

# Readiness Proposal

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**with GIZ on behalf of the Climate Technology Centre and Network (CTCN) for  
Argentina, Armenia, Belize, Benin, Bhutan, Colombia, Costa Rica, Georgia,  
Mexico, Micronesia F.S., Niger, Panama, Peru, Senegal and Togo**

30 December 2021 | Pipeline Development and Capacity Building



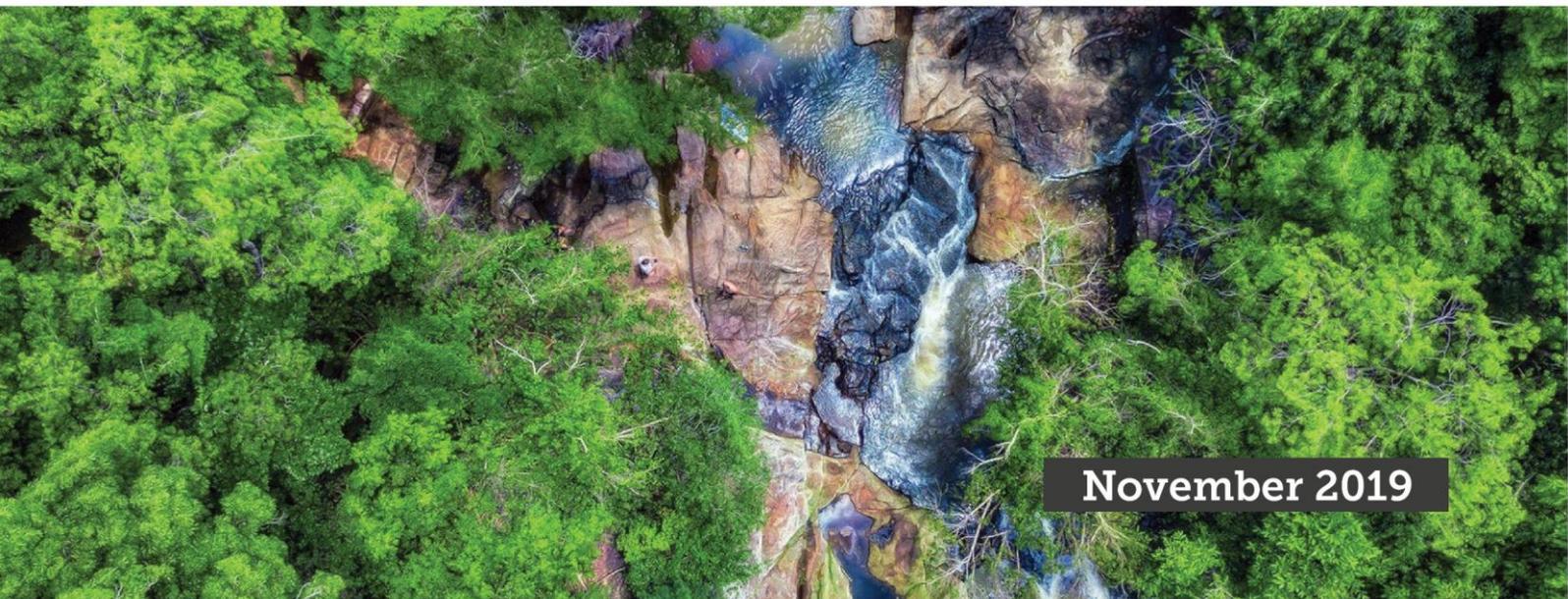
**GREEN  
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# READINESS & PREPARATORY SUPPORT

## PROPOSAL TEMPLATE



|  |   |
|--|---|
| <b>Proposal title:</b>                             | Strengthening the capacity of Direct Access Entities through the Community of Practice for Direct Access Entities (CPDAE) to access climate finance and implement adaptation and mitigation programs and projects |
| <b>Country:</b>                                    | Argentina, Armenia, Belize, Benin, Bhutan, Colombia, Costa Rica, Georgia, Mexico, Micronesia F.S., Niger, Panama, Peru, Senegal, Togo.  |
| <b>National designated authority:</b>              | Ministry of Economy and Finance of Peru   |
| <b>Implementing Institution:</b>                   | Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH  |
| <b>Date of first submission:</b>                   | 30 June 2021  |
| <b>Date of current submission / version number</b> | 22 November 2021 V.3  |



November 2019

## Before completing this proposal template, **please read the guidebook** and learn how to access funding under the GCF Readiness & Preparatory Support Programme.

Download the guidebook:  
<https://g.cf/xxxxx>



### How to complete this document?

This document should be completed by National Designated Authorities (NDA) or focal points with support from their Delivery Partners where relevant. Once completed, this document should be submitted to the GCF by the NDA or focal point via the **online submission system**, accessible through the Country Portal of the GCF website.

Please be concise. If you need to include any additional information, please attach it to the proposal.

If the Delivery Partner implementing the Readiness support is not a GCF Accredited Entity for project Funding Proposals, please complete the Financial Management Capacity Assessment (FMCA) questionnaire and submit it prior to or with this Readiness proposal. The FMCA is available for download at the [Library](#) page of the GCF website.

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If you are not sure how to complete this document, or require support, please send an e-mail to [countries@gcfund.org](mailto:countries@gcfund.org).

You can also complete as much of this document as you can and then send it to [countries@gcfund.org](mailto:countries@gcfund.org), copying both the Readiness Delivery Partner and the relevant GCF Regional Desks. Please refer to the [Country Profiles](#) page of the GCF website to identify the relevant GCF Country Dialogue Specialist and Regional Advisor.

We will get back to you within five (5) working days to acknowledge receipt of your submission and discuss the way forward.

### Note: Environmental and Social Safeguards and Gender

Throughout this document, when answering questions and providing details, please make sure to pay special attention to environmental, social and gender issues, particularly to the situation of vulnerable populations, including women and men. Please be specific about proposed actions to address these issues. Consult Annex IV of the Readiness Guidebook for more information.

## Please visit the Country Portal on the GCF website to submit this proposal via the **online system**.

When submitting the proposal, please name the file:  
GCF Readiness -[Country]-[yyymmdd]

## 1. SUMMARY

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|--|--|--|
| <b>1.1 Country submitting the proposal</b>   | Country name:  | Peru   |
|  | Name of institution representing NDA or Focal Point:   | Ministry of Economy and Finance (MEF)  |
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| <b>1.2 Date of initial submission</b>  | 30 June 2021   |  |
| <b>1.3 Last date of resubmission</b>   | 22 November 2021   | <b>Version number</b> V.3  |
| <b>1.4 Which institution will implement the Readiness and Preparatory Support project?</b> | <input type="checkbox"/> National designated authority<br><input type="checkbox"/> Accredited entity<br><input checked="" type="checkbox"/> Delivery partner |  |
|  | Please provide contact information if the implementing partner is not the NDA/focal point  |  |
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### 1.5 Title of the Readiness support proposal

Strengthening the capacity of Direct Access Entities through the Community of Practice for Direct Access Entities (CPDAE) to access climate finance and implement adaptation and mitigation programs and projects.

### 1.6 Type of Readiness support sought

Please select the relevant GCF Readiness objective(s) below (click on the box – please refer to Annex I and II in the Guidebook):

- I. Capacity building
- II. Strategic frameworks
- III. Adaptation planning
- IV. Pipeline development
- V. Knowledge sharing and learning

### 1.7 Brief summary of the request

This readiness request is submitted as part of an ongoing effort to further the complementarity and coherence between the Adaptation Fund (AF) and the Green Climate Fund (GCF) through the Community of Practice for Direct Access Entities (CPDAE).

The Adaptation Fund (AF) and the Green Climate Fund (GCF) have been promoting Direct Access Modality as a best practice approach to enhance country ownership of climate projects and ensure that developing countries remain in the driving seat of climate finance. In that regard, the AF's National Implementing Entities (NIEs) and the GCF's Direct Access Entities (DAEs) are important to promote country ownership and understanding national priorities and contributions towards low-emission and climate-resilient development pathways (GCF/B.20/17)<sup>1</sup>.

Moreover, the GCF and AF secretariats have jointly agreed to support NIEs and DAEs to increase their effectiveness in accessing climate finance resources and develop and implement adaptation and mitigation projects and programs by providing an avenue for knowledge exchange, learning and experience sharing, collaboration and peer-to-peer support through the Community of Practice for Direct Access Entities (CPDAE). As one of the key activities under the Knowledge Management & Capacity Building pillar of the 2019–2021 Climate Funds Collaboration Roadmap, the submission of the CPDAE readiness proposal was recognized as an important milestone delivering climate action through Direct Access Entities. Supporting the CPDAE initiative is also part of broader efforts to enhance the complementarity and coherence between the GCF and the AF.

The CPDAE, a network composed of NIEs and DAEs, led and driven by its own members with an elected committee that coordinates its work, has made significant efforts in structuring its governance framework since its creation in 2019.

These efforts include the establishment of its first elected committee; the adoption of a Charter of governance as part of its governance framework, laying down initial

<sup>1</sup> <https://www.greenclimate.fund/document/gcf-b20-17>.

ground rules and expectations, defining the purpose of the CPDAE's existence, providing a first glance of the roles and responsibilities of different actors (CPDAE committee, CPDAE members, Funders (GCF, AF)); and the development of an Action Plan.

Nevertheless, the CPDAE is still at an early stage and there are several gaps that hinder its full operationalization and the optimal performance of its members. These include:

- i. Lack of specific features in the existing governance framework and limited communication and outreach mechanisms;
- ii. Absence of a strategic framework and implementation roadmaps adapted to each language group from the CPDAE (English, Spanish and French) and a monitoring and evaluation framework;
- iii. Lack of appropriate and dedicated materials and platform for knowledge management and lessons sharing within the CPDAE and key stakeholders (NDAs, AF, GCF, other);
- iv. Insufficient in-house capacities of the entities for projects design, development, implementation and evaluation, as well as for re-accreditation/accreditation upgrade process;
- v. Difficulties for identifying and manage high quality experts to support project design and development.

In that sense, the aim of this readiness proposal is to strengthen the CPDAE at an institutional level, and the capacity of its members to perform better and access climate finance and develop and implement adaptation and mitigation projects and programs efficiently.

This will be done by strengthening the CPDAE governance framework and communication and outreach mechanisms; building the capacity of CPDAE members on various technical issues that would allow them to address the above-mentioned gaps and deliver on their mandate; and by improving the understanding of CPDAE members of the re-accreditation/accreditation upgrade processes. This proposal will also support the preparation of a pipeline of projects for CPDAE members and/or the improvement of existing concept notes (CNs), in coordination with their respective NDAs, and the design of adequate knowledge and lesson-sharing materials for CPDAE members to better perform their duties as DAEs and NIEs.

The main beneficiaries of this readiness proposal are the members of the CPDAE (see Annex 1, "*Members of the CPDAE*" for membership as at the time of writing this proposal). However, as the membership for CPDAE remains open to all accredited NIEs of the AF and DAEs of the GCF, the list of the beneficiaries may

evolve, should other NIEs and DAEs, that are not yet members of CPDAE, express their interest to join the community during the implementation of the readiness grant. Any new members can benefit from outputs for which there will be no implication on the budget such as online trainings and the materials and tools that are expected but cannot benefit from tailored support that will be provided to the current CPDAE members.

#### 1.8 Total requested amount and currency

EUR 991.810,00

#### 1.9 Implementation period

24 months

#### 1.10 Is this request a multiple-year strategic Readiness implementation request?

- Yes  
 No

For more information on how a country may be eligible to access Readiness support through this modality, please refer to **Annex IV of the Readiness Guidebook**.

#### 1.11 Complementarity and coherence of existing readiness support

- Yes  
 No

##### Existing support to CPDAE

Since 2019, the CPDAE has received various supports that complement each other in a coherent manner. In 2019 the African Development Bank (AfDB), Adaptation Fund (AF) and the Green Climate Fund (GCF) supported the CPDAE to develop a Charter of governance (see Annex 2, “*Charter of governance*” for further details) along with an Action Plan (see Annex 3, “*Action Plan*” further details) and establish the first CPDAE committee. Although this was a milestone for the CPDAE, the implementation of the Action Plan was needed to operationalize the Charter of governance and the AF, through its readiness programme, has been providing ongoing support to the CPDAE in this regard.

The support provided by the AF to CPDAE members and its committee has materialized through several initiatives. These include, supporting CPDAE committee coordination meetings on the margin of AF’s annual meetings, including its Annual Climate Finance Readiness Seminars; creating and hosting a webpage dedicated to CPDAE on its official website<sup>2</sup> to provide a platform for online access to contents and relevant materials developed by CPDAE. Still, the AF is actively supporting the hiring of a temporary and part-time personnel to support the CPDAE Chair as well as the operations of the CPDAE and its committee. The AF has also committed to

hiring a consultant to support the implementation of the CPDAE communication strategy, which is being developed at the moment of submission of the present readiness proposal with AF support.

Other complementary supports received by CPDAE include Peer-to-Peer learning Alliance on Climate Finance Integrity, facilitation and community building supported by GIZ, capacity building in Grievance Redress Mechanism provided by the GCF's Independent Redress Mechanism (IRMs), and participation in side-events on the margin of COP 25 in Madrid, supported by the Adaptation Fund.

Additionally, the GCF and the AF have provided capacity building to individual members of the CPDAE to improve in-house capacities on project development and implementation, Environmental and Social Safeguards (ESS) and Gender policies, develop procedures manuals/guidelines for project screening and assessments, and others. For further detailed description of the various supports received by CPDAE as a community and its individual members, please see Table 1: *Support for the CPDAE and its members* in Section 2.

The above-mentioned initiatives have contributed to build the capacity of DAEs and NIEs in the past and propel CPDAE to where it is now. Nevertheless, substantial and sustained support is still needed to transcend the capacity of the community to respond to urgent needs, access GCF and AF resources, and develop and implement impactful adaptation and mitigation projects/programs.

Through grant MUL-RS-001 with the Agence Française de Développement (AFD) as Delivery Partner, the GCF has also provided resources to the International Development Finance Club (IDFC) for two main objectives: i) Capacity building of Direct Access Applicants and Accredited Entities (DAEs) to make them fit for GCF co-funding, and ii) Establishing strategic frameworks for guiding and developing climate-related project pipelines, with special emphasis on key sectors relevant for post COVID-19 economic recovery. The West African Development Bank (BOAD) is the only entity member of both CPDAE and IDFC. However, BOAD is not part of the beneficiaries of the grant MUL-RS-001. Thus, there

will not be any overlaps between this readiness request and the AFD-led readiness grant.

Building on existing support and momentum, this readiness request will lay the groundwork for long term capacity building support at the national and sub-national levels and enable DAEs and NIEs to fulfil their mandate, including developing high quality Concept notes (CNs)/Funding proposals (FPs).

