
Readiness Proposal

**with Secretariat of the Pacific Community (SPC)
for Federated States of Micronesia**

24 April 2019 | NDA Strengthening & Country Programming



**GREEN
CLIMATE
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Readiness and Preparatory Support Proposal

How to complete this document?

- A [Readiness Guidebook](#) is available to provide information on how to access funding under the GCF Readiness and Preparatory Support programme. It should be consulted to assist in the completion of this proposal template.
- This document should be completed by National Designated Authorities (NDAs) or focal points with support from their delivery partners where relevant.
- Please be concise. If you need to include any additional information, please attach it to the proposal.
- Information on the indicative list of activities eligible for readiness and preparatory support and the process for the submission, review and approval of this proposal can be found on pages 11-13 of the guidebook.
- For the final version submitted to GCF Secretariat, please delete all instructions indicated in italics in this template and provide information in regular text (not italics).

Where to get support?

- If you are not sure how to complete this document, or require support, please send an e-mail to countries@gcfund.org. We will aim to get back to you within 48 hours.
- You can also complete as much of this document as you can and then send it to countries@gcfund.org. We will get back to you within 5 working days to discuss your submission and the way forward.

Note: Environmental and Social Safeguards and Gender



READINESS AND PREPARATORY SUPPORT PROPOSAL TEMPLATE

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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 page 7 of the readiness guidebook for more information.

	<ul style="list-style-type: none"> ○ Establishing and strengthening national designated authorities or focal points ○ Strategic frameworks, including the preparation of country programmes ○ Support for accreditation and accredited direct access entities <p><input type="checkbox"/> Adaptation Planning</p>
<p>7. Brief summary of the request</p>	<p>The request for support will further strengthen the NDA Office implement the Country Program (CP), endorsed in February 2018. This proposal for a second phase of readiness support builds on the significant gains made in the first phase, particularly in the completion of the CP. As set out in the CP’s implementation and sustainability plan (section 3), the full implementation of the CP requires primary and sustained oversight by the NDA.</p> <p>NDA oversight is multifaceted and is ever more critical in this initial implementation stage of FSM strategic engagement with the GCF. Its purpose will be to maintain the solid and sustained engagement of stakeholders across the FSM national and state governments and wider public to the development of transformative projects presented in the CP. This endeavour includes focus on enhancing the capacity of the Micronesia Conservation Trust (MCT) as a GCF – accredited direct entity while strengthening support for securing accreditation of the other two selected entities, FSM Petro Corp / Vital Energy and FSM Development Bank.</p> <p>To this end, the NDA primary goal will be to get off the ground the two re-enforcing mechanisms for CP implementation and sustainability: the Climate Change & Sustainability Development (CC&SD) Council and the M&E system. As the body responsible for the successful implementation of the CP, the CC&SD Council ensures that the CP’s Implementation and Sustainability Plan is appropriately funded and adjusted as necessary for relevance and for continued active engagement by key stakeholders. The annual M&E reports serve to guide Council support.</p> <p>Given the complex and large-scale nature of the CP, the NDA anticipates that this initial implementation stage to get the CP implementation fully off the ground will require twenty-four months. Following are the details supporting this proposal.</p> <p>The first Readiness was about ‘getting ready to be ready’. In particular, it could be noted:</p> <ul style="list-style-type: none"> • The <u>Country Programme</u> was finalized and endorsed by FSM President in February 2018. Activities are needed to enable its implementation (and revision): sectoral roadmaps for implementation, financial plans, process of prioritisation; use of the newly created “FSM-GCF Eligibility Assessment Form”. The Country Programme necessitated a large engagement from the NDA office and engagement of all stakeholders in the 4 states. More effort will be put on training states’ stakeholders in project identification and concept drafting. • <u>Tools of implementation</u> have been initiated, eg. Some elements of the no objection procedure



	<p>exist, however not been fully implemented; rules of procedures for the FSM Climate Change and Sustainable Development Council (a.k.a. Council) with regards to reviews and endorsements for project/program proposals. Procedures for screening and endorsing concepts and non-objection procedures would need to be fully implemented as well as the full operationalization of the Council.</p> <ul style="list-style-type: none"> • the first Readiness Project in its last year of implementation put significant efforts to deliver <u>communication products</u> in order to raise awareness and knowledge of engagement with the GCF : Information pamphlets for FSM stakeholders on the in-country Application Process for GCF support have been developed and distributed, quarterly NDA office newsletters to keep stakeholders informed. This would need to be further strengthened to reach and engage further all stakeholders. • Activities were undertaken to advance the <u>formulation of GCF concept notes</u>. Training and consultation meetings will be further delivered, in particular in the 4 states, to continue and strengthen national processes and facilitate pipeline proposal development. Additional support and specialised expertise would be required to take the project 'ideas' into concepts. • <u>Stakeholders have been engaged</u> in consultative processes (governments, private sector, associations, civil society, academia and others). This effort would need to be pursued, including gender mainstreaming.
<p>8. Total requested amount and currency</p>	<p>US\$ 992,452</p>
<p>9. Anticipated duration</p>	<p>24 months</p>

SECTION 2: LOGICAL FRAMEWORK

Please complete the table below by including proposed outcomes, baseline situations, the targets for implementation period, and the activities to be undertaken, including key outputs or deliverables. Please add rows for additional outcomes as needed. For further guidance on completing the table, please refer to the guidebook "Accessing the GCF Readiness and Preparatory Support Programme", including specific Outcomes to select from.

