-plus results (in the technical annex to the BUR, results considered as assessed in the TA report)</i>				
(i) Are the reported results in the technical annex to the BUR consistent with the FREL/FRL? (including the inclusion of same pools, activities and gases)	Pass/Fail		Pass = yes Fail = no	Pass/Fail
(ii) Is the data and information provided in the technical annex transparent? (has information been provided to allow an understanding of how UNFCCC guidance on results reporting has been addressed?)	Pass/Fail		Pass (count 1)= yes Pass (count 0.5) = Yes but some issues raised for improvement.	1 If score fail, program fails
(iii) Is the data and information provided in the technical annex complete? (has information been provided that allows for the reconstruction of the results?)	Pass/Fail		Pass/Fail Pass (count 1) = yes Pass (count 0.5) = Yes but some issues raised for improvement	1 If score fail, program fails

(iv) Is the data and information provided in the technical annex consistent? (were data and methodologies applied consistently over the results time series?)	Pass/Fail		Pass/Fail Pass (count 1) = yes Pass (count 0.5) = Yes but some issues raised for improvement	1 If score fail, program fails
(v) Is the data and information provided in the technical annex accurate? (does it neither over- nor under-estimate emissions and/or removals?)	0 to 2		0= no 1= some issues raised for future submissions 2= yes	1
(vi) Is the quantified uncertainty for activity data change equal or lower than 60 per cent?	Pass/Fail		Pass = uncertainty provided and below equal or below 60 per cent Fail = uncertainty not provided or if provided above 60 per cent	Pass/Fail
(vii) Are Emission Factors uncertainties provided? if yes, are equal or below 60 percent?	0 to 2		0= not provided 1= higher than 60 per cent 2 = equal or below 60 percent	1
<i>The following items are based on additional information required by the GCF</i>				
(vii) Has information been provided on payments that have been (or will be) received for results from the same area during the period for which a country is proposing the receive payments from other programs and have the corresponding results been subtracted from the volume proposed to the GCF for RBP?	Pass/Fail		Fail = no Pass= yes	Pass/Fail
(viii) Are the reported results included in a registry that permits tracking to ensure there is no future double payment [or use, except for the NDC] of ERs that receive payment by the GCF?	Pass/Fail		Fail = no Pass= yes	Pass/Fail
TOTAL score section 2 (> 75% of the rows scoring 1, program fails)			Maximum total = 27	

***Fail on one criteria implies failing the program.**

Section 3: Non-carbon elements	Evaluation	Score	Indicative guidance	Weighted score
Section 3a: Safeguards in 1/CP.16, Appendix I (i.e. the “Cancun Safeguards”)				
<i>The following is based on the “Summary of information on how the safeguards in 1/CP.16 are being addressed and respected throughout the implementation of activities” (Decision 12/CP.17).</i>				
(i) Has information been provided on how actions complemented or were consistent with the objectives of national forest programmes as well as relevant international conventions and agreements (e.g. NDC)?	Pass/Fail		Fail = the summary is missing information to understand whether the safeguard has been addressed and respected. Pass = the summary provides information on how the safeguard was addressed and respected taking into account decision 17/CP.21	Pass/Fail
(ii) Has information been provided on how transparent and effective national forest governance structures were established and utilized, taking into account national legislation and sovereignty?	Pass/Fail			Pass/Fail
(iii) Has information been provided on how the knowledge and rights of indigenous peoples and members of local communities were addressed and respected, by taking into account relevant international obligations, national circumstances and laws?	Pass/Fail			Pass/Fail
(iv) Has information been provided on how relevant stakeholders, in particular indigenous peoples and local communities, fully and effectively participated in REDD-plus activities and national REDD-plus plans and strategies?	Pass/Fail			Pass/Fail
(v) Has information been provided on how actions were consistent with the conservation of natural forests and biological diversity, ensuring that REDD-plus activities are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits?	Pass/Fail			Pass/Fail
(vi) Has information been provided about the actions taken to monitor and address the risks of reversals of sinks?	Pass/Fail			Pass/Fail
(vii) Has information been provided about how actions taken to reduce displacement of emissions?	Pass/Fail			Pass/Fail
(viii) If the results presented in the funding proposal are subnational, is the	0 to 2		0= No information or evince that the NFMS is able to track	

NFMS able to monitor and report the displacement of emissions at the national level, if appropriate, and report on how displacement of emissions is being addressed? Is there information on how the subnational monitoring system will be integrated into a national monitoring system? ²⁷			displacement at national level 1= some information provided 2= Information and evidence provided	
Section 3b: Non-carbon benefits				
(i) Has information been provided in the proposal on non-carbon benefits, associated with the implementation of REDD-plus activities that led to the results under consideration, that contribute to the long-term sustainability of the REDD-plus activities for which a country is seeking payments (Decision 18/CP.21)?	0 to 2		0 = no information provided on non-carbon benefits 1 = some evidence of non-carbon benefits 2 = evidence of significant non-carbon benefits	
Section 3c: Use of Proceeds				
(ii) Has information been provided on how proceeds will be used consistent with NDC, national REDD+ strategy, GCF policies?	0 to 2		0 = no information 1 = some information 2 = Sufficient information on the use of proceeds in line with NDC, national REDD+ strategy, and GCF policies (including a timeline of implementation of proceeds, description of public and private institutions involved as well as relevant stakeholders, it may also include a benefit sharing plan, consistent with the objectives of the GCF and corresponding ESS requirements)	
TOTAL score section 3				

²⁷ Reference: Decision 1/CP.16, paragraph 71(c), footnote 7.