## 2. SITUATION ANALYSIS

### Background

The idea of establishing a community of practice for accredited direct access entities originated from the entities themselves in light of several challenges that NIEs and DAEs have been facing to access climate finance. Over the last few years, the community has evolved into an autonomous community led, driven, and owned by the entities themselves and with a respective leadership committee of representatives. Acknowledging that sharing the challenges experienced and lessons

The CPDAE is currently made up of 30 institutions which are NIEs of the Adaptation Fund and DAEs of the Green Climate Fund (see Annex 1, *Members of the CPDAE*).

Membership remains open to all accredited NIEs and DAEs, hence, the number of members may increase as the community evolves.

The Committee is comprised of 6 countries, 2 per each language group (French, English and Spanish). Committee members will rotate every two (2) years and will be elected by the CPDAE members of their own language group, and a same country will not be allowed to have a consecutive period as a committee member. See Annex 2, *Charter of governance* for more information.

learnt in the process of climate finance mobilization, and implementation of climate change projects is key to enhance the direct access modality, the CPDAE was created to help members identify priority needs that can be addressed through a community of practice for accredited DAEs. Thus, the CPDAE's main purpose is to provide an avenue for knowledge exchange, learning and experience sharing, collaboration and peer-to-peer support within the community of National Implementing Entities (NIEs) and Direct Access Entities (DAEs) involved in the programming of climate finance.

The AF, the GCF and Africa Climate Change Fund (ACCF) partnered to support the CPDAE members in an effort to strengthen their capacity and accelerate direct access to climate finance for countries which are more vulnerable to the adverse effects of climate change. The AF and GCF are active observers to the CPDAE and, whilst both organizations are fully committed to supporting the planned activities and the established CPDAE committee to undertake their roles and responsibilities, together the AF and GCF agreed to only play a facilitator role and largely follow the lead of the CPDAE and its committee.

The specific objectives of the CPDAE include:

- Strengthening the communication and experience exchange mechanisms (through seminars, workshops, mailing list, online platform for sharing documents);
- Building in-house capacities on various themes relevant to DAEs/NIEs, with a focus on direct access, project development, and monitoring and evaluation of projects;

- Support for South-South cooperation between DAEs/NIEs, or between DAEs/NIEs and future accredited entities. The aim is, therefore, to enable DAEs/NIEs to partner with each other and with national institutions that are in the process of applying for accreditation so as to foster experience sharing and collaborate on capacity building initiatives and funding proposals.

### Existing and past supports to CPDAE

In alignment with their commitments, the AF, GCF and other partners have provided support to the CPDAE towards its operationalization. In 2019, the AF and the GCF along with the African Development Bank (AfDB) jointly supported<sup>2</sup> the organization of a meeting in Durban, South Africa, gathering CPDAE members. The meeting aimed at furthering a common Community of Practice for Direct Access Entities<sup>3</sup> by laying the bases to the establishment of a Governance framework and the approval of an Action Plan, including activities to enhance capacities of the community members to efficiently access, receive and utilize climate finance from both the AF and GCF. The Durban meeting delivered the following three outcomes: a Charter of governance as an initial component of the governance framework, an Action Plan and the establishment of the first elected CPDAE committee, comprised of six members representing three language groups (English, French and Spanish), with two representatives for each language group.

Through the Charter of governance, initial ground rules and expectations for the CPDAE were laid down as well as the definition of the purpose for the CPDAE's existence and a first glance of the roles and responsibilities of different actors (CPDAE committee, CPDAE members, Funders (GCF, AF)). The Charter of governance was envisaged to be a living document that is expected to evolve over time.

Furthermore, the CPDAE Action Plan was articulated around the following three main areas:

- i) Promotion of knowledge sharing and peer-to-peer learning within members, development of a communication strategy and coordination mechanism;
- ii) Capacity building and training through a phased approach (capacity building on identification and development of adaptation and mitigation projects that will be suitable for funding and capacity building for monitoring and evaluation); and
- iii) Development of monitoring and evaluation framework for CPDAE committee.

Following the Durban meeting, the AF facilitated a meeting on the margin of its 6<sup>th</sup> Annual Climate Finance Readiness Seminar in Antigua and Barbuda on the 2nd and 3rd of August 2019 for the CPDAE committee to set the basis for the development of its Guidelines and advance discussions in the implementation of the Action Plan. The Guidelines represent a second component of the governance framework, as they are complementary to the Charter of governance. Furthermore, the Guidelines provide basic elements for the operations of the CPDAE committee, including its composition, responsibility, and decision-making process, expanding on the information provided in the Charter of governance.

<sup>2</sup> The cost sharing for DAEs sponsorship was organized on the following order: AF (EPIU, SANBI, BTFC, AGCID, Fundecooperacion, PIOJ, IMTA, Fundacion Natura, MoWE, Report writer, Hotel Accomodation, Venue, Interpreters and 5 DAEs which are not members of the CPDAE at the moment); GCF (MCT, MFEM, PROFONANPE, PACT and 3 DAEs which are not members of the CPDAE at the moment); and AfDB (ADA, CSE, MOFEC, BOAD, NEMC, BAGRI, FNEC, Facilitator and 6 DAEs which are not members of the CPDAE at the moment).

<sup>3</sup> <https://www.greenclimate.fund/news/adaptation-fund-green-climate-fund-convene-first-community-practice-meeting-direct-access>

The AF has been notably supporting the implementation of CPDAE Action Plan on the communication strategy and coordination mechanism by hosting a temporary webpage for the CPDAE on the official AF website to provide a platform for online access to content and relevant materials developed by the CPDAE. The AF has also provided financial support for the hiring of a temporary and part-time consultant to support the role of the CPDAE Chair as well as the operations of the committee. Throughout this consultancy, the community is moving forward on its operationalization by evaluating best practices for knowledge management and peer-to-peer collaboration; developing resources to enrich decision making processes (baselines, reports, presentations, contact database, etc.); support in the designing of the communication strategy (including both internal and external audiences); facilitate interactions and communication with CPDAE stakeholders<sup>4</sup> and general support framed in the day-to-day needs of the CPDAE. In addition, the AF has committed to hire a communication consultant for the implementation of the CPDAE communication strategy, which includes the development of regular communicational materials, e.g., a trimestral newsletter showcasing the CPDAE members projects and other relevant knowledge sharing information. It is important to mention that the communication strategy is being developed at the time of the submission of this readiness proposal and the expected time for the start of its implementation is January 2022.

In 2019, the GCF's Independent Redress Mechanism (IRM) provided capacity-building support to DAEs on Grievance Redress Mechanism to equip participants with the core principles for establishing and operating Grievance Redress Mechanism. In 2020, the IRM completed another capacity-building training for DAEs covering a variety of topics, including resolving complex cases, problem solving and compliance review processes.

In addition, GIZ has been facilitating a Peer-to-Peer Learning Alliance (P2P LA) on Climate Finance Integrity, most of whose member institutions are also part of the CPDAE.<sup>5</sup> The focus of the P2P LA is to share experiences, know-how, and best practices on integrity issues in a safe, informal, and trusting environment. Apart from face-to-face meetings (before the pandemic), the peers keep contact through regular calls and virtual exchange formats. Additionally, GIZ has committed to support the development of an online platform for knowledge sharing and peer-to-peer collaboration among CPDAE members.

Aside from the above-mentioned support provided for NIEs and DAEs of the CPDAE, it is important to mention that a regional capacity building for Latin America and the Caribbean and a capacity building in Environmental and Social Safeguards (ESS) were organized with support of the GCF and the AF, respectively. Moreover, the CPDAE, supported by the AF, had the opportunity to participate in a side event on the margin of the COP 25th in Madrid to motivate NIEs and DAEs to become members and generate interest in potential partners and donors.

Finally, some CPDAE members have received readiness grants and technical support to improve in-house capacities on project development and implementation, ESS and Gender policies, develop procedures manuals/guidelines for project screening and assessments and other aspects as shown in the Table 1 below: *Support for the CPDAE and its members.*

These capacity-building initiatives for DAEs and NIEs on various issues have contributed to establish the CPDAE to its current state, but more substantial and sustained support is needed to transcend the community's capacity

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<sup>4</sup> CPDAE stakeholders is a group composed of internal and external actors who interact with the CPDAE on both a daily and punctual bases for information and/or coordination.

<sup>5</sup> The following entities are currently part of the Learning Alliance: Central American Bank of Economic Integration (Honduras/regional); Agency for Agricultural Development of Morocco (Morocco); Alternative Energy Promotion Centre (Nepal); National Trust for Nature Conservation (Nepal); Profonampe (Peru); Ministry of Water & Environment (Uganda); Vietnam Development Bank (Vietnam)

to respond to DAEs/NIEs' needs to access resources and develop and implement climate change adaptation and mitigation projects and programs.

### **Gaps and needs**

Although the achievements presented above have provided the CPDAE with an important foundation, further work remains to be done to strengthen the CPDAE governance framework and enable its effective operationalization, as to enhance the member's in-house capacities for the optimal delivery of their mandate.

Indeed, the existing governance framework lacks specific features, for instance, the roles and responsibilities of CPDAE members and CPDAE committee are yet to be fleshed out and there is no clear guidance to help the CPDAE committee perform its duties. Consequently, the CPDAE is not yet fully operationalized and the members are still at a basic level of engagement with the community, e.g., there are limited knowledge sharing activities between members and flow of information between the committee and the different language groups (French, English and Spanish).

Thereupon, the Charter of governance and Guidelines need to be updated to provide clearer orientation for the CPDAE governance framework, further definition of roles and responsibilities for CPDAE committee and guidance for its members to perform their functions.

Furthermore, the CPDAE committee lacks a monitoring and evaluation framework, and the Action Plan only focuses on urgent needs for CPDAE and does not define the roadmaps to clarify, for each language group, major steps and milestones for its implementation.

In addition to the gaps in the governance framework, the lack of a monitoring and evaluation framework and the gaps in the Action Plan, DAEs and NIEs have been facing various challenges in their engagement with the GCF and AF. These include<sup>6</sup> insufficient in-house capacities of DAEs/NIEs for projects design, development, implementation and evaluation, as well as for re-accreditation/accreditation upgrade process.

In relation to the insufficient in-house capacities of DAEs/NIEs for projects design, development, implementation and evaluation, some specific areas where the entities experience challenges and express the need for capacity building have been identified during the Durban meeting in 2019. These include:

- Methodologies for evidence-based project design, mapping climate impacts, risks (probability of occurrence of uncertain impacts), as well as options for mitigation/adaptation;
- Environmental and social safeguards (ESS) and Gender related issues throughout the project cycle;
- Understanding GCF's/AF's performance management framework for monitoring and evaluation (M&E) and developing a logical framework/articulating a theory of change;

The in-house capacity gaps identified by the CPDAE members result in the hiring of external consultants, which is expensive, creates dependency and does not allow for long-term ownership of climate finance programming processes within DAEs/NIEs. Moreover, hiring external consultants for project development does not always guarantee high quality at entry of the concept notes/funding proposals submitted, as the entities lack the necessary skills or expertise to select appropriate consultants and oversee project origination and development processes, as well as to provide useful feedback on consultant's inputs. In fact, even though DAEs/NIEs have

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<sup>6</sup> Information gathered through different channels, including surveys taken by the members in October 2019 and the meeting in Durban.

mostly used external consultants for project origination, they still have weak quality proposals at entry. For instance, the 2019 report of the GCF's Independent Evaluation Unit (IEU) showed that 54% of DAEs have a high risk of not performing well when it comes to elaborating a clear Theory of Change, while 62% of them have difficulties in collecting baseline data, and 69% have difficulties in identifying casual pathways. Thus, providing a roster of experts for CPDAE members would help them in the selection of the most experienced consultants that meet the specific requirements of their projects and enhance, at the same time, their internal capacities while working with the external experts.

With respect to re-accreditation/accreditation upgrade, the following key challenges and gaps faced by CPDAE members were identified:

- Deficiency in individual and institutional capacity to meet and understand the requirements. It was noted that these are cumbersome process, capacity intensive, time consuming and costly for DAEs/NIEs. Entities also attributed this difficulty, and associated delays, to the constantly changing policies and requirements of the funding partners (GCF and AF).
- The language barrier. Translating national policies and legal documents into English is costly and often implies multiple iterations.
- The capacity challenges to adapt existing/new national laws, government policies, and organizational documents to satisfy funding requirements that are not tailored to the local context and the specificities of the organizations seeking accreditation and re-accreditation.

In relation to knowledge management and lessons sharing, whilst there is autonomous bilateral communication between some CPDAE members, this exchange is mostly informal and ad hoc. The CPDAE is supposed to provide an opportunity for knowledge management at scale, learning and experience sharing within the community to inform faster re-accreditation/accreditation upgrade times and faster access and programming of climate finance from the AF and GCF. Evidently, this avenue for members to share experiences and lessons learned needs to be upgraded taking into consideration topics that the members themselves have pointed out to be relevant<sup>7</sup>, this include:

- Re-accreditation/Accreditation upgrade;
- Project design, preparation and implementation;
- Monitoring and evaluation;
- Legal arrangements;
- Environmental and social assessment; and
- Theory of change;

With respect to communication and outreach, there is a need to take opportunity of international events such the COPs, to promote CPDAE activities and disseminate to a large audience the communication materials that are expected to be developed with the AF support.

### **Problem statement**

The Direct Access Modality has been acknowledged as a best practice approach to enhance country ownership of climate projects and ensure that countries, which are most vulnerable to the adverse effects of climate change,

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<sup>7</sup> Information gathered through different channels, including surveys taken by the members in October 2019 and the meeting in Durban.

remain in the driving seat of climate finance. DAEs/NIEs are important for promoting country ownership and understanding national priorities and contributions towards low-emission and climate-resilient development pathways (GCF/B.20/17). Although DAEs and NIEs have benefited from various capacity building supports in the past, the evidence is that they lack, at different levels, adequate institutional, human, and technical capacity to develop, submit and implement high-quality funding proposals at entry and have been facing various challenges in the re-accreditation/accreditation upgrade processes (deficiency in internal human and institutional capacity to meet the requirements).

In order to tackle these problems and tap into existing expertise and skills within DAEs/NIEs, the CPDAE has been established to promote lessons learned and experience sharing and build the capacity of its members towards improving the quality of adaptation and mitigation projects and programs at entry. However, the CPDAE is at an early stage of its operationalization and has important steps to go through to achieve a sound governance framework. In addition, the Action Plan was developed including CPDAE priority activities but limited to the urgent needs of the CPDAE and does not include medium to long term planning. Moreover, CPDAE members have expressed a need to build/enhance in-house capacities to improve their performance as accredited entities looking to submit high-quality funding proposals.