Within three (3) months of the disbursement date, the NDA office with support from the delivery partner will reorganize the log frame below to follow the outcomes and sub-outcomes listed in the readiness guidebook. Further, all progress reports will adhere to GCF's reporting template following the outcomes/sub-outcomes specified in the readiness guidebook. This will be discussed further in the inception report.

OUTCOMES	BASELINE	TARGET	ACTIVITIES <i>Please include at least one specific deliverable output for each activity, and the timeframe (month number) in which it will be delivered to GCF.</i>
1. Readiness capacity strengthened for CP implementation			
1.1 Strengthening Capacity of NDA & Institutions	<p><i>Outcome of first readiness support project:</i></p> <p>Establishment of NDA Office</p> <p>Development of CP</p> <p>NDA focal points for each state established and trained.</p> <p>An 'FSM-GCF Applications/proposal Generation Toolkit' has been completed and disseminated</p> <p>The Climate Change and sustainable Development Council was established and mandated</p>	<p>Established coordination mechanism</p> <p>Sustained and functional NDA office</p> <p>Implemented Country Programme</p> <p>Functional Council with clear roles and processes</p>	<p>1.1.1. Strengthen capacity of NDA office to provide strategic direction and leadership on the CP's technical implementation through the recruitment of a team leader / consultant (National) for 2 years. The Team Leader will lead the implementation of the CP by: –facilitating CP's implementation and Sustainability Plan</p> <ul style="list-style-type: none"> -overseeing the timely development of concept notes/proposal as identified in the CP; -update the other areas of the Country Portfolio regarding requests to access resources under the FSM-GCF Readiness Program, including accreditation assistance and project preparation on an 'as needs basis'; - oversee the development and implementation of a Communications Strategy; -provide leadership to the readiness team phase 2 -overseeing the recruitment of the national coordinator and Administrative & Finance support -overseeing the recruitment and inputs of short term consultant to implement the M&E results framework -overseeing the recruitment and inputs of short term consultant to update the CP in the second year <p><i>Deliverables:</i></p> <p>1.1.1.1. Elements of implementation of the CP are in place by 3rd quarter of the project,</p>

	<p>for; (1) Coordination of Climate Finance; (2) Endorsement of No Objection Letter; (3) Sustainability: keeping the CP alive.</p> <p>elements of the no objection procedure exist</p> <p>Initial M&E system established</p>	<p>No objection processes in place and operational</p>	<p>eg. a communication plan, a monitoring and reporting format and schedule including scheduled meetings of the Council, and a dashboard of status of GCF concepts in development</p> <p>1.1.1.2 Monitoring report of implementation of Country Programme by 4th and by 8th quarter of the project</p> <p>1.1.2. Strengthen capacity of NDA office to coordinate the project through the recruitment of a national coordinator (national consultant) for 24 months and a Program Support staff for the following activities:</p> <ul style="list-style-type: none"> - Provide in-country coordination, organize multi stakeholder consultations, - Consolidate information received from state level focal points, into the national M&E system which tracks the implementation of the CP - Develop and implement a communications strategy for the NDA to assist the NDA in raising the awareness of state level stakeholders, civil society groups and private sector on the opportunities for GCF engagement and GCF policies and procedures - Assist in recruitment of consultants - Assist, as required, in ensuring that the CP's implementation and sustainability plan remains on track. - Organize administration and logistics related to this project; procurement and supplies; scheduling of meetings and events; organization of missions <p><i>Deliverables:</i></p> <ul style="list-style-type: none"> - 1.1.2.1. M&E system updated by 3rd quarter of the project, including identification of targets and objectives, records of stakeholder consultations over the duration of the project, architecture of meta data and information for identification of mitigation and adaptation baselines and draft data collection strategy, stakeholders analysis and contacts. - 1.1.2.2. Communications strategy developed by 3rd quarter of the project and implemented (see section 5 on information sharing for more details) - 1.1.2.3: missions, stakeholders' workshop, meetings and events organised and accounted for
2. Strategic frameworks for engagement with the Fund enhanced			
2.1 Implementing Country programmes and Strategic	Country Programme endorsed in Feb 2018	Updated Country Program	2.1.1 Align GCF Country Programme with existing FSM climate and development sector policies—mainstreaming elements of the country programme into sectoral policies and implementation plans (work of the Team Leader in 1.1.1 + consultants for sectoral policy update). The key