Second stage scorecard (based on Funding Proposal)

Section 4: Investment Framework	Evaluation	Score (Low = Fail)	Indicative guidance for the period of the results considered in the RFP
Impact Potential	high/medium/low		Degree to which results-generating activities contributed to the achievement of the Fund's objectives and results areas (and avoided leakage issues). The description could include adaptation benefits achieved as well.
Paradigm Shift Potential	high/medium/low		<p>Degree to which results-generation catalyzed impact beyond a one-off project or programme investment; Contributed to the establishment and consolidation of a global REDD-plus RBP mechanism; Supported or catalyzed the mobilization of other sources of finance for REDD-plus results.</p> <p>Describe how the project/programme strengthened the national / local regulatory or legal frameworks to systematically drive investment in REDD-plus activities, promoted development of additional low-emission policies, and/or improved climate-responsive planning and development.</p> <p>Describe how results-generating activities facilitated the participation of the private sector in REDD-plus and in environmental services markets related to forests in general.</p>
Sustainable development potential	high/medium/low		<p>Positive environmental impacts. including impacts on other results areas of the fund and/or in line with the priorities set at the national, local or sectoral level, as appropriate.</p> <p>Potential externalities in the form of expected improvements for women and men as relevant, in areas such as health and safety, access to education, improved regulation and/or cultural preservation.</p> <p>Expected positive economic impacts.</p> <p>Potential for reduced gender inequalities in climate change impacts and/or equal participation by gender groups in contributing to the achieved results</p>
Needs of the recipient	high/medium/low		<p>Describe the vulnerability and financing needs of the beneficiary country and population, economic and social development level of the country and the affected population. If applicable, include an explanation of the absence of alternative sources of finance to cover RBP for REDD-plus. And/or need for strengthening institutions and implementation capacity.</p> <p>Describe the barriers that limited access to alternative sources of financing and how they were addressed (explanation of the existing limitations of institutions and implementation capacity for achieving REDD+).</p>
Country Ownership	high/medium/low		Degree of integration of the REDD-plus Strategy into national level policies, policy reforms undertaken in order address the drivers of deforestation and degradation, consultation and engagement with civil society organizations and other relevant stakeholders (involvement of multiple sectors and sub-national stakeholders).
Efficiency and effectiveness	high/medium/low		Estimate cost per t CO ₂ e as defined as total investment cost. Include the rate at which emissions reductions were achieved compared to the FREL/FRL.

Section 5: GCF Policies	Evaluation	Score	Indicative guidance for the period of the results considered in the RFP	Indicative Guidance for the use of proceeds
Environmental and Social Safeguards (ESS)	Pass/fail		Describe how, in the process of achieving emission reductions, the measures that were put in place to address and respect the Cancun safeguards were consistent with GCF ESS standards. Include information on the main outcomes of the assessment conducted by the AE. Specify the measures that were implemented and how the project/programme avoided or mitigated negative impacts at each stage (e.g. preparation, implementation and operation).	Describe the processes for screening, identifying, avoiding, mitigating and managing environmental and social risks and impacts from the use of proceeds and how these will be consistent with the GCF ESS standards.
Risk Assessment	Pass/fail		N/A	Please describe how the plan for the use of proceeds will facilitate management of financial, technical and operational, social and environmental, and other risks. Include a description of the measures to be taken to prevent potential double financing.
Gender	Pass/fail		Describe how gender issues were considered in accordance with the Fund's Gender Policy and Action Plan during the results-generating period.	Describe how the use of proceeds will affect Gender issues in accordance with the Fund's Gender Policy and Action Plan.
Monitoring and Evaluation	Pass/fail		N/A	Describe the mechanisms to monitor the use of proceeds in regard to the GCF ESS policies. Please indicate how you will organize evaluation of the use of proceeds such that you can provide evidence to the Fund that RBP proceeds have been used in a way that is in line with the Fund's policies
Interim policy on prohibited practices	Pass/fail		Provide information that assures that the activities that were implemented to achieve the results comply with the interim policy on prohibited practices, such as: Undisclosed prohibited practices, including money laundering and the financing of terrorism, occurred during the implementation of results-based actions; and double payment or financing for the same results achieved.	Provide information that assures that the activities for implementing the plan for use of proceeds will follow the interim policy on prohibited practices, such as: Undisclosed prohibited practices, including money laundering and the financing of terrorism, occurred during the implementation of results-based actions; improper subsequent use of GCF proceeds in the prohibited practices; and double payment for the same results achieved.

Indigenous Peoples' Policy	Pass/fail		Pass/fail	Describe how the activities will meet the requirements of the policy and guided by the prevailing relevant national laws and/or obligations of the countries directly applicable to the activities under relevant international treaties and agreements.
----------------------------	-----------	--	-----------	--