### **Proposed interventions**

This readiness request will address the gaps related to the CPDAE Governance framework and communication and outreach mechanisms and the lack of a M&E framework for CPDAE; as well as the gaps related to CPDAE member's capacities to access climate finance through the implementation of the priority activities of the current Action Plan (promotion of knowledge management and lessons sharing mechanisms, capacity building on projects design, development and implementation, M&E, ESS, CNs and FPs development). Building on the existing Action Plan, this readiness request will also support the development of a Strategic framework for the CPDAE, to cover short-, medium-, and long-term needs of the community, and a Roadmap for the implementation of the Strategic framework for each language group of the CPDAE. Specifically, this readiness proposal aims to:

- i. Strengthen CPDAE governance framework by updating the Charter of governance and Guidelines to provide clearer roles for the CPDAE committee and guidance to help its members perform their roles.
- ii. Develop a Strategic Framework, building on the existing Action Plan, with a corresponding, implementation Roadmaps for each language group of CPDAE members (English, Spanish and French) and a M&E framework.
- iii. Reinforce CPDAE communication/outreach mechanisms and knowledge materials to promote experience sharing at scale within CPDAE members and key stakeholders (NDAs, GCF, AF, other<sup>8</sup>).
- iv. Build CPDAE members in-house capacities on various thematic areas (Methodologies for evidence-based project design and mapping climate impacts, theory of change & logic framework, GCF/AF investment criteria and ESS & gender, legal arrangements, M&E, implementation, reporting, adaptive management, and project closure).
- v. Develop a self-assessment tool for re-accreditation/accreditation upgrade adapted to the CPDAE needs and challenges and build CPDAE members' capacity on re-accreditation/ accreditation upgrade processes.

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<sup>8</sup> Stakeholder will be identified through the CPDAE communication plan.

- vi. Building on Country Programme, and working in coordination with the NDAs, support the realization of prioritized transformational pipeline of projects that are suitable for both the country and the CPDAE members and or improve existing concept notes based on the needs of CPDAE members.
- vii. Enhance CPDAE members' capacities to access and manage technical experts, external to the organization, during the project cycle. This includes the development of a roster of experts to support national/regional institutions on project development process.

To achieve the above objectives, this readiness request is articulated around three outcomes:

- Outcome 1.2: Direct access applicants and accredited entities (DAEs) have established capacity to meet and maintain the GCF's accreditation standards; and accredited DAEs have the capacity to develop a pipeline of projects and effectively implement GCF-funded activities.
- Outcome 4.2: An increase in the number of quality funding proposals developed and submitted from accredited Direct Access Entities.
- Outcome 5.1: Best practices with respect to institutional capacity building and coordination, direct access, and pipeline development are developed and disseminated to strengthen engagement by NDAs, DAEs, and delivery partners with the GCF.

This readiness request is meant to support the CPDAE as a community, covering its members<sup>9</sup> to increase the quality of projects submitted, reduce the number of re-submissions, enhance the development of crosscutting expertise within the community and contribute to effective country ownership of climate finance.

This readiness request is also expected, from the GCF perspective, to contribute to the support provided to national and regional DAEs, members of CPDAE, to play a more prominent role in GCF programming and channel significantly more GCF funding in alignment with the 2020-2023 GCF strategic programming.

### **Complementarity with past and existing initiatives**

The section on existing and past support to the CPDAE provides specific details on the support provided for the establishment of the CPDAE, including achievements accomplished. The section on the gaps and needs provides details about what remains to be done towards achieving a functional and effective structure to help the CPDAE become fully operational, recognizing its uniqueness approach to capacity-building by pooling resources together for greater impact and strengthening south-south support and linkages. This readiness request will build on the key achievements of CPDAE and address the remaining gaps as presented above, taking into consideration those components that are being covered by the AF and GIZ as shown in the Table 1 below: *Support for the CPDAE and its members*.

Furthermore, the GCF and the AF have supported readiness grants and technical assistance to CPDAE members as detailed in the Table 1 below: *Support for the CPDAE and its members*. It is worth mentioning that, although some CPDAE members have already received various supports that the activities in this Readiness request covers, it does not necessarily imply duplication. Rather, given that the main goal of CPDAE is to foster knowledge and experience sharing among its members, the activities included in previous readiness grants and technical assistance for CPDAE members and the ones repeated in this readiness request should be mutually reinforcing. Entities that have already benefited from specific activities included in this Readiness request would share their

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<sup>9</sup> DAEs/NIEs that join the CPDAE after approval of this readiness proposal can only benefit from general support that will be provided to CPDAE members such as access to developed tools and tutorials, online trainings, and sessions.

experiences and lessons learned with other CPDAE members but would also learn from the trainings expected under this readiness request that will provide specific case studies on how DAEs/NIEs can improve over time their capacity in the target topics.

Building on existing support and momentum, this readiness request, through the organizational structure that is being developed for the CPDAE, will lay the groundwork for long-term capacity building support at national and sub-national levels and enable DAEs/NIEs to fulfil their mandate, including developing high quality CNs, FPs, and building in-house expertise.

**Table 1: Support for the CPDAE and its members**

| Entity   | Past initiatives / Readiness Support | Funding source / year | Status / Amounts         | Linkage to current Readiness Request  |
|--|--------------------------------------|-----------------------|--------------------------|---|
| <b>Support provided to CPDAE as a community.</b> |                                      |                       |                          |   |
| <b>CPDAE</b>                                     | CPDAE meeting in Durban in 2019      | AfDB<br>GCF<br>AF     | Completed                | <ul style="list-style-type: none"> <li>o CPDAE members gathered in Durban in 2019 with the objective of putting in place the “building blocks” of an operational CPDAE platform. The meeting resulted in three successful outcomes including the CPDAE Charter of governance, the Action Plan, and the first elected committee of the CPDAE. Even though these are key achievements, they have not made the CPDAE fully operational yet.</li> <li>o Additionally, during the meeting the members shared their experiences with different processes required by the GCF and the AF in terms of re-accreditation /accreditation upgrade, project design and implementation as well as working with external consultants and other relevant topics where they discover common gaps and challenges to be address as a community.</li> <li>o Support provided as per shown next: the AF: EPIU, SANBI, BTFEC, AGCID, Fundecooperacion, PIOJ, IMTA, Fundacion Natura, MoWE, Report writer, Hotel Accomodation, Venue, Interpreters and 5 DAEs which are not members of the CPDAE at the moment; the GCF: MCT, MFEM, PROFONANPE, PACT and 3 DAEs which are not members of the CPDAE at the moment; and AfDB: ADA, CSE, MOFEC, BOAD, NEMC, BAGRI, FNEC, Facilitator and 6 DAEs which are not members of the CPDAE at the moment.</li> <li>➤ This readiness proposal will build on the achievements mentioned and work with CPDAE members to fine-tune and operationalize them as well as to enhance their in-house capabilities to perform better as NIEs and DAEs.</li> </ul> |
|  | Support for the implementation of    | AF                    | Support on ongoing basis | <ul style="list-style-type: none"> <li>• AF readiness programme has been providing support for implementation of the CPDAE Action Plan on an ongoing</li> </ul>   |

| Entity | Past initiatives / Readiness Support | Funding source / year | Status / Amounts | Linkage to current Readiness Request  |
|--------|--------------------------------------|-----------------------|------------------|---|
|        | CPDAE Action Plan                    |                       |                  | <p>basis, focusing on the communication strategy and coordination mechanism. Indeed, the AF facilitated a meeting of the CPDAE committee at its 6<sup>th</sup> Annual Climate Finance Readiness Seminar (August 2019) in Antigua and Barbuda, including financial support for attendance by the committee members to advance discussions in the implementation of the Action Plan and develop the Guidelines for the operationalization of the CPDAE committee. Additionally, the AF has provided a slot for the CPDAE at its 2020 7<sup>th</sup> Annual Climate Finance Readiness Seminar for accredited NIEs of the Fund and has supported CPDAE participation in a side event on the margin of COP25 in Madrid to motivate NIEs and DAEs to become members and generate interest in potential partners and donors.</p> <ul style="list-style-type: none"> <li>• The AF has created a webpage on the official AF website to temporarily host the CPDAE and provide a platform for online access to content and relevant materials developed by the CPDAE.</li> <li>• The AF has also provided financial support to hire a temporary and part-time personnel to support the CPDAE Chair and Vice Chair in their roles as well as the operations of the committee from April to December 2021.</li> </ul> <p><i>During 2022 this position will be financed by both funds (GCF and AF), the first semester of the year will be covered by the GCF and the second semester by the AF.</i></p> <ul style="list-style-type: none"> <li>• The AF has committed to hiring a communication consultant to implement the CPDAE communications strategy to support the achievement of one key element of the community's purpose: "provide an avenue for knowledge exchange, learning and experience sharing, collaboration and peer support within the community of National Implementing Entities (NIEs) and Direct Access Entities (DAEs)". Under this action, the CPDAE seeks to develop communication and coordination materials, e.g., a trimestral newsletter for displaying CPDAE members' projects and other relevant topics. This communication material was initially incorporated in the present Readiness proposal and has been removed to avoid duplication.</li> </ul> <p>➤ This readiness proposal builds on the achievements of AF support to operationalize the CPDAE through the activities included in the logical framework.</p> |

| Entity | Past initiatives / Readiness Support             | Funding source / year | Status / Amounts         | Linkage to current Readiness Request  |
|--------|--|-----------------------|--------------------------|---|
|        |  |                       |                          | <i>It is worth mentioning that the AF has been supporting the creation of the CPDAE since 2016, e.g., providing spaces during its Annual Seminars for the accredited entities to start laying the foundations for the establishment of the community.</i>   |
|        | Capacity building in Grievance Redress Mechanism | GCF                   | Completed                | <ul style="list-style-type: none"> <li>❖ In 2019, the GCF's Independent Redress Mechanism (IRMs) provided capacity-building support to DAEs on Grievance Redress Mechanism in 2019 and in 2020. The three-day-workshop held by the IRM between the 7th and 9th of October 2019 in Songdo, gathered 16 DAEs and was focused on lessons learned and best practice models to support DAEs of the GCF. The goal was to equip participants with the core principles for establishing and operating Grievance Redress Mechanism.</li> <li>❖ In 2020, the IRM completed another capacity building training for DAEs (workshops and online modules). The workshops and the IRM online modules covered a variety of topics, including resolving complex cases, problem-solving and compliance review processes.</li> <li>➤ The activities covered in those trainings and workshops do not overlap with the activities included in this Readiness proposal.</li> </ul>                      |
|        | Peer-to-Peer Collaboration and Knowledge sharing | GIZ                   | Support on ongoing basis | <ul style="list-style-type: none"> <li>o GIZ has been facilitating a Peer-to-Peer Learning Alliance (P2P LA) on Climate Finance Integrity, most of whose member institutions are also part of the CPDAE.<sup>10</sup> The focus of the P2P LA is to share experiences, know-how, and best practices on integrity issues in a safe, informal, and trusting environment. Apart from face-to-face meetings (before the pandemic), the peers keep contact through regular calls and virtual exchange formats.</li> <li>o Furthermore, this proposal initially included the "development of knowledge sharing platform" under Outcome 5. This action was deemed urgent by the CPDAE and GIZ has therefore committed to support the development of such platform while this proposal is being appraised by the GCF Secretariat for approval. The activities related to the development of a knowledge-sharing platform were initially included in this readiness request but</li> </ul> |

<sup>10</sup> The following entities are currently part of the Learning Alliance: Central American Bank of Economic Integration (Honduras/regional); Agency for Agricultural Development of Morocco (Morocco); Alternative Energy Promotion Centre (Nepal); National Trust for Nature Conservation (Nepal); Profonampe (Peru); Ministry of Water & Environment (Uganda); Vietnam Development Bank (Vietnam)

| Entity  | Past initiatives / Readiness Support  | Funding source / year | Status / Amounts             | Linkage to current Readiness Request   |
|---|---|-----------------------|------------------------------|--|
|   |   |                       |                              | were removed following GIZ's confirmation to support those activities with their own resources.  |
|   | Facilitation and community building for the CPDAE members   | GIZ                   | Under preparation            | o This support intends to enhance the dialogue, building the community and its vision, and facilitate cooperation and peer-to-peer exchange among the CPDAE members.   |
| <b>Support provided to CPDAE members individually<sup>11</sup></b>      |   |                       |                              |  |
| Protected Areas Conservation Trust (PACT)                               | Strengthening institutional capacities  | GCF-2019              | Ongoing<br>US\$ 279,062.00   | <ul style="list-style-type: none"> <li>❖ In 2019, PACT has received post-accreditation support from the GCF to meet its accreditation conditions, establish its planning framework for engagement with the GCF, mobilize climate action among national stakeholders, and strengthen its capacity to identify, design, and implement climate projects to meet GCF requirements.</li> <li>➤ Through this Readiness request, PACT would share its experience on accreditation conditions, project origination and implementation with other CPDAE members, and benefit on further technical support on various aspect of GCF 's project cycle (Activity 1.2.4. and Activity 4.2.1).</li> </ul>  |
| Peruvian Trust Fund for National Parks and Protected Areas (Profonanpe) | Actions towards accessing different GCF funding modalities in Peru  | GCF-2020              | Ongoing<br>US\$ 832,058.00   | <ul style="list-style-type: none"> <li>❖ Profonanpe has received three readiness grants from the GCF. The first readiness grant was approved in December 2017 and was focused on capacity strengthening for project management throughout GCF's project cycle, the development of technical tools to support Concept Note development. The second grant was approved in January 2019 and has strengthened Profonanpe's capacities on Environmental and Social Management System (ESMS) auditing, project design, institutional quality management, impact evaluation, monitoring, procurement, and gender mainstreaming. The last GCF Readiness grant was approved in February 2020 and focuses on boosting the capacities of Profonanpe to manage GCF resources more effectively and supporting a new entity for its accreditation to the GCF.</li> <li>• Profonanpe also received a readiness grant from the AF in December 2016 to develop procedures manuals/guidelines for project screening and assessment on environmental and social risks, as well as to develop a gender policy in relation to AF projects.</li> <li>➤ For this Readiness request, Profonanpe would also share and further strengthen</li> </ul> |
|   | Strengthening institutional capacities – Stage II   | GCF-2019              | Ongoing<br>US\$ 301,165.00   |  |
|   | Strengthening institutional capacities.   | GCF-2017              | Completed<br>US\$ 330,625.00 |  |
|   | Technical Assistance to support the assessment and management of Environmental and Social Risks within projects and programmes. | AF-2016               | Ongoing<br>US\$ 25,000.00    |  |

<sup>11</sup> The information presented corresponds only to those entities included in this readiness proposal.