<p><i>Frameworks</i></p>	<p>Climate Change and sustainable Development Council established and mandated to coordinate and screen both internal and external requests</p> <p>A review process (template) exists</p> <p>FSM NDC submitted for COP21</p>	<p>Tools and mechanism fully operational; Evidence of Council efficient performance</p> <p>Revised or updated NDC</p>	<p>sectors targeted are: Energy, Agriculture (for food security), Water, Disaster Risk, management, transport, tourism, and infrastructure (including road)</p> <p><i>Deliverables:</i></p> <ul style="list-style-type: none"> - 2.1.1.1. climate change integrated into key development sectoral plans by 8th quarter of the project, as reflected in Sectoral plans - 2.1.1.2. All key sector priorities are reflected in the updated FSM country programme <p>2.1.2 Strengthen in-country procedures, processes and mechanism for engagement with the GCF, including further build the capacity of Council members to better fulfil their role (workshop). Also educate key stakeholders on the functions of the council, its roles and means of engagement. Staff time from 1.1.1, 1.1.2 and 1.2.1 + travel + workshop</p> <p><i>Deliverables:</i></p> <ul style="list-style-type: none"> - 2.1.2.1. Rules of procedure for the Council finalized by 2nd quarter of the project - 2.1.2.2. Training materials to be developed (i.e. workshop presentations) by 2nd quarter of the project - 2.1.2.3. Workshop report by 3rd quarter of the project (tentatively with about 25 participants) for Council member - 2.1.2.4. training workshop in the States to inform of GCF processes, Council operations, NDA priorities, etc. ('enabling workshops') – 2 workshops per state per year (total of 8 workshops). About 25 to 30 participants per workshop. <p>2.1.3 Update/validate FSM NDC (co financing expected from Pacific NDC Hub – amount and nature of support not yet determined as Pacific NDC Hub not yet operational) through the following activities:</p> <ul style="list-style-type: none"> - desktop review and analysis of current NDC, gaps and opportunities, and its implementation (team Leader, national coordinator + external Pacific NDC Hub consultant) - consultation with key stakeholders in country (team leader, national coordinator) - drafting of revised NDC (external Pacific NDC Hub consultant) - workshop to discuss the revised draft and validate options and targets (with tentatively 30 participants) <p><i>Deliverables:</i></p> <p>2.1.3.1. analysis of current NDC by 3rd quarter of the project;</p>
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			2.1.3.2. report of workshop; 2.1.3.3. revised NDC by 7 th quarter of the project
3. Pipeline projects			
3.1 Developing pipeline programme and project concepts	<p>One FSM concept submitted to date (Vaka Motu project).</p> <p>3 concepts under formulation: MCT SAP on Food and Water Security; Renewable Energy ADB Project being developed; SPREP Vaka Motu Project.</p> <p>Initial project development support in Readiness 1 helped raise awareness of stakeholders to the GCF modalities. Lessons learned are briefly spelled out in section 4.4.</p>	<p>At least two concepts and one PPF support request submitted to GCF</p>	<p>3.1.1 Develop the pipeline of GCF projects:, i.e. (project identification and concept development) through the following activities:</p> <ul style="list-style-type: none"> - Support country stakeholders to develop concepts for identified projects and programmes, through training, technical assistance and workshops - Channel consultancy support to assist in concept identification, baseline, inputs, social and environmental safeguards, gender mainstreaming and other technical inputs - Channel consultancy support to assist in concept drafting - Identify prospective accredited entities and delivery partners <p>Priority concepts would be identified as per the Country Programme. It should be noted that, currently, 3 concepts are in development at the National level. These refer to : 1) renewable energy with ADB 2) SAP Food and Water security with MCT and 3) Vaka Motu with SPREP. All three concepts correspond to the top nationally identified priorities in the CP, the third one, focusing on maritime transport, was very much State driven. Further concept development will be based on the CP list of priorities.</p> <p>This would be done through the recruitment of an International Project Development specialist / consultant placed in the office of the NDA and/or short term specialists under the responsibility of the team leader, as per needs and availability</p> <p><i>Deliverables:</i></p> <p>3.1.1.1. At least 2 proposed concepts submitted to GCF by 5th quarter of the project</p> <p>3.1.1.2. 1 extra concept note developed by 8th quarter of the project and PPF secured to move from concept to full project document.</p> <p>3.1.1.3. training and consultative workshops delivered in the 4 states (8 in total over the time of the Readiness project). An estimated 25 to 30 participants per workshop.</p>
4. Operationalisation of proposed Accredited Entities			
4.1 Enhancing capacity of direct Entities and nominated Accredited	<p>1 entity accredited / 3 proposed</p> <p>Gap analysis of the two proposed entities</p>	<p>Three national direct entities accredited by GCF</p>	<p>4.1.1 Equip MCT with a 24 month IT and communication consultant to further develop the organisations communication plan, IT policies, website and social media pages and to manage the work of short term volunteers</p>