| Entity  | Past initiatives / Readiness Support  | Funding source / year | Status / Amounts            | Linkage to current Readiness Request   |
|---|---|-----------------------|-----------------------------|--|
|   |   |                       |                             | its technical knowledge on project management, project development and implementation, ESS, and gender mainstreaming (Activity 1.2.4. and Activity 4.2.1).   |
| Le Centre De Suivi Ecologique (CSE) for Republic of Senegal | Upgrading accreditation category and strengthening project development and implementation capacities                            | GCF-2017              | Ongoing<br>US\$ 205,000.00  | <ul style="list-style-type: none"> <li>❖ CSE has received a readiness grant from the GCF in 2017 to upgrade CSE's accreditation category related to ESS and to strengthen the entity's capacity for project and program development.</li> <li>• CSE has also received two grants from the AF in 2016 and 2017 to upgrade its environmental, social and gender framework and policy, develop procedures and guidelines for implementation of the policy, and train its staff for an internal ownership.</li> <li>➤ Through this Readiness request, CSE will build on its experience and lessons learned on ESS project management and share its experience with other CPDAE members. CSE will also strengthen its capacities on various technical aspects of GCF's project cycle (Activity 1.2.4. and Activity 4.2.1).</li> </ul> |
|   | Assistance in develop capacities and enhance institutional framework for gender mainstreaming                                   | AF-2017               | Completed<br>US\$ 10,000.00 |  |
|   | Technical Assistance to support the assessment and management of Environmental and Social Risks within projects and programmes. | AF-2016               | Completed<br>US\$ 18,000.00 |  |
| The Environmental Project Implementation Unit (EPIU)        | Assistance in complying with the Fund's Environmental and Social Policy and Gender Policy                                       | AF-2018               | Completed<br>US\$ 19,500.00 | <ul style="list-style-type: none"> <li>• In December 2018, EPIU has received a grant from the AF to: <ul style="list-style-type: none"> <li>- Develop of environmental, social and gender risk screening and assessment guidelines and integrate them to the existing operational manual.</li> <li>- Create relevant grievance mechanism.</li> <li>- Train staff members. On those guidelines</li> </ul> </li> <li>➤ Through this Readiness request, EPIU would build on its existing guidelines on ESS and gender risks and strengthen its technical capacities on various aspects of GCF project cycle covered under Activity 1.2.4. and Activity 4.2.1.</li> </ul>  |
| Fundación Natura  | Technical Assistance to support the assessment and management of Environmental and Social Risks within projects and programmes. | AF-2016               | Completed<br>US\$ 20,000.00 | <ul style="list-style-type: none"> <li>• These DAEs/NIEs have received grants between 2016 and 2020 from the AF to enhance in-house capacities by developing procedures manuals/guidelines for project screening and assessment on environmental and social risks, as well as by developing a gender policy in relevant to AF projects. The specific objectives include: <ul style="list-style-type: none"> <li>- Development and/or update of procedures manual/guidelines for</li> </ul> </li> </ul>   |
| National Fund for Environment and Climate (FNEC)            | Assistance in complying with the Adaptation Fund's Gender Policy  | AF-2020               | Ongoing<br>US\$ 10,000.00   |  |

| Entity  | Past initiatives / Readiness Support   | Funding source / year | Status / Amounts            | Linkage to current Readiness Request  |
|---|--|-----------------------|-----------------------------|---|
|   | Technical Assistance Grant for ESP   | AF-2016               | Completed<br>US\$ 20,000.00 | <p>screening projects for environmental and social risks.</p> <ul style="list-style-type: none"> <li>- Development of procedures manual/guidelines for undertaking project environmental and social risk assessment and for formulating risk management plans.</li> <li>- Development of transparent and effective mechanisms for receiving and resolving complaints about environmental and social harms caused projects/programs during implementation of AF supported projects/programs.</li> <li>- Training of select entity staff to carry out the relevant tasks related to the implementation of the E&amp;S Policy</li> <li>- Development of a Gender Policy Enhance in-house capacities for compliance with the AF's Environmental and Social Policy and Gender Policy</li> </ul> <p>➤ Through this readiness request these DAEs/NIEs would have the opportunity build/strengthen their technical capacities on GCF-funded projects covered under (Activity 1.2.4. and Activity 4.2.1). They would also share their experiences and lessons learned with the Adaptation Fund to foster complementarity between the GCF and the AF.</p> |
| Bhutan Trust Fund for Environmental Conservation (BT FEC)         | Strengthen the capacity of BT FEC to assess and manage environmental, social and gender related issues and to comply with the Adaptation Fund's ESP and GP | AF-2018               | Completed<br>US\$ 25,000.00 |   |
| Fundecooperación Para el Desarrollo Sostenible (Fundecooperación) | Technical assistance for assessment and management of environmental, social and gender risks within projects and programmes                                | AF-2016               | Completed<br>US\$ 25,000.00 |   |
| The Mexican Institute of Water Technology (IMTA)                  | Assistance in complying with the Fund's Environmental and Social Policy and Gender Policy  | AF-2020               | Ongoing<br>US\$ 25,000.00   |   |
| Micronesia Conservation Trust (MCT)                               | Technical Assistance for assessment and management of Environmental and Social Risks within projects and programmes.                                       | AF-2016               | Completed<br>US\$ 20,000.00 |   |
|   | Technical assistance for development of gender policy and grievance mechanism  | AF-2016               | Completed<br>US\$ 10,000.00 |   |

### 3. LOGICAL FRAMEWORK

| Outcomes  | Baseline <sup>11</sup>   | Targets   | Outputs   | Activities<br>(brief description)  | Deliverables <sup>12</sup>   |
|---|--|---|---|--|--|
| <p><b>Outcome 1.2</b><br/>Direct access applicants and accredited entities (DAEs) have established capacity to meet and maintain the GCF's accreditation standards; and accredited DAEs have the capacity to develop a pipeline of projects and effectively implement GCF-funded activities</p> | <p>Some work has been initiated to create the CPDAE and committee, but the foundational and operational documents (Charter of Governance, Action Plan, M&amp;E framework, operational guidelines, etc.) need to be updated &amp; fine-tuned/developed for efficient functioning of the community and committee. The capacity of the community members also needs to be strengthened for project development and management, as well as for the re-accreditation process.</p> | <p>The Community of Practice of DAEs/NIEs has an operational and efficient governance framework (Charter of Governance and guidelines) and strategic framework.</p> <p>The capacity of its members is improved on project design and oversight as well as re-accreditation/accreditation upgrade.</p> | <p><b>Output 1.2.1:</b><br/>Governance framework (CPDAE Charter of Governance and committee Guidelines) of the CPDAE is updated</p> | <p><b>Activity 1.2.1a:</b><br/>Update the Charter of governance of the CPDAE to provide the CPDAE with an effective governance framework.</p> <ol style="list-style-type: none"> <li>1. Assess the gaps and needs of the Charter of governance in relation to the goal the community is aiming for.</li> </ol> <p><i>This assessment is expected to provide detail information on specific gaps and needs for an operational governance framework.</i></p> <ol style="list-style-type: none"> <li>2. Conduct interviews with CPDAE members and other actors (NDAs, AF and GCF) to complement the information on the gaps and needs for the CPDAE governance framework.</li> <li>3. Develop a draft version of the Charter of governance based on identified gaps and needs.</li> <li>4. Organize three (by language or time zones) online sessions for CPDAE members to provide inputs to the updated Charter of governance.</li> <li>5. Organize one online session with the CPDAE committee to validate the final version of the updated Charter of Governance.</li> </ol> | <p><b>Deliverables 1.2.1a:</b></p> <ol style="list-style-type: none"> <li>1. Assessment report of the Charter of governance's gaps and needs.</li> <li>2. Interview report.</li> <li>3. Report of the online sessions, including support materials used.</li> <li>4. Updated version of the Charter of governance (including English, Spanish and French versions).</li> </ol> |
|   |  |   |   | <p><b>Activity 1.2.1b:</b><br/>Update the CPDAE committee Guidelines of its internal procedures to provide clear roles and responsibilities for its members. The Guidelines will also provide guidance for its members to perform their functions.</p> <ol style="list-style-type: none"> <li>1. Conduct interviews with CPDAE members and other actors (e.g., NDAs, AF, GCF) to gather information for the CPDAE committee Guideline's update.</li> <li>2. Develop updated version of the CPDAE committee Guidelines.</li> <li>3. Organize three (by language or time zones) online sessions for CPDAE members to provide inputs to the updated version of the CPDAE committee Guidelines.</li> </ol>   | <p><b>Deliverables 1.2.1b:</b></p> <ol style="list-style-type: none"> <li>1. Interview report.</li> <li>2. Report of the online sessions, including support materials used.</li> <li>3. Final updated version of the Guidelines (including English, Spanish and French versions)</li> </ol>  |

| Outcomes | Baseline <sup>11</sup> | Targets | Outputs   | Activities<br>(brief description)   | Deliverables <sup>12</sup>  |
|----------|------------------------|---------|---|---|---|
|          |                        |         | <p><b>Output 1.2.2:</b><br/>CPDAE Strategic framework, Roadmaps and M&amp;E Framework developed</p> | <p>4. Final online session for validation with CPDAE committee.</p> <p><b>Activity 1.2.2a:</b><br/>Building on the existing Action Plan, develop the CPDAE draft version of the Strategic framework and its respective implementation Roadmaps (for three CPDAE language groups). These drafts will be finalized and validated during the 2022 CPDAE Annual Meeting.</p> <ol style="list-style-type: none"> <li>1. Assess the implementation status of the existing Action Plan.</li> <li>2. Conduct interviews with CPDAE members and other stakeholders (e.g., NDAs, AF, GCF) to collect/provide updated information on member's needs for their engagement with the GCF and AF and identify CPDAE members' constraints / challenges for their active participation in the activities of the community and identify measures to overcome those constraints / challenges to be included in the Strategic framework.</li> </ol> <p><i>The interviews will also be conducted with few international Accredited Entities on challenges and best practices in their engagement with Climate Funds to complement the CPDAE Strategic Framework.</i></p> <ol style="list-style-type: none"> <li>3. Based on the results of the interviews, and building on the existing Action Plan, develop a draft Strategic framework for the CPDAE.</li> <li>4. Furthermore, based on the draft Strategic framework, develop drafts Roadmaps for the implementation of the Strategic Framework for the three CPDAE language groups.</li> <li>5. Organize three online sessions (by language groups) for CPDAE members to provide inputs to the draft Strategic framework and drafts Roadmaps.</li> </ol> <p><i>During each online session with the CPDAE members, the roadmaps will be developed building over the draft version and by the members themselves with support of the facilitator to ensure a full alignment with their specific contexts and planning.</i></p> <ol style="list-style-type: none"> <li>6. Organize one online session with the CPDAE committee to review and consolidate inputs from CPDAE members and prepare the first</li> </ol> | <p><b>Deliverables 1.2.2a:</b></p> <ol style="list-style-type: none"> <li>1. Assessment report on implementation status of the existing Action Plan.</li> <li>2. Interview report outlining the needs of members, their constraints and identified solutions for each CPDAE language group.</li> <li>3. Report of the online sessions, including support materials used.</li> <li>4. First version of the Strategic framework (in English, Spanish and French) to be finalized and validated during the 2022 CPDAE Annual Meeting.</li> <li>5. First version of the three languages group Roadmaps to be finalized and validated during the 2022 CPDAE Annual Meeting.</li> </ol> |

| Outcomes | Baseline <sup>11</sup> | Targets | Outputs | Activities<br>(brief description)   | Deliverables <sup>12</sup>  |
|----------|------------------------|---------|---------|---|---|
|          |                        |         |         | version of the Strategic Framework and its corresponding Roadmap for each language group of the CPDAE.  |   |
|          |                        |         |         | <p><b>Activity 1.2.2b:</b><br/>Develop a draft monitoring and evaluation (M&amp;E) framework for the CPDAE to be finalized and validated during the 2022 CPDAE Annual Meeting.</p> <ol style="list-style-type: none"> <li>1. Conduct interviews with CPDAE members and other actors (e.g., NDAs, AF, GCF) to gather information for the development of M&amp;E Framework.</li> <li>2. Develop the M&amp;E framework draft for the CPDAE aligned with the Strategic framework and three languages group Roadmaps drafts developed under Activity 1.2.2a.</li> <li>3. Organize three (by language or time zones) online sessions for CPDAE members to provide inputs to the M&amp;E framework.</li> <li>4. Organize one online session for the CPDAE committee to review and consolidate inputs from language groups and prepare the first version of the M&amp;E framework.</li> </ol> | <p><b>Deliverables 1.2.2b:</b></p> <ol style="list-style-type: none"> <li>1. Interview report.</li> <li>2. First version of the Monitoring and evaluation framework (including English, Spanish and French versions) to be finalized and validated during the 2022 CPDAE Annual Meeting.</li> <li>3. Report of the online sessions, including support materials used</li> </ol>   |
|          |                        |         |         | <p><b>Activity 1.2.2c:</b><br/>Organize 3-days Annual CPDAE meeting for years 2022 and 2023.</p> <ol style="list-style-type: none"> <li>1. 2022 CPDAE Annual Meeting: <ol style="list-style-type: none"> <li>i. Validate and finalize the three language groups Roadmaps for the CPDAE members.</li> <li>ii. Validate and finalize the CPDAE Strategic framework.</li> <li>iii. Validate and finalize the CPDAE M&amp;E framework.</li> <li>iv. Other internal affairs framed on the ongoing efforts of building a sound CPDAE Strategic framework. These include review the implementation status of the communication strategy (supported by AF), and hold a session on sharing best practices on entities' engagement with climate Funds to inform the finalization of the strategic framework, etc.</li> </ol> </li> </ol>  | <p><b>Deliverables 1.2.2c:</b></p> <ol style="list-style-type: none"> <li>1. 2022 CPDAE Annual Meeting: <ol style="list-style-type: none"> <li>i. Final version of the three language groups Roadmaps.</li> <li>ii. Final Version of the Strategic framework.</li> <li>iii. Final Version of the M&amp;E Framework.</li> <li>iv. Report of the review of the implementation status of the communication strategy.</li> <li>v. Recommendations from the session on the best practices</li> </ol> </li> </ol> |

| Outcomes | Baseline <sup>11</sup> | Targets | Outputs | Activities<br>(brief description)  | Deliverables <sup>12</sup>  |
|----------|------------------------|---------|---------|--|---|
|          |                        |         |         | <p>2. 2023 CPDAE Annual Meeting:</p> <ul style="list-style-type: none"> <li>i. Updated the CPDAE members about the implementation status of the Strategic framework and Roadmaps.</li> <li>ii. Review the implementation status of the M&amp;E framework.</li> <li>iii. Renew CPDAE committee members.</li> <li>iv. Other internal affairs framed on the ongoing efforts of building a sound Strategic Framework. These include review the implementation status of the communication strategy (supported by AF) and hold a session on sharing best practices on the implementation of the three language groups Roadmaps and Strategic framework.</li> </ul> <p><i>50% of the total cost of the annual meetings will be co-funded by AF and the remaining 50% will be covered with this readiness request. This includes having the 2022 annual meeting covered with this readiness request and the 2023 annual meeting covered by AF<sup>12</sup>.</i></p> | <ul style="list-style-type: none"> <li>vi. 2022 CPDAE Annual Meeting Minutes.</li> </ul> <p>2. 2023 CPDAE Annual Meeting:</p> <ul style="list-style-type: none"> <li>i. Implementation status report of the Strategic framework and Roadmaps.</li> <li>ii. Status report of the M&amp;E framework</li> <li>iii. Report of the review of the implementation status of the communication strategy.</li> <li>iv. Recommendations from the session on the best practices.</li> <li>v. 2023 CPDAE Annual Meeting Minutes.</li> </ul> |

<sup>12</sup> This co-financing modality is proposed for consideration by the two Funds and not yet an agreement.

| Outcomes | Baseline <sup>11</sup> | Targets | Outputs   | Activities<br>(brief description)  | Deliverables <sup>12</sup>  |
|----------|------------------------|---------|---|--|---|
|          |                        |         | <p><b>Output 1.2.3:</b><br/>CPDAE<br/>Communication and outreach mechanisms strengthened.</p>   | <p><b>Activity 1.2.3:</b><br/>Prepare and hold one side event on the margin of COP27 in 2022 and COP28 in 2023 with the purpose of showcasing the benefits of belonging to the CPDAE to key stakeholders (accredited entities to the AF and GCF) and invite them to join the CPDAE.<br/><i>This event will be organized in complementarity with AF and GCF support.</i><br/>During the side event of COP27:<br/> <ul style="list-style-type: none"> <li>i. The committee will present to the audience the updated Charter of governance and committee Guidelines.</li> <li>ii. The committee will present the Strategic Framework and Communication Strategy (supported by AF).</li> <li>iii. Case studies on project stories that have been significantly impacted by knowledge sharing within the CPDAE will be presented by CPDAE members.</li> </ul>           During the side event of COP28:<br/> <ul style="list-style-type: none"> <li>i. The committee will present updates on the Strategic Framework.</li> <li>ii. The committee will present advances made on the implementation of the Communications Strategy.</li> <li>iii. Case studies on project stories that have been significantly impacted by knowledge sharing within the CPDAE will be presented by CPDAE members.</li> </ul> </p> | <p><b>Deliverable 1.2.3:</b><br/>For each side event, the following deliverables will be produced:</p> <ol style="list-style-type: none"> <li>1. Side event meeting report, including feedback survey from the audience.</li> <li>2. Side event materials</li> <li>3. Recommendations from the cases studies on knowledge sharing. Those recommendations will inform activity 5.1.1.</li> </ol> |
|          |                        |         | <p><b>Output 1.2.4:</b><br/>The capacity of CPDAE members on climate projects design and implementation is strengthened, which allows them to deliver on their mandate.</p> | <p><b>Activity 1.2.4:</b><br/> <ol style="list-style-type: none"> <li>1. Develop an online training methodology in 3 languages (English, Spanish and French) for two modules, including: i) revision of available online interactive tools and their implementation; ii) learning-by-doing writing” workshop; and iii) replay available considering the time difference between DAEs/NIEs.</li> <li>2. Validate training methodology with CPDAE Committee.</li> <li>3. Carry out two online trainings for CPDAE members:</li> </ol> <p><b>Module 1:</b> “Pre-approval – Preparation of CN and FP” (1 day per topic):<br/>Methodologies for evidence-based project design and mapping climate</p> </p>  | <p><b>Deliverables 1.2.4:</b></p> <ol style="list-style-type: none"> <li>1. Approved training methodology.</li> <li>2. Training materials in three languages.</li> <li>3. Reports of the training sessions, with summaries of key points translated in French and Spanish.</li> <li>4. Pre and post training-survey to show the improvement.</li> </ol>   |

| Outcomes   | Baseline <sup>11</sup>  | Targets  | Outputs  | Activities<br>(brief description)   | Deliverables <sup>12</sup>  |
|--|---|--|--|---|---|
|  |   |  |  | <p>impacts; Theory of change &amp; Logic framework; GCF / AF investment criteria and ESS &amp; Gender</p> <p><b>Module 2:</b> Post-approval (3 days total): Legal arrangements, M&amp;E, implementation, reporting, adaptive management, ESS &amp; Gender and project closure.</p>  |   |
|  |   |  | <p><b>Output 1.2.5:</b><br/>CPDAE members have developed re-accreditation / accreditation upgrade self-assessment tool adapted to the CPDAE needs and challenges and have built their capacity on re-accreditation / accreditation upgrade processes</p> | <p><b>Activity 1.2.5:</b><br/>Development of a self-assessment tool adapted to the CPDAE needs and challenges.</p> <ol style="list-style-type: none"> <li>1. Assess entities' challenges for re-accreditation / accreditation upgrade.</li> <li>2. Hold a training session focused on the accreditation upgrade / re-accreditation process for CPDAE members.</li> <li>3. Design a tool in three languages for CPDAE members to assess their needs themselves for the re-accreditation/accreditation upgrade and identify measures to respond to the needs &amp; train them to use the tool efficiently.</li> </ol> <p><i>The readiness will only support the development of the re-accreditation/accreditation upgrade self-assessment tool and the training on the use of the tool. Entities will apply the tool based on their internal planning for re-accreditation/accreditation processes.</i></p> <ol style="list-style-type: none"> <li>4. Plan &amp; hold at least three Q&amp;A sessions with the accreditation team of the GCF Secretariat (one in each language if possible) to discuss the use of the self-assessment tool with CPDAE members.</li> </ol> | <p><b>Deliverables 1.2.5:</b></p> <ol style="list-style-type: none"> <li>1. Report on Entities' challenges for re-accreditation/accreditation upgrade</li> <li>2. Self-assessment tool in three languages (English, Spanish and French).</li> <li>3. Training report on the accreditation upgrade / re-accreditation process and materials.</li> <li>4. Reports of the three Q&amp;A sessions.</li> <li>5. Training report on the use of self-assessment tool.</li> <li>6. Pre and post training-survey to show the improvement.</li> </ol> |
| <p><b>Outcome 4.2</b><br/>An increase in the number of quality funding proposals developed and submitted from accredited Direct Access Entities.</p> | <p>To date, DAEs are at different levels of engagement with GCF and AF respectively and have submitted project CNs and FPs that overall are not sufficiently articulated in alignment</p> | <p>CPDAE members have updated/improved their pipeline of projects in alignment with countries' priorities and entities capabilities and have a roster of experts available to support the development of</p> | <p><b>Output 4.2.1:</b><br/>CPDAE members' project pipelines updated / improved building on the Country Programme and a roster of experts to support the development of CNs/FP identified.</p>   | <p><b>Activity 4.2.1a:</b><br/>Develop and apply project prioritization tools / methodology to be adapted in the context of each participating country:</p> <ol style="list-style-type: none"> <li>1. Based on the needs of each entity and the status of each country, develop a prioritization tool / methodology to aid during the working sessions mentioned below.</li> <li>2. Support the realization of working sessions between CPDAE members and their respective NDA to define and prioritize transformational projects that are suitable for both the country and the CPDAE member,</li> </ol>   | <p><b>Deliverable 4.2.1a:</b></p> <ol style="list-style-type: none"> <li>1. Project prioritization tool / methodology for CPDAE members.</li> <li>2. Working sessions report &amp; materials</li> <li>3. Updated pipeline of projects for each CPDAE member.</li> </ol>   |

| Outcomes  | Baseline <sup>11</sup>  | Targets   | Outputs   | Activities<br>(brief description)  | Deliverables <sup>12</sup>  |
|---|---|---|---|--|---|
|   | with countries' priorities nor in good quality at entry as most of them have capacity constraints. The specific evidence from the GCF is that DAEs have a very few approved projects compared to international accredited entities and there is a need to update/improve their pipeline of projects | good quality CNs and FPs  | (One transformational project prioritized for each DAE/NIE and the gaps/needs to advance the prioritized project into a CN identified, or if needed by DAEs/NIEs, an existing CN is improved) | <p>building on the Country Programme and based on the project prioritization tool / methodology developed.</p> <p><i>As part of the working sessions, the entities and the NDAs will take advantage of this space to discuss updates on the implementation of this readiness request and align expectation.</i></p> <p>3. Support each CPDAE member in advancing the development of one prioritized project. This includes supporting each CPDAE member to prioritize one project, identify the gaps and needs to advance the prioritized project into a CN in relation to GCF and AF requirements, or if needed by the entity improve one existing CN.</p>  | 4. Report on the gaps and needs to advance the prioritized projects into CNs and/or improved existing CNs.  |
|   |   |   |   | <p><b>Activity 4.2.1b:</b><br/>Support the preparation of the roster of experts who can design high-quality CNs and FPs on various topics.</p> <ol style="list-style-type: none"> <li>1. Survey to gather individual needs from the members in terms of external consultancy.</li> <li>2. Launch Call-of-interest and screening CVs.</li> <li>3. Develop a recruitment process with an individual tailored support in mind for the CPDAE.</li> </ol>   | <b>Deliverable 4.2.1b:</b><br>Roster of experts for the development of CNs / FPs and covering the GCF and AF results areas.   |
| <b>Outcome 5.1</b><br>Best practices with respect to institutional capacity building and coordination, direct access, and pipeline development are developed and disseminated to strengthen engagement by NDAs, DAEs, and delivery partners with the GCF. | CPDAE members have decided to share their experience and knowledge gained over the past few years to improve their efficiency. Nevertheless, the exchange between some CPDAE members has been mostly informal and ad hoc so far, and a platform / material to share experience and lessons learned  | The CPDAE community has knowledge sharing materials available to share lessons learned, best practices, and to facilitate their engagement with the GCF & AF and the mobilization of funds from the GCF & AF. | <b>Output 5.1.1:</b><br>The CPDAE has efficient knowledge sharing materials on project design and implementation available for its members  | <p><b>Activity 5.1.1:</b><br/>Prepare and disseminate at least 6 guides/papers focusing on lessons learned and experience sharing on various topics.</p> <ol style="list-style-type: none"> <li>1. Project design and preparation, Environmental and Social assessment</li> <li>2. Monitoring and evaluation,</li> <li>3. Theory of change,</li> <li>4. Re-accreditation,</li> <li>5. Implementation on GCF project,</li> <li>6. Legal arrangement with GCF.</li> </ol> <p>This activity includes conducting a needs assessment on experience sharing to inform the development of the six guides/papers referred to above and conducting a post dissemination survey about the benefits of the guides/papers.</p> | <b>Deliverable 5.1.1:</b><br><ol style="list-style-type: none"> <li>1. Needs assessment report.</li> <li>2. At least six guides/papers focusing on lessons learned and experience sharing (in three languages).</li> <li>3. Report on survey results about the benefits of the papers.</li> </ol> |

| Outcomes | Baseline <sup>11</sup>   | Targets | Outputs | Activities<br>(brief description) | Deliverables <sup>12</sup> |
|----------|--|---------|---------|-----------------------------------|----------------------------|
|          | <p>appropriately are still to be designed and developed (Knowledge sharing platform to be developed with GIZ support (see table 1) and Knowledge sharing materials to be developed with this readiness request).</p> |         |         |                                   |                            |

## 4. THEORY OF CHANGE

The direct access modality is one of the key features of the Green Climate Fund and the Adaptation Fund in promoting strong national ownership and direct access of their resources. NIEs and DAEs play a critical role in achieving such a country-driven approach but they are facing several challenges to access and use funding from the GCF and AF.

DAEs/NIEs lack adequate capacity to develop and submit good funding proposals at entry and have been facing various challenges as presented in section 2. In order to tackle these challenges and tap into existing expertise and skills within DAEs/NIEs, the CPDAE has developed a provisional Action Plan and a Governance Framework, including a Charter of Governance and the Guidelines for CPDAE committee to promote lessons learned and experience sharing and build the capacity of its members towards improving the quality of concept notes and funding proposals at entry.

Nevertheless, the Governance Framework lacks some specific features and needs to be updated with this readiness request as part of output 1.2.1 (roles and responsibilities of the CPDAEs committee's members are not clearly defined and there is a lack of guidance to help the community perform their roles). The Action Plan focuses on urgent needs and will be also updated as part of output 1.2.2 into a strategic framework to cover short medium- and long-term needs of CPDAE, including Roadmaps for the implementation of the Strategic framework in each CPDAE language group.

The gaps identified in the provisional Action Plan that need to be addressed include:

- Absence of a monitoring and evaluation framework;
- Lack of appropriate and dedicated platform/materials for knowledge management and lessons sharing within the CPDAE and key stakeholders (NDAs, AF, GCF, other);
- Insufficient in-house capacities of the entities for projects design, development, implementation and evaluation, as well as for re-accreditation/accreditation upgrade process;
- Difficulties for identifying and manage high quality experts to support project design and development.

In relation to the identified gaps, this readiness request will support the development of a Monitoring and Evaluation framework for CPDAE and knowledge and lessons sharing materials, building on the communication materials to be developed in 2021 with AF support and the expected knowledge sharing platform with GIZ support (see table 1). These materials include the guides/papers focusing on lessons learned and experience sharing on Project design and preparation, Environmental and Social assessment, Monitoring and evaluation, Theory of change, Re-accreditation, Implementation on GCF project, Legal arrangement with GCF. In addition to contributing to outcome 5.1, these guides/papers will inform the materials for capacity building under activity 1.2.4 and hence will contribute to output 1.2.4 and outcome 1.2.

With respect to the lack of capacity to develop good concept notes and funding proposals, some areas have been identified where entities experience challenges and express the need for further capacity, including: i) GCF's /AF's project cycle (regular project cycle and simplified approval process) and introduction to the project concept note and funding project templates; ii) Process of developing concept notes and funding proposals; iii) Methodologies for mapping climate impacts, risks (probability of occurrence of uncertain impacts), as well as options for mitigation/adaptation; iv) Environmental and social safeguards (ESS) and gender related issues, and

v) Understanding GCF's/AF's performance management framework for monitoring and evaluation (M&E) and developing a logical framework/articulating a theory of change.

These areas have been clustered in two modules for capacity building as part of this readiness request. The first module will focus on the pre-approval process (Preparation of CN and FP (1 day per topic): Methodologies for evidence-based project design and mapping climate impacts, theory of change & Logic framework; GCF / AF investment criteria and ESS & Gender) and the second module will focus on post-approval process (Legal arrangements, M&E, implementation, reporting, adaptive management, ESS & Gender and project closure). The training sessions will also provide opportunities for experience sharing and learning within CPDAE members and therefore will contribute to outcome 5.1.

Building on existing Country Programmes and Entity Work Programmes<sup>13</sup>, and leveraging knowledge gained through the capacity building under output 1.2.4, this readiness request will support under output 4.2.1 each CPDAE member in advancing the development of one prioritized project. This includes supporting each CPDAE member to prioritize one project, identify the gaps and needs to advance the prioritized project into a CN in relation to GCF and AF requirements, or if needed by the entity improve one existing CN. In addition, a roster of experts who can be recruited to design high-quality CNs and FPs on various topics relevant to GCF and AF result areas will be made available to CPDAE members and those experts can be recruited following entities' internal procurement rules and procedures to support advancing the development of the prioritized projects into full funding proposals should the entities see the need.