<p><i>Entities</i></p>		<p>capacity of existing DAE enhanced</p>	<p><i>Deliverables:</i></p> <ul style="list-style-type: none"> - 4.1.1.1. Communication plan(with a funding strategy) - 4.1.1.2. IT policy in place - 4.1.1.3. Organisation website development and maintenance - 4.1.1.4. Social media engagement, development of content and updating <p>4.1.2 Equip MCT with the necessary IT equipment: Hardware and software to improve IT systems including networking capabilities and file sharing (will need to be spelt out and costed) through procurement by SPC.</p> <p><i>Deliverables:</i></p> <ul style="list-style-type: none"> - 4.1.2.1. IT equipment secured for MCT by 1stquarter of the project <p>4.1.3 MCT Project Development expertise strengthened for the following activities: - 1 Project Development consultant (with Food and water security expertise) (tent. 40 working days) to develop the project concept - 1 Project development consultant to support the development of an EDA conceptnote (tent. 40 working days)</p> <p><i>Deliverables:</i></p> <ul style="list-style-type: none"> - 4.1.3.1. 1 SAP proposal on food and water security submitted to GCF by 4thquarter of the project - 4.1.3.2. 1 EDA concept developed/submitted to GCF by 6thquarter of the project <p>4.1.4 Secure conditions for accreditation of direct access entities in particular in the areas of environment & social safeguards, and gender mainstreaming through recruitment of various specialised consultants as per the needs (referenced below for MCT) and timeframe (tent 100 working days) – to provide support to MCT to meet accreditation conditions, to FSM Development Bank and FSM Vital Energy to develop the necessary policies and implementation guidelines required for GCF accreditation.</p> <p>Terms of Reference to address the gaps will be discussed and developed in close collaboration with the GCF Entity Team who oversees support for these Direct Access Entities.</p> <p>PS. If and as appropriate, SPC own internal capacity may be made available for this, in particular in view of its experience going through the accreditation process. SPC experts in gender mainstreaming and SER may be made available; their time and expenses will be</p>
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			<p>charged on the basis of time sheet and actual travel costs. Alternatively, specialized consultants or a consultancy firm would be recruited for that activity.</p> <p><i>Deliverables:</i> by 4th quarter of the project</p> <ul style="list-style-type: none"> - 4.1.4.1. MCT - Accreditation conditions as listed below are met. <p>(i) Condition to be met for each funding proposal:</p> <ol style="list-style-type: none"> 1. Provide in its funding proposal a gender action plan that reflects the applicant's adequate competency in terms of human and financial resources and a system for maintaining data that addresses gender aspects in line with the GCF Gender policy; <p>(ii) Conditions to be met prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</p> <ol style="list-style-type: none"> 1. Provide an investigation procedure containing the description of the investigation process and corresponding follow-up actions to be taken; 2. Provide anti-money laundering and countering the financing of terrorism policies that are fully in line with the GCF interim policy on prohibited practices; 3. Provide an approved policy for the public disclosure of the decisions on grants awarded under a grant award programme; 4. Provide evidence of the adoption of the applicant's procedures for the mitigation, management and monitoring of the E&S risks and impacts, including those that are unanticipated, of its programmes; and 5. Provide evidence of the establishment of an external communication channel, which may include a website to receive, register and respond to E&S complaints; and <p>(iii) Condition to be met within one year of the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</p> <ol style="list-style-type: none"> 1. Provide evidence of the implementation of the policies and procedures referred to in paragraph 37(b)(ii)(3) above, in regard to the public disclosure of the results of the grants and awarded under a grant award mechanism, under the project/programmes approved and funded by the GCF. <ul style="list-style-type: none"> - - 4.1.4.2. Assessment of accreditation gaps of FSM Development Bank AND FSM Vital - Energy - 4.1.4.3 Support in terms of policies and implementation modalities to address the gaps filled through specialized consultancy support
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			Activities 4.1.1., 4.1.2. 4.1.3 and part of 4.1.4 concur to strengthening MCT's role as a DAE of the GCF to maximise its support to the NDA and MCT being fully capacitated to lead concept formulation, at least one other entity accredited
5. Information sharing, experience exchange and learning			
5.1 Developing and Disseminating Public Information and Awareness Materials	Some communication materials developed in first Readiness Support project	<p>A communication strategy developed and implemented.</p> <p>Publication, printing and production of communication materials</p>	<p>5.1.1. Development and implementation of a communications strategy. The communication activities and products primarily target the key stakeholders at the States level: state government, agencies, ministries but also local authorities, key industries and NGOs. The quarterly newsletter serves to inform international partners as well, including Accredited Entities and delivery partners.</p> <p>5.1.2 Elaboration of appropriate public and institutional awareness materials and tools(to be developed by national coordinator consultant, as per section 1 above)</p> <p><i>Deliverables:</i></p> <ul style="list-style-type: none"> - 5.1.2.1. A communication strategy elaborated by 3rd quarter of the project - 4.1.2.2. Brochures on GCF opportunities and procedures are updated and translated into 4 languages by 3rd quarter of the project - 4.1.2.3. Quarterly FSM NDA newsletter developed and distributed (e-news) <p>5.1.2.refers to publication, printing and production costs of communication materials as developed under the Communication strategy from activity 1.1.2.The budget costs refer to the costs of printing, layout, distribution and production of the communication materials; staff time required to put together the text, contact partners and negotiate with contractors, etc is included in outcome 1.</p>