With respect to the re-accreditation/accreditation upgrade process this readiness request aims to build on existing accreditation self-assessment tools to develop an accreditation upgrade/re-accreditation self-assessment tool adapted to the CPDAE needs and challenges as part of output 1.2.5. This includes providing training to DAEs/NIEs of the use of the tool to assess their needs for re-accreditation/accreditation upgrade and identify measures to respond to those needs.

CPDAE membership remains open to all accredited NIEs and DAEs and the promotion of CPDAE activities and benefits will be done through outreach events on the margin of international events such as the COPs. Hence, CPDAE will take opportunity of COP27 and COP28 to organize side events as part of output 1.2.3 to promote CPDAE activities and disseminate to a large audience the communication materials that are expected to be developed with the AF support and knowledge sharing materials expected under output 5.1.1 with a view to attract new members. The case studies (from output 1.2.3) on project stories that have been significantly impacted by knowledge sharing within the CPDAE will be also presented during these side event and the recommendation from these events will inform knowledge sharing materials expected as part of output 5.1.1.

The realization of the above-mentioned outputs will help address the gaps identified above, the barriers presented in the TOC diagram and will contribute to the achievement of the target outcomes of this readiness request (outcomes 1.2, 4.2 and 5.1) towards achieving the goal of strengthening CPDAEs members' capacity to access climate finance and manage the full cycle of adaptation and mitigation projects and programs.

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<sup>13</sup> National DAEs/NIEs do not need an Entity Work Programme (EWP) anymore as they have to build their pipeline of projects based on the Country Programme (CPs) of their respective countries. However, for entities that have existing EWPs, these will be explored along with the CPs to inform the prioritization of pipeline of projects.

| Challenges and barriers identified  | Activities contributing to address the identified challenges and barriers   |
|---|---|
| <b>Lack of specific features in the existing governance framework including guidance to help CPDAE committee perform their roles and limited communication and outreach mechanisms.</b> | Activities under outputs 1.2.1 and 1.2.3 will directly contribute to addressing this challenge.   |
| <b>Lack of a strategic framework, implementation roadmaps adapted to each language group, and monitoring and evaluation framework</b>   | Activities under outputs 1.2.2 will directly contribute to addressing this challenge.   |
| <b>Insufficient in-house capacities of the entities for projects design, development, implementation and evaluation, as well as for re-accreditation/accreditation upgrade process</b>  | Activities under outputs 1.2.4 and 1.2.5 and activity 4.2.1.a under output 4.2.1 will directly contribute to addressing this challenge.   |
| <b>Difficulties to identify high quality experts to support project design and development</b>  | Activity 4.2.1.b under output 4.2.1 will directly contribute to addressing this challenge.  |
| <b>Lack of appropriate and dedicated materials for knowledge management and lessons-sharing for CPDAE</b>   | Activities 5.1.1 will directly contribute to addressing this challenge in complementarity with the expected support from GIZ on knowledge sharing platform and communication materials from AF. |

Indeed, it is clear that IF the CPDAE strengthens its Governance framework and technical capacity of its members, as well as provides opportunities for experience/knowledge sharing and learning to its members, THEN DAEs/NIEs will be more effective in accessing climate finance and implementing adaptation & mitigation projects, BECAUSE they will have adequate tools, materials and systems in place, and knowledge on climate projects origination, development and evaluation will be generated.

As they implement this readiness request, CPDAE members will have to consider the following risks and assumptions: i) potential lack of availability from DAEs/NIEs to engage with CPDAE activities, as DAEs/NIEs have their own work and agendas; ii) potential delays in recruiting the consultants for carrying out project's activities; and iii) turn-over of the CPDAE committee members and potential lack of continuity. These risks are addressed in the risk section of this readiness proposal in section 6 below.

**GOAL:** CPDAEs members' capacity to access climate finance and manage the full cycle of adaptation and mitigation projects and programs strengthened.

**GOAL STATEMENT:** IF the CPDAE strengthens its governance framework and technical capacity of its members on projects design and implementation, provide opportunities for experience/knowledge sharing and learning to its members, THEN DAEs/NIEs will be more effective in accessing climate finance resources and implementing adaptation & mitigation projects, BECAUSE they will have adequate tools, materials, and systems in place and the knowledge to apply these to originate and develop high quality climate mitigation and adaptation projects.

**Outcome 1.2:** Direct access applicants and accredited entities (DAEs) have established capacity to meet and maintain the GCF's accreditation standards; and accredited DAEs have the capacity to develop a pipeline of projects and effectively implement GCF-funded activities.

**Outcome 4.2:** An increase in the number of quality funding proposals developed and submitted from accredited Direct Access Entities.

**Outcome 5.1:** Best practices with respect to institutional capacity building and coordination, direct access, and pipeline development are developed and disseminated to strengthen engagement by NDAs, DAEs, and delivery partners with the GCF

**Output 1.2.1:** Governance framework (CPDAE Charter of Governance and committee Guidelines) of the CPDAE is updated.

**Output 1.2.2:** CPDAE Strategic framework, Roadmaps and M&E Framework developed

**Output 1.2.5:** CPDAE members have developed re-accreditation / accreditation upgrade self-assessment tool adapted to the CPDAE needs and challenges and have built their capacity on re-accreditation / accreditation upgrade processes

**Output 1.2.3:** CPDAE communication and outreach mechanisms strengthened

**Output 1.2.4:** The capacity of CPDAE members on climate projects design and implementation is strengthened, which allows them to deliver on their mandate

**Output 4.2.1:** CPDAE members' project pipelines updated/improved building on the Country Programme and a roster of experts to support the development of CNS/FP identified

**Output 5.1.1:** The CPDAE has efficient knowledge sharing materials on project design and implementation available for its members

**Inputs:** Existing Charter of governance, current approved Action Plan, guidelines for CPDAE committee and Existing accreditation documents and self-assessment tools

**Inputs:** Communication materials developed with AF support

**Inputs:** GCF and AF templates, guidelines & tools, as well as meetings with GCF and AF staff

**Inputs:** Existing EWPs if any, existing country programmes or similar national planning documents, GCF and AF investment criteria and guidelines

**Inputs:** Existing DAEs and AF websites & communication tools, and knowledge sharing platform expected with GIZ support

**Barriers:** DAEs have different levels of maturity and understanding of climate funds modalities – lack of capacity and formal framework to coordinate on communication and lessons-sharing activities – lack of organizational capacity for projects design and implementation as well as for re-accreditation/accreditation upgrade process – lack of appropriate tools/materials for knowledge management – language issue with three main languages (English, Spanish and French), which prevents CPDAE members from sharing information appropriately and makes it more difficult for non-English speakers to work with the Fund – difficulty to hire good quality experts to support project identification & design.

**Assumptions and risks:** Potential lack of availability from DAEs/NIEs for CPDAE activities as DAEs/NIEs have already their own work and agenda; potential delays in recruiting the consultants for carrying out project's activities; turn-over of the CPDAE committee members and potential lack of continuity.

## 5. BUDGET, PROCUREMENT, IMPLEMENTATION AND DISBURSEMENT PLAN

### 5.1 Budget plan

Attached as a separate file.

Note on the budget: The budget plan submitted includes amounts requested from GCF, corresponding to the total amount included in the letters of financial support by the NDAs of the participating countries. To cover all the activities included in the logical framework, additional co-financing will be provided by the Delivery Partner. For reasons of consistency, the budget plan and procurement plan list all activities and contracts as they are presented in this proposal and logical framework; for those activities that are financed by GIZ, the budget line says "0" value or reduced by the GIZ-funded amount, namely:

| Output                      | Items co-financed by the Delivery Partner  |                               |
|-----------------------------|--|-------------------------------|
|                             | Budget Category  | Related consultancy contracts |
| Output 1.2.4                | 2b - international consulting<br>2b - international consulting   | Contract 5<br>Contract 6      |
| Output 1.2.5                | 2b - international consulting  | Contract 7                    |
| Output 5.1.1                | 2b - international consulting  | Contract 8                    |
| Output 1.2.2                | 3 - Travel - Local, Regional, International<br>5c - Workshop/Training<br><i>(covering travel cost of the CPDAE members, venue and catering for the CPDAE Annual meeting)</i>                   | -<br>-                        |
| Outputs 1.2.4, 1.2.5, 5.1.1 | 2b - international consulting<br>5b - Audio Visual & Printing, Publication, Translation<br><i>(covering simultaneous translation for the events and translations of produced deliverables)</i> | Contract 9<br>-               |

### 5.2 Procurement plan

See Excel document under 5.1.

### 5.3 Implementation Plan

See Excel document under 5.1.

### 5.4 Disbursement schedule

See Excel document under 5.1.

Please choose one option among the two below and delete the one that does not apply to you. Please fill in information under brackets:

**Readiness Proposal that falls within a Framework Agreement with the GCF**

**Readiness Proposal that falls within a Framework Agreement with the GCF**

Disbursements will be made in accordance to **Clause 4** “*Disbursement of Grants*” and **Clause 5** “*Use of Grant Proceeds by the Delivery Partner*” of the Amended and Restated Framework Readiness and Preparatory Support Grant Agreement between the GCF and GIZ dated 14 September 2020 (“Framework Agreement”).

*Click or tap to enter a date.*

[Choose Currency] [Choose Currency] [Choose Currency]

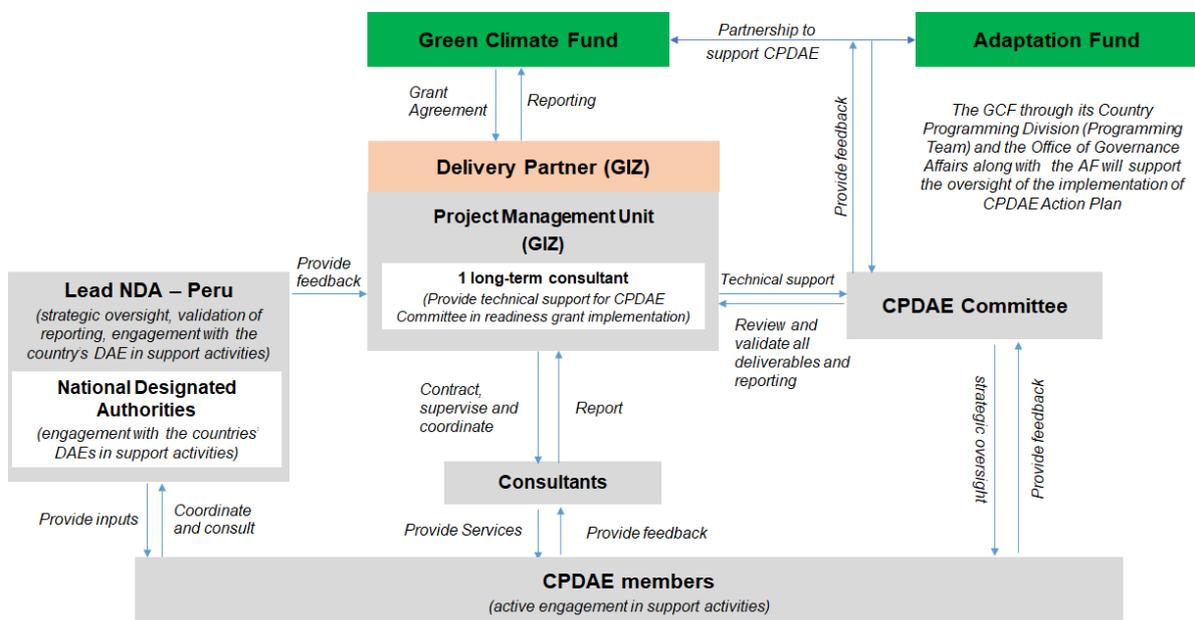
## 6. IMPLEMENTATION ARRANGEMENTS AND OTHER INFORMATION

### 6.1 Implementation arrangements

Please describe how implementation arrangements will be made and how funds will be managed by the NDA and/or the Delivery Partner.

The Readiness project will be implemented during a period of 24 months by GIZ under the guidance and leadership of CPDAE committee and the lead NDA of Peru.

Next, on Figure 1. Implementation arrangements, the different levels of coordination for each party involved is shown.



**Green Climate Fund and Adaptation Fund.** The GCF and AF Secretariats, by joint partnership, will continue to support the CPDAE by maintaining constant communication with the CPDAE committee and oversee the development and implementation of its Strategic framework. The Division of Country Programming (Programming Team) and the Office of Governance Affairs of the GCF will be involved in this joint partnership with AF to provide guidance to CPDAE Committee in the implementation of this readiness grant.

**Delivery partner.** GIZ as the Delivery Partner (DP) will be responsible for the implementation of the activities under this readiness and preparatory support proposal and will carry out all fiduciary and financial management, procurement of goods and services and monitoring and reporting under this proposal in accordance with GIZ's policies and procedures and with the Amended and Restated Framework Readiness and Preparatory Support Grant Agreement entered into on 14 September 2020. All procurement and contracting processes will be conducted in accordance with GIZ policies. Operational planning, drafting of service packages and the implementation of the project activities will be closely coordinated and agreed with the CPDAE Committee and the lead NDA. The project will be implemented in a way that enhances ownership and coordination within the CPDAE.

The DP is responsible for the financial and operational aspects of the project with GCF. In close collaboration with the lead NDA and CPDAEs, the DP will coordinate, guide, monitor and supervise the implementation of the work by the consultants/vendors (including hosting and delivery of workshops).

The DP will provide consolidated report to the GCF as per requirements. The DP will prepare periodic revisions to reflect changes in six monthly and annual expense category budgets and monitor and review project expenditure reports and communicate and share with the NDAs, CPDAE Committee for approval before submitting to the GCF Secretariat, if and/or whenever required. The DP will oversee the financial preparation of the project completion report, independent terminal evaluation, and submit the report to the GCF Secretariat. In close collaboration with the lead NDA/CPDAEs, the DP will prepare project closing documents including externally audited expenditure statements and financial closure report and submit to the GCF.

**Project Management Unit.** For the implementation of this readiness grant, a Project Management Unit (PMU) will be established. The PMU will have the main function of ensuring the execution and monitoring of the project through the effective implementation of the annual work plans, following the Guidelines of the CPDAE Committee. The PMU will be composed of 3 members including staff of GIZ and 1 consultant recruited with the readiness grant to support management of the project. The PMU will be led by GIZ and will closely coordinate with CPDAE committee. The PMU is also responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. It will ensure that all project personnel maintain a high level of transparency, responsibility and accountability in M&E and in reporting of project results, will report to the CPDAE Committee and GCF of any delays or difficulties encountered during implementation to ensure that appropriate support and corrective measures can be adopted. The PMU will develop annual work plans to support the efficient implementation of the project, will ensure that the standards of CPDAE, as well as GCF M&E requirements are fulfilled to the highest quality.

**CPDAE Committee.** The main function of the CPDAE committee will be to guide and provide strategic orientation for the implementation of this readiness support, to ensure a solid and fluid communication between CPDAE and the GCF/AF, namely:

- Ensure integrality and articulation between activities and CPDAE members;
- Consult and inform members of each language group;
- Lead the dialogue with CPDAE members, NDAs and other relevant stakeholders;
- Validate ToRs and provide feedback on consultants' selection process;
- Review and validate all deliverables produced by consultants;
- Review the progress and endorse interim progress reports before submission to the GCF;
- Validate implementation plan and disbursement requests.

**Lead NDA – Peru.** The NDA of Peru will lead and oversee the overall project implementation. In coordination with the CPDAE Committee and the other participating NDAs, the lead NDA will review and approve reporting by the delivery partner. The lead NDA will also be involved in the implementation of project activities, providing feedback and engaging with the project beneficiaries.

**National Designated Authorities.** The NDAs of the of CPDAE member countries will be actively engaged on the implementation of specific activities such as dialogues with their respective DAEs and updating their project

pipelines in line with the country programming process. Produced knowledge products, trainings and online sessions will be available for the NDAs as well.

**Consultants.** In consultation with CPDAE, GIZ will subcontract regional and international consultants to deliver the planned activities.

**CPDAE members.** CPDAE members will participate and actively contribute to the development of project activities as its targeted beneficiaries. The delivery partner will work closely with the CPDAE member entities to ensure the implemented activities reflect their needs and incorporate their feedback.

**Starting date.** The start date for implementation will be as outlined in the Framework Agreement dated 14 September 2020.

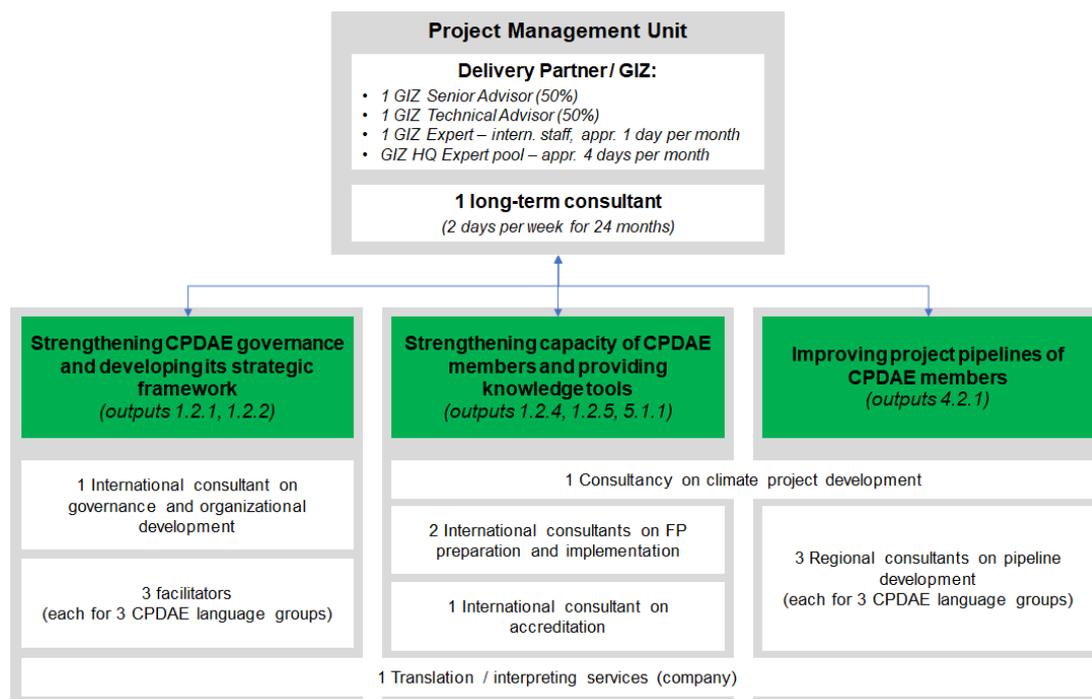
**Gender mainstreaming.** This readiness project will comply with GCF Gender Policy. The project will enable inclusive and gender-responsive engagement mechanisms and inter-institutional arrangements. The project will promote an active and equitable engagement and empowerment of women in all activities. The readiness will inform about the obstacles and opportunities that exist to allow a more diverse and inclusive participation. The project will ensure that consultants incorporate gender considerations into their capacity building activities, e.g., during training workshops DAEs will be trained in how to operationalize and incorporate gender issues and address specific vulnerabilities of women in the development of their project proposals, and in other GCF processes and operations.

### 6.2 Implementation and execution roles and responsibilities

Please briefly describe how the activities will be implemented and outputs delivered by project staff and consultants.

Figure 2 presents the organigram of the implementation team, comprising staff of the delivery partner and external international and national consultants.

Figure 2. Implementation team



GIZ will serve as the delivery partner and will take responsibility for implementing the readiness activities under the leadership of the CPDAE. The implementation will be supported by a team of GIZ advisors, working closely with the CPDAE and other relevant partners. The GIZ team implementing the Readiness in will consist of:

| GIZ staff   | Activities (brief description)   | Qualifications / Requirements   |
|---|--|---|
| 1 GIZ Senior Advisor (50%)  | <p>Responsible for the technical implementation and coordination of the Readiness support under the guidance of the CPDAE Committee:</p> <ul style="list-style-type: none"> <li>• Planning and set-up of processes for efficient project implementation;</li> <li>• Liaison with the lead NDA and NDAs of participating countries on project activities and deliverables;</li> <li>• Close coordination with and technical support to CPDAE Committee;</li> <li>• Facilitation and coordination of engagement of CPDAE members in project activities;</li> <li>• Oversight and quality control of tendering processes;</li> <li>• Supervision and coordination of consultants and services providers;</li> <li>• Quality control of all deliverables.</li> </ul> | <ul style="list-style-type: none"> <li>• Master's degree in economic or social science studies or another relevant field</li> <li>• Multiple years of experience in international development cooperation and climate finance</li> <li>• Several years of experience in working with the capacity building and readiness activities related to the Green Climate Fund and / or Adaptation Fund and in the context of Readiness</li> <li>• Very good knowledge of GCF access modalities and challenges and barriers national institutions related to climate change and access to climate finance</li> </ul> |
| 1 GIZ Technical Advisor (50%)   | <p>Responsible for supporting the GIZ Senior Expert and the CPDAE in the implementation of the Readiness support:</p> <ul style="list-style-type: none"> <li>• Daily technical and ad-hoc support to the CPDAE Committee and its members and other partners on project activities.</li> <li>• Coordinate and develop draft of ToRs;</li> <li>• Stakeholder engagement and communication processes;</li> <li>• Technical review of all deliverables;</li> <li>• Implementation and facilitation of workshops, meetings and trainings;</li> <li>• Evaluation and documentation of results;</li> <li>• Support interim progress reports, and competition report.</li> </ul>   | <ul style="list-style-type: none"> <li>• Master's degree in economic or social science studies or another relevant field</li> <li>• Several years of experience in international development cooperation and climate finance</li> <li>• Several years of experience in working with the capacity building and readiness activities related to the Green Climate Fund and / or Adaptation Fund and in the context of Readiness</li> </ul>  |
| 1 GIZ Expert – international staff (appr. 1 day per month on the GCF Readiness project for 24 months)       | <p>Back-stopping and strategic support, incl. on implementation, synergies and cooperation potentials</p>  | <ul style="list-style-type: none"> <li>• Master's degree in economic or social science studies or another relevant field</li> <li>• Multiple years of experience in international development cooperation, climate policy, UNFCCC processes and climate finance</li> </ul>  |
| GIZ Expert pool – back stopping from GIZ core staff based in Germany (appr. 4 days per month for 24 months) | <ul style="list-style-type: none"> <li>• Technical expert support to CPDAE, technical backstopping on climate finance and specific topics;</li> <li>• Inputs for tendering processes;</li> <li>• Support for quality assurance of deliverables;</li> <li>• Signing grant agreement with GCF/AF;</li> <li>• Managing GCF grants (payments, contracts);</li> <li>• Financial monitoring and reporting to the GCF;</li> <li>• Supervision of audits;</li> <li>• Requesting GCF for financial disbursement;</li> <li>• Communication with the GCF Secretariat with regards to content and administrative adjustments.</li> </ul>   | <ul style="list-style-type: none"> <li>• Master's degree in economic or social science studies or another relevant field</li> <li>• Multiple years of experience in international development cooperation, climate policy, climate finance and GCF readiness.</li> </ul>  |

**Roles and responsibilities of consultants.**

| Expert days   | Activities (brief description)   | Qualifications / Requirements   |
|---|--|---|
| 1 long-term consultant  | <p>Work closely with the delivery partner and support the CPDAE committee, in close coordination with the Chair, to support the implementation of this readiness proposal by:</p> <ul style="list-style-type: none"> <li>• Serve as a focal point of the CPDAE Committee in the Project Implementation Unit;</li> <li>• Provide technical input and liaise with the CPDAE Committee Chair on the recruitment process of external experts/consultants;</li> <li>• Review all deliverables and liaise with the CPDAE Committee Chair on the Committee feedback and validation of all the deliverables;</li> <li>• Support the organization and facilitate meetings and sessions between the PMU and the CPDAE Committee.</li> <li>• Support the CPDAE Chair coordinate communication between the CPDAE Committee, Adaptation Fund, Green Climate Fund and other CPDAE stakeholders when needed.</li> <li>• Support the implementation of monitoring and reporting activities;</li> <li>• Assist in preparation and implementation of trainings, online sessions and events;</li> <li>• Capture and disseminate event proceedings in a report and / or CPDAE exchange platform;</li> <li>• Support administration of evaluation surveys and the subsequent consolidation and analysis of feedback;</li> <li>• Work with the CPDAE Committee Chair to capture and share lessons from the implementation of activities involved in the readiness proposal.</li> </ul> | <ul style="list-style-type: none"> <li>• Master's degree in development studies, economics, education, community development, environmental studies or related qualification.</li> <li>• Specialization in Knowledge Management, Communities of Practice, innovative learning methodologies, use of technology, with at least five years of relevant experience, preferably working on strengthening groups and capacity building;</li> <li>• Proven experience in coordinating networks, communities of practice, or similar. Excellent communications skills and experience developing funding proposals, coordinating events, and summarizing information. Organized, responsible, and empathic with climate change and environmental issues.</li> </ul> |
| 1 International consultant on governance and organizational development | <p>Activity 1.2.1a: Update the Charter of governance of the CPDAE to provide the community with an effective Governance Framework.</p> <p>Activity 1.2.1b: Update the CPDAE committee Guidelines of its internal procedures to provide clear roles and responsibilities for its members and guidance for its members to perform their functions procedures.</p> <p>Activity 1.2.2a: Develop CPDAE Strategic framework, building on the existing Action Plan.</p> <p>Activity 1.2.2b: Develop a monitoring and evaluation framework for the CPDAE.</p> <p>Activity 1.2.2c: participate during the 3-days 2022 Annual CPDAE meeting to validate and finalize the three language groups Roadmaps and the CPDAE Strategic framework and M&amp;E framework.</p>   | <ul style="list-style-type: none"> <li>• Master's degree in environmental, economic or political sciences or other relevant studies;</li> <li>• Multiple years of professional experience in the field of organisational development, Communities of Practice, process facilitation and/or change management;</li> <li>• At least 5 years of professional experience with intercultural groups in the public sector; professional experience in the field of climate finance</li> </ul>   |
| 3 facilitators (one for each of the three CPDAE                         | Activity 1.2.2c: Facilitate CPDAE language group discussions at the CPDAE Annual meeting 2022.   | <ul style="list-style-type: none"> <li>• Master's degree in environmental, economic or political sciences or other relevant studies;</li> <li>• Multiple years of professional experience in the field of workshop facilitation with a wide repertoire of methodological skills</li> </ul>  |

| Expert days  | Activities (brief description)   | Qualifications / Requirements   |
|--|--|---|
| language groups)   |  | <p>and tools for group interactions (incl. online formats); knowledge sharing and learning processes, teambuilding.</p> <ul style="list-style-type: none"> <li>• Several years of professional experience with intercultural groups in the public sector; professional experience in the field of climate finance.</li> </ul> |
| 2 International consultants on FP preparation and implementation | Activity 1.2.4: Carry out trainings for the CPDAE members (in 3 languages).  | <ul style="list-style-type: none"> <li>• Master's degree in economics, political science, social science, environmental studies, or other relevant field;</li> <li>• Minimum 10 years of experience undertaking assignments of a similar nature, including with GCF and Readiness.</li> </ul>                                 |
| 1 International consultant on accreditation                      | Activity 1.2.5: Development of a self-assessment tool adapted to the CPDAE needs and challenges.   | <ul style="list-style-type: none"> <li>• Master's degree in economics, political science, social science, environmental studies, or other relevant field;</li> <li>• Minimum 10 years of experience undertaking assignments of a similar nature, including with GCF and Readiness.</li> </ul>                                 |
| 1 Consultancy on climate project development                     | Activity 4.2.1a: Develop and apply project prioritization tools / methodology to be adapted in the context of each participating country                   | <ul style="list-style-type: none"> <li>• Master's degree in economics, political science, social science, environmental studies, or other relevant field;</li> <li>• Minimum 10 years of experience undertaking assignments of a similar nature, including with GCF and Readiness.</li> </ul>                                 |
|  | Activity 4.2.1b: Support the preparation of the roster of experts who can design high-quality CNs and FPs on various topics                                |   |
|  | Activity 5.1.1a: Prepare at least 6 guides/papers focusing on lessons learned and experience sharing on various topics                                     |   |
| 3 Regional consultants on pipeline development                   | Activity 4.2.1a: Support CPDAE members in improving its current pipeline of projects development and, if needed by the entity, advance preparation of CNs. | <ul style="list-style-type: none"> <li>• Master's degree in economics, political science, social science, environmental studies, or other relevant field;</li> <li>• Minimum 10 years of experience undertaking assignments of a similar nature, including with GCF and Readiness.</li> </ul>                                 |
| Translator / interpreter   | Translation of project deliverables in Spanish and French  | <ul style="list-style-type: none"> <li>• Master's degree in linguistics or other relevant field;</li> <li>• Minimum 10 years of experience undertaking assignments of a similar nature.</li> </ul>  |

### 6.3 Risks and mitigation measures

Please include a set of identified risks and mitigation actions for each. Please utilize the risk table below that identifies the probability of a given risk occurring and the entity that will manage the risk. Please refer to Part III Section 6.3 of the Readiness Guidebook for further information on how to complete this section.