SECTION 3: ADDITIONAL INFORMATION

As a small island developing State (SIDS), FSM is among the most vulnerable countries in the world to climate change. Consisting of 607 small islands, the country is extremely isolated and geographically dispersed. Although FSM has a relatively small population of 102,843, it is critical to climate change efforts that they are appreciated as custodians of a vast exclusive economic zone covering over one million square miles of the Pacific ocean.

Of the 607 islands, some are relatively large and mountainous, while the rest consists of smaller islands, flat coral atolls and raised coralline islands. The islands are organized in four states, Yap, Chuuk, Pohnpei, and Kosrae, covering a land area of just over 700 square kilometres. The capital city is Palikir in the state of Pohnpei.

The mainstays of the Micronesian economy are subsistence farming and fishing; the country also possesses high-grade deposits of phosphate. There is little tourism in the area due to geographical isolation (and its consequent lack of access), and minimal facilities. This contributes to financial instability and a stagnant economy. The majority of FSM's revenue comes from a compact agreement grant from the United States, which is due to expire in 2023.

Moreover, public (and private) resources to address present and future climate related risks are scarce, along with dedicated capacity within national and (more importantly) state-level government. As a result, FSM is requesting GCF readiness and preparatory support to establish a strong and durable capacity to engage with the Fund, as well as awareness of Fund opportunities among stakeholders and resulting national and sub-national priorities for engagement.

The Department of Finance and Administration was selected as the NDA for FSM given the recognised importance of the GCF to national strategic planning decisions and investments. Initial support from Readiness Support helped establish the NDA Office.

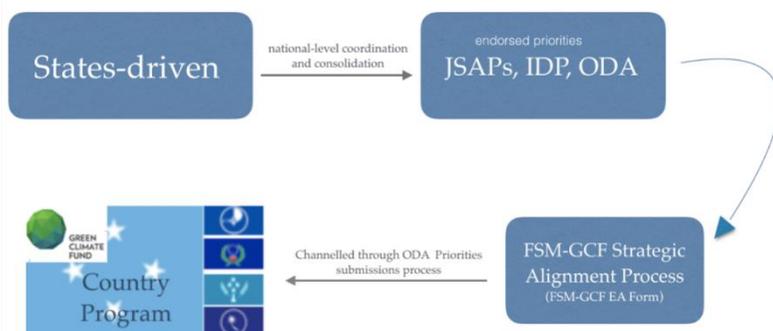
Given the complex nature of the Country by which the States have autonomy over actual implementation, further support is much needed in terms of: (1) awareness and facilitation activities to foster collaboration within the state, among the states and between the states and national government agencies and engage the different stakeholders to update and validate national priorities for engagement with the Fund and refine the Country Program – this has been reflected in outcome 2 (activities 2.1.1 and 2.1.2); (2) strengthening the processes and mechanisms for coordination of efforts, sharing information, prioritizing and strategically assessing project and programme proposals for submission to the Fund as well as enhancing in country coherence between the GCF Country Program and country policies – this has been reflected in outcome 1 and the strengthening of the NDA Office; (3) Facilitation of the development of FSM project proposals within country and liaison with the GCF and accredited entities as per the newly established processes and in line with strategies in the Country Program - this has been reflected in outcome 3 and 4.

Status of GCF Readiness in the country: At the end of December 2018, the Government of the Federated States of Micronesia (FSM) completed its first readiness support from the GCF Secretariat signed on March 2016 and has developed a Country Program for GCF, a first for the Pacific region. It is now imperative for FSM to implement the Country Program and keep it alive with further work on processes and consultation, pipeline development, and enabling accreditation of direct access entities. As the Pacific Community (SPC) has been readiness delivery partner for FSM in its first initial readiness support, the NDA would like to maintain this relationship, should FSM receive this additional readiness support from the GCF. This has been reflected in the readiness proposal.

With the first GCF Readiness support, the NDA has been established and, through extensive consultation with states and stakeholders, the GCF Country Program has been developed, the first for the Pacific region.