| Risk category   | Specific risk(s) / Risk(s) description   | Probability of occurrence (low, medium, high) | Impact level (low, medium, high) | Mitigation action(s)  | Entity(ies) responsible to manage the risk(s) |
|---|--|---|----------------------------------|---|---|
| Uncertainty regarding Covid 19  | Due to the slowdown in many countries and the impossibility of face-to-face meetings during the Covid-19 pandemic, with the increasing risk of the new waves and the greater risk of being infected with covid, there might be delays in implement some face-to-face activities in the following years | Medium  | Low                              | Follow international standards of protocols and guidelines which are in line with the recommendations and guidelines established by the WTTC and the countries<br>If travel and face to face meetings restrictions continue, virtual formats are acceptable as viable alternatives for exchange processes.  | CPDAE committee, GIZ                          |
| Potential lack of availability from DAEs/NIEs to engage with CPDAE activities, as DAEs/NIEs have their own work and agendas | Due to the involvement of multiple DAEs (public, private, civil society) in different sectors, there is a slight risk of lack of coordination and involvement / targeting institutions   | Low   | Medium                           | The readiness project will prioritize outreach and give technical support and advice based on clearly identified functions, responsibilities, and associated areas.   | CPDAE committee, GIZ                          |
| Delays in procurement of consultants / firms recruitment  | Green Climate Fund topics are relatively new which may pose a difficulty to identifying suitable regional and international experts  | Medium  | Low                              | Upon endorsement of the work plan, procurement will be facilitated by the DP to promptly recruit consultants based on clear ToRs, which are published widely and utilizing DAEs, AF, GCF and GIZ's existing network   | CPDAE committee, GIZ                          |
| Institutional or multi-country portage  | Shifting priorities due to change in political leadership in key CPDAE institution members and countries, as well as the CPDAE committee.  | Low   | Low                              | The support will build on established policies and plans, formal agreements between the CPDAE Committee, institution members, etc. which are likely to be respected even if high-level personnel shifts.<br>In case changes in the political environment materialize, new leadership will be actively approached and informed to ensure continuous buy-in into the Readiness project and process. | CPDAE committee, NDAs, Lead NDA               |

| Risk category   | Specific risk(s) / Risk(s) description   | Probability of occurrence (low, medium, high) | Impact level (low, medium, high) | Mitigation action(s)  | Entity(ies) responsible to manage the risk(s) |
|---|--|---|----------------------------------|---|---|
| Time zone differences   | There might be differing levels of participation due to different time zones where institution members are located                         | Medium  | Low                              | Effective coordination among Consultants, GIZ and CPDAE committee and CPDAE members must be ensured.  | CPDAE committee, GIZ and Consultants          |
| Fraud/fund appropriation, procurement, and other operation/ reputation risks                            | Fraud/fund appropriation, procurement, and other operation/ reputation risks   | Low   | Medium                           | GIZ has a worldwide normative addressing the issues raised in this point. In broad terms, GIZ policy requires that any activity by an individual within the organization must be controlled (reviewed, double checked) by a second individual that is independent and competent. Furthermore, from an administrative perspective, GCF activities are booked separately from other GIZ project activities.   | CPDAE committee, GIZ and Consultants          |
| Money laundering, terrorist financing and prohibited practices  | Money laundering, terrorist financing and prohibited practices   | Low   | Medium                           | As per Clause 8 Prohibited Practices of the Framework Readiness and Preparatory Support Framework Agreement between the GCF and GIZ, GIZ will comply with the rules imposed by the United Nations Security Council on Prohibited Practices and the principles of the AML/CFT Policy GIZ has a worldwide normative addressing the issues raised in this point. In broad terms, GIZ policy requires that any activity by an individual within the organization must be controlled (reviewed, double checked) by a second individual that is independent and competent. In addition, GIZ offices all over the world follow country specific policies and recommendations tackling money laundering and prohibited practices. | CPDAE committee, GIZ and Consultants          |
| Country risk - Financial Action Task Force (FATF) list of jurisdictions subject to increased monitoring | Panama is the beneficiary country that is on the Financial Action Task Force (FATF) list of jurisdictions subject to increased monitoring. | Low   | Medium                           | General political country risk is always assessed and mitigated by the German government. As GIZ is commissioned by the German government to implement projects in line with the government's strategies and goals, the general political country risk is assessed and evaluated by the German government before commissioning any projects to GIZ. German-funded projects and activities are discussed and laid out in intergovernmental negotiations. This applies for all  | GIZ   |

| Risk category | Specific risk(s) / Risk(s) description | Probability of occurrence (low, medium, high) | Impact level (low, medium, high) | Mitigation action(s)   | Entity(ies) responsible to manage the risk(s) |
|---------------|--|---|----------------------------------|--|---|
|               |  |   |                                  | <p>countries, including those on the FATF list.</p> <p>Individual operational country risk is assessed by GIZ. Once the overall political risk is cleared, GIZ evaluates and assesses the individual operational risk with a variety of tools and further implements mitigation measures. All the tools (e.g. risk management process, compliance management process, procurement of goods and services) are mandatory to be used for each country where GIZ is operational, including countries on the FATF list.</p> |   |

#### 6.4 Monitoring

The delivery partner will monitor the timely implementation of all activities including deliverables under the envisaged consulting contracts, and bi-annually progress report in the provided templates on the project's progress. Monitoring of activities will be done in close collaboration with the CPDAE committee by reporting regularly at each stage of implementation. Periodic progress update meetings will be held between the DP and the CPDAE committee, between the DP and the service providers to ensure that planning and expected results are being met. This regular exchange will further contribute to monitoring of the status, potential barriers and challenges of the implementation and allow for re-steering and re-alignment of activities.

Monitoring and evaluation will be done by assessing project outcomes and impacts. Quantitative indicators will be developed for evaluation in line with the GCF reporting requirements. Overall evaluation will have the following order:

- Activities will be conducted according to the project implementation plan;
- DP will put in place a detailed M&E plan which will consist of biannual updates to closely follow the progress of the readiness proposal based on the agreement with the GCF/AF.
- Aligned with the biannual interim progress reporting, DP will organize online sessions for NDAs and CPDAE members in each language group on the implementation status and results of the readiness activities and collect feedback for improvement in the next reporting period.
- Surveys to participants before and after each project supported workshop/training through which CPDAEs members will assess the effectiveness of project activities.
- The DP will prepare and submit to the GCF/AF Secretariat annual financial statements in accordance with accounting standards and engage reputable independent auditors to audit expenditures.

Progress reports using the GCF template will be submitted for disbursement requests and project closing as well as audited financial statements at the portfolio level at the end of each year. The DP will prepare periodic revisions to reflect any changes in activities, deliverables, and the budgets; and communicate and share with the CPDAE, NDAs and GCF/AF Secretariat (if required). Delays and changes in the readiness implementation will be communicated to the GCF, by the delivery partner in a timely manner.

## 6.5 Other Relevant Information

### **Cooperation between the CPDAE and the delivery partner GIZ**

The CPDAE decision to work with GIZ in this readiness proposal is motivated by GIZ's experience implementing similar readiness grants in other countries and strong expertise in peer-to-peer learning alliance on GCF topics and its wide portfolio on climate change, so the lessons learned from those experiences could be used in this readiness. Some institution members of CPDAE had engaged with GIZ through regular German cooperation in their countries.

### **Exit Strategy and Sustainability**

CPDAE has evolved into an autonomous community over the last few years. It is led, driven, and owned by the member DAEs and with a strong leadership of the CPDAE Committee. The support received so far as well as this readiness request follow the lead of CPDAE and its Committee to build upon and reinforce the community's autonomy and sustainability.

This readiness request includes several elements that will contribute to the sustainability of the CPDAE as a community as well as of its individual members:

- Governance, strategic vision, and process. The proposal includes outputs that will remain over time and set the basis for CPDAE operations in the following years: these are strengthening of CPDAE governance framework, strategic framework and implementation Roadmaps, and M&E framework. These essential documents will solidify CPDAE as an independent and self-governed community. They will also foresee the vision, the process and required resources for functioning of the CPDAE beyond the GCF and AF readiness support.
- Knowledge products and tools available beyond the proposal timeframe. The readiness support will equip CPDAE members with knowledge tools that will remain available and applicable to the CPDAE members, including new members, after the project completion, such as re-accreditation / accreditation upgrade assessment tool, pipeline prioritization methodology tailored to each DAE needs, roster of experts as well as tutorials on prioritized topics. Complementary support by GIZ for establishing an online platform for CPDAE will ensure an easy and continuous access to all produced deliverables after the project completion. Additionally, the online platform will enable members to contribute with each other and motivate peer support for the long run.
- Enhanced project pipelines. Updating project pipelines of CPDAE members will strengthen their cooperation with respective NDAs, harmonize their future pipeline with the country priorities and advance ongoing efforts with concept note development and their submission to GCF either within the timeline of this proposal or afterwards.

Engagement and participation. The approach taken in this readiness focuses on technical assistance, engagement, and participation. Rather than following an isolated process, an essential element of this Readiness support is the active involvement of the CPDAE members, the NDAs, the Adaptation Fund and the GCF, institutions with a strong commitment to strengthening direct access entities. CPDAE members will be actively engaged in the processes of constructing all these activities. The thorough documentation of deliverables, activities, and outputs as well as the systematic compilation of lessons learned, and best practices will provide scope for peer-to-peer learning and knowledge sharing among the involved actors and institutions.

Though CPDAE is relying on its partners to support the implementation of its action plan at the moment, the momentum for the community to gain autonomy with respect to financial support for its functioning is expected to be gradual as its governance framework and strategic framework are being consolidated/updated and the operational tools/platform (knowledge sharing material, online platform) being built. The produced tools and strategic documents will enable CPDAE to operate more independently and capacitate its members to effectively access GCF resources. However, CPDAE might still need financial support on an ad-hoc basis, for example, for regional meetings or other activities to be envisaged by the strategic framework and implementation roadmaps. The CPDAE governance framework and strategic framework will provide further details on the process and required resources for functioning of the CPDAE beyond the GCF and AF support.

Furthermore, the CPDAE Committee is open to motivate strategic alliances with key institutions seeking to ensure enriching exchanges and complement the activities to be developed through this Readiness project framed in the improvement of in-house capacities of the members, e.g., access to knowledge resources, workshops, or webinars. In that sense, the CPDAE is currently evaluating possible alliances with institutions involved in mitigating and adapting the adverse effects of climate change and that matches the purpose and objectives of the community. This evaluation will serve as a strategic tool for the Committee to organize future alliances that will contribute to the community's sustainability.

### **Grievance Mechanism**

GIZ counts with mechanisms to report allegations of possible misconduct in its projects. Complaints can be received through GIZ's head office centralized grievance mechanism. This can be reached via GIZ's integrity advisor mechanism (<https://www.giz.de/en/aboutgiz/39089.html>) or the human rights part of GIZ's website (<https://www.giz.de/en/aboutgiz/37500.html>). Both avenues lead to the whistle-blower portal of GIZ (<https://www.giz.de/en/aboutgiz/39089.html>).

### **Avoidance of conflict of interest**

To avoid any possible conflicts of interest deriving from the delivery partner's role as an accredited entity, the prioritization of investments and projects in the context of this readiness grant, will be made through a broad consultation process with relevant stakeholders, including other potential implementing entities. The final validation of these priorities will be carried out through the countries' own relevant coordination mechanism and institutional arrangements, with the participation of other government agencies, as well as representatives from civil society and private sector as the NDA deems relevant, to ensure chosen priorities are fully aligned with national plans and strategies and adequately includes inputs from consulted stakeholders.



**Annex 1:**  
**Members of the CPDAE**

| #  | Acronym - Organization | AF or GCF Accredited | Name of the Organization  | Country         |
|----|------------------------|----------------------|---|-----------------|
| 1  | DIPROSE                | AF and GCF           | Dirección General de Programas y Proyectos Sectoriales y Especiales                         | Argentina       |
| 2  | EPIU                   | AF and GCF           | Environmental Project Implementation Unit (EPIU) of the Ministry of Nature Protection       | Armenia         |
| 3  | PACT                   | AF and GCF           | Protected Areas Conservation Trust  | Belize          |
| 4  | FNEC                   | AF and GCF           | National Fund for Environment and Climate   | Benin           |
| 5  | BT FEC                 | AF and GCF           | Bhutan Trust Fund For Environmental Conservation  | Bhutan          |
| 6  | AGCID                  | AF                   | Agencia Chilena de Cooperación Internacional para el Desarrollo                             | Chile           |
| 7  | Fondo Acción           | GCF                  | Fondo Acción  | Colombia        |
| 8  | Fundecooperación       | AF                   | Fundecooperación para el Desarrollo Sostenible  | Costa Rica      |
| 9  | MOFED                  | GCF                  | Ministry of Finance and Economic Cooperation of the Federal Democratic Republic of Ethiopia | Ethiopia        |
| 10 | CASM                   | AF                   | Comisión de Acción Social Menonita  | Honduras        |
| 11 | PIOJ                   | AF                   | Planning institute of Jamaica   | Jamaica         |
| 12 | TBC Bank               | GCF                  | Tbilisi Business Centre Bank  | Georgia         |
| 14 | IMTA                   | AF                   | Instituto Mexicano de Tecnología de Agua  | Mexico          |
| 15 | FM CN                  | GCF                  | Fondo Mexicano para la Conservación de la Naturaleza A.C.                                   | Mexico          |
| 16 | NAFIN                  | GCF                  | Nacional Financiera   | Mexico          |
| 17 | MCT                    | AF and GCF           | Micronesia Conservation Trust   | Micronesia F.S. |
| 18 | ADA                    | AF and GCF           | Agence pour le Développement Agricole   | Morocco         |
| 19 | NTNC                   | GCF                  | National Trust for Nature Conservation  | Nepal           |
| 20 | AEPC                   | GCF                  | Alternative Energy Promotion Centre   | Nepal           |
| 21 | BAGRI                  | AF                   | Banque Agricole du Niger  | Niger           |
| 22 | AVINA                  | GCF                  | Fundación AVINA   | Panama          |
| 23 | Fundación NATURA       | AF                   | Fundación NATURA  | Panama          |
| 24 | PROFONANPE             | AF and GCF           | Peruvian Trust Fund for National Parks and Protected Areas                                  | Peru            |
| 25 | CSE                    | AF and GCF           | Centre de Suivi Écologique  | Senegal         |
| 26 | LBA                    | GCF                  | La Banque Agricole  | Senegal         |
| 27 | SANBI                  | AF and GCF           | South African National Biodiversity Institute   | South Africa    |
| 28 | NEMC                   | AF                   | National Environment Management Council   | Tanzania        |
| 29 | BOAD                   | AF and GCF           | Banque Ouest Africaine de Développement   | Togo - UEMOA    |
| 30 | MoWe                   | AF and GCF           | Ministry of Water and Environment   | Uganda          |
|    | EMA                    | AF                   | Environmental Managemnt Agency  | Zimbabwe        |

**Annex 2:**  
**Charter of governance**

**Annex 3:**  
**Action Plan**