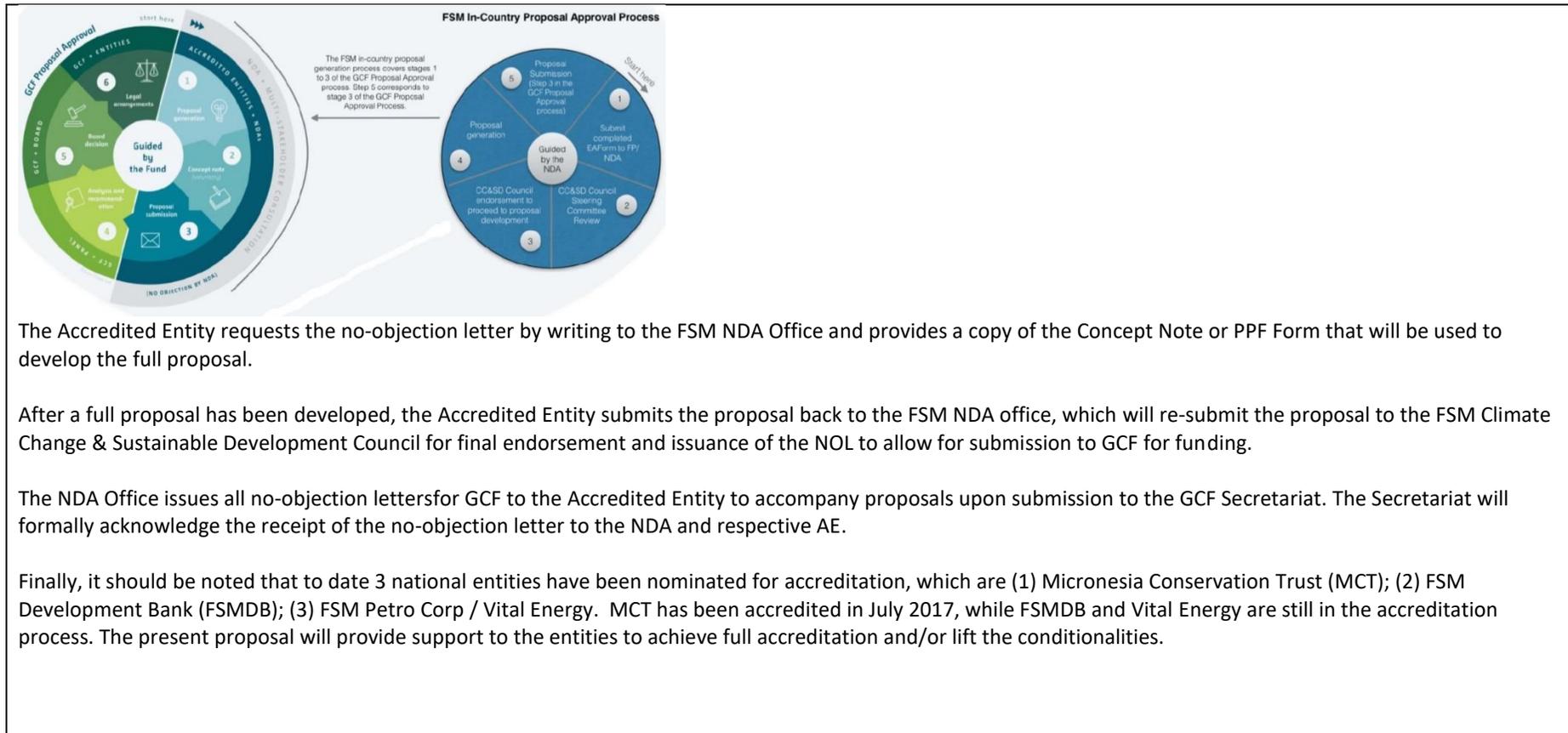
In addition, as stated in the Country Program, FSM has established a methodology to identify and prioritize projects and programs for the Fund, which ensures country ownership alignment (from States to national; from national to international donors, such as the GCF). The figure below shows the projects/programs prioritization methodology.

Figure 8: Projects/Programs Prioritization Methodology for the Country Program



FSM has also established institutional arrangements that are conducive to the nation's engagement with the Green Climate Fund, which includes the 'no objection procedure' detailed below.

Procedure: To receive a NOL for a request for funding assistance from the GCF PPF, an Accredited Entity (AE) must have successfully proceeded through the FSM In Country Proposal Generation Process with an approved project/program as per Figure 1 below. As per the Process, an approved project/program must go through steps 1 to 5, and the Eligibility Assessment form for the project/program has been submitted, reviewed, and endorsed by the NDA Office and by the FSM Climate Change and Sustainable Development Council.



The Accredited Entity requests the no-objection letter by writing to the FSM NDA Office and provides a copy of the Concept Note or PPF Form that will be used to develop the full proposal.

After a full proposal has been developed, the Accredited Entity submits the proposal back to the FSM NDA office, which will re-submit the proposal to the FSM Climate Change & Sustainable Development Council for final endorsement and issuance of the NOL to allow for submission to GCF for funding.

The NDA Office issues all no-objection letters for GCF to the Accredited Entity to accompany proposals upon submission to the GCF Secretariat. The Secretariat will formally acknowledge the receipt of the no-objection letter to the NDA and respective AE.

Finally, it should be noted that to date 3 national entities have been nominated for accreditation, which are (1) Micronesia Conservation Trust (MCT); (2) FSM Development Bank (FSMDB); (3) FSM Petro Corp / Vital Energy. MCT has been accredited in July 2017, while FSMDB and Vital Energy are still in the accreditation process. The present proposal will provide support to the entities to achieve full accreditation and/or lift the conditionalities.



SECTION 4: BUDGET, PROCUREMENT, IMPLEMENTATION AND DISBURSEMENT

4.1. Budget Plan - SEE BELOW PICTURE OF BUDGET PLAN IN NEW FORMAT, THE EXCELL TABLE IS ATTACHED

Within three (3) months of the disbursement date, the NDA office with support from the delivery partner will reorganize the budget to match the log frame and follow the outcomes and sub-outcomes listed in the readiness guidebook. Further, all progress reports will adhere to GCF's reporting template following the outcomes/sub-outcomes specified in the readiness guidebook.

4.2. Procurement Plan- SEE BELOW PICTURE OF PROCUREMENT PLAN IN NEW FORMAT, THE EXCELL TABLE IS ATTACHED



READINESS AND PREPARATORY SUPPORT

PROPOSAL TEMPLATE

5.1 Budget Plan
Please add rows for Outcomes, Outputs and Cost Categories as required. Additional budget categories may be added by manually typing them on the Budget Category sheet.

Outcomes		Detailed Budget (in US\$)						Disbursement Plan						
		Budget Categories <small>choose from the drop-down list</small>	Unit	# of Unit	Unit Cost	Total Budget <small>(per budget category)</small>	Total Budget <small>(per sub-outcome)</small>	Total Budget <small>(per outcome)</small>	6m	12m	18m	24m	30m	36m
1. Readiness capacity strengthened	1.1 Strengthening capacity of NDA & Institutions	Consultant 1 - Individual - Local (2 years)	W/Day	528	145.00	76,560.00	235,520.00	235,520.00	19,140.00	19,140.00	19,140.00	19,140.00		
		Consultant 2 - Individual - Local (2years)	W/Day	528	115.00	60,720.00			15,180.00	15,180.00	15,180.00	15,180.00		
		IT Equipment	Laptop/tel/pr	4	1,500.00	6,000.00			6,000.00					
		Office Supplies	lumpsum	2	2,000.00	4,000.00			1,000.00	1,000.00	1,000.00	1,000.00		
		Travel – Local	Trip	12	1,500.00	18,000.00			4,500.00	4,500.00	4,500.00	4,500.00		
		Travel - International	Trip	4	7,000.00	28,000.00			7,000.00	7,000.00	7,000.00	7,000.00		
		Consultant 3 - Individual - Local	W/Day	528	80	42,240.00			10,560.00	10,560.00	10,560.00	10,560.00		
2. Strategic frameworks for engagement with the Fund enhanced	2.1 Implementing Country Programmes and Strategic Frameworks	Consultant 4 - Individual - Local	W/Day	40	300.00	12,000.00	131,500.00	131,500.00	3,000.00	3,000.00	3,000.00	3,000.00		
		Travel – Local	Trip	3	1,500.00	4,500.00			4,500.00					
		Workshop/Training	workshop	8	10,000.00	80,000.00			40,000.00	40,000.00				
		Workshop/Training	workshop	1	15,000.00	15,000.00			15,000.00					
		Workshop/Training	workshop	1	20,000.00	20,000.00			20,000.00					
3. Pipeline projects developed	3.1 Developing pipeline programme and project proposals	Consultant - Individual - International #1	W/Day	170	600.00	102,000.00	210,000.00	210,000.00	6,000.00	24,000.00	36,000.00	36,000.00		
		Travel - International	Trip	4	7,000.00	28,000.00			7,000.00	14,000.00	14,000.00	7,000.00		
		Workshop/Training	workshop	8	10,000.00	80,000.00			20,000.00	40,000.00	20,000.00	20,000.00		
4. Operationalisation of proposed Accredited Entities	4.1 Enhancing capacity of direct entities and nominated Accredited Entities	Consultant 5 - Individual - Local	W/Day	528	115.00	60,720.00	235,720.00	235,720.00	15,180.00	15,180.00	15,180.00	15,180.00		
		IT Equipment	Laptop/tel/pr	4	1,500.00	6,000.00			6,000.00					
		Office Supplies	lumpsum	1	5,000.00	5,000.00								
		Travel - International	Trip	8	7,000.00	56,000.00								
		Consultant - Individual - International #2	W/Day	80	600.00	48,000.00			16,000.00	16,000.00	16,000.00			
		Consultant - Individual - International #3	W/Day	100	600.00	60,000.00			12,000.00	18,000.00	6,000.00			
5. Information sharing, experience exchange and learning	5.1 Developing and disseminating public information and awareness materials	Audio Visual & Printing	com materia	4	5,000.00	20,000.00	26,000.00	26,000.00	5,000.00	5,000.00	5,000.00	5,000.00		
		Office Supplies	tel, internet,	4	1,500.00	6,000.00			1,500.00	1,500.00	1,500.00	1,500.00		
Total Outcome Budget								838,740.00	128,060.00	246,560.00	234,060.00	145,060.00	-	-
Project Management Cost (PMC) <small>Up to 7.5% of Total Activity Budget</small>		Consultant - Individual - International - # 4	Month	24	1,700.00	40,800.00	50,800.00	Percentage of PMC requested: 6.1%						
		Audit Fee	Lumpsum	2	2,500.00	5,000.00								
		Travel - International	Trip	1	5,000.00	5,000.00								
								-						
								-						

FOR GREEN CLIMATE FUND SECRETARIAT'S USE ONLY

Breakdown (per budget category)	Total (per budget category)
Audio Visual & Printing	20,000.00
Audit Fee	5,000.00
Consultant - Individual - International	210,000.00
Consultant - Individual - Local	293,040.00
Professional Services – Companies/Firm	-
IT Equipment	12,000.00
Office Supplies	15,000.00
Travel - International	117,000.00
Travel – Local	22,500.00
Workshop/Training	195,000.00
0	-
0	-
0	-
0	-
0	-
Total Outcome Budget + PMC	889,540.00

FOR GREEN CLIMATE FUND SECRETARIAT'S USE ONLY

Total Outcome Budget		838,740.00
Project Management Cost (PMC)	6.1% requested	50,800.00
Contingency	3% requested	25,162.20
Sub-Total (Total Outcome Budget + Contingency + PMC)		914,702.20
Delivery Partner Fee (DP) - Up to 8.5% of the Sub-Total		77,749.69
Total Project Budget (Total Activity Budget + Contingency + PMC + DP)		\$ 992,452.00



READINESS AND PREPARATORY SUPPORT

Budget Note	Detailed Description	position
OUTCOME COSTS		
Consultant 1 - Individual - Local (2 years)	One national consultant (climate change specialist) for 24 months at USD145 per day for activities 1.1.1; 2.1.1; 2.1.2; 2.1.3	team leader
Consultant 2 - Individual - Local (2 years)	One national consultant (stakeholder engagement and M&E specialist) for 24 months at USD115 per day for activities 1.1.2; 2.1.2	national coordinator
Consultant 3 - Individual - Local (2 years)	One national consultant (Program Support Staff) for 24 months at USD80 per day for activities 1.2.1; 2.1.2. The consultant will support the NDA office in planning and implementation of workshops, trainings, event and missions etc	program support staff
Consultant 4 - Individual - Local (40 days)	Senior national consultants (sectoral policy updates - energy, transport, etc.) for 40 days at USD300 per day for activities 2.1.1	senior policy specialists
Consultant - Individual - International #1	International consultants/specialists for project/proposal development for a total of 170 days at USD600 daily fee. It should be noted that the NDA Office would prefer to recruit a full time project development specialist. This option will be pursued as well. The total budget against that budget line will thus be used either for a project development specialist or for a series of project development consultants. 4 international travels (including per diem) have been budgeted to accompany this budget item.	international project development specialists
Consultant 5 - Individual - Local (2 years)	One national consultant (IT and communication specialist) for 24 months at USD115 per day for activity 4.1.1 (support to MCT)	IT and communication specialist
Consultant - Individual - International #2	International consultants/specialists for project/proposal development for a total of an estimated 80 days at USD600 daily fee (for 1) food and water security project and 2) EDA proposal). 4 international travels (including per diem) have been budgeted to accompany this budget item.	international project development specialists
Consultant - Individual - International #3	International consultants/specialists for GCF compliance to serve for an estimated 100 days to ensure compliance of FSM nominated entities with GCF requirements. These could be individual consultants or a consultancy firm able to provide the range of support services required at the appropriate time. Alternatively, SPC experts in gender mainstreaming and SER may be made available, as per SPC's experience going through the GCF Accreditation Process. Their time will be charged on the basis of time sheet. 4 international travels (including per diem) have been budgeted to accompany this budget item.	GCF compliance specialists
IT equipment	8 units at an average of USD1500 which include the provision of 4 units for NDA Office - 3 laptops, telephones/software and 1 printer (considered as 1 unit) for the NDA/project office (consultants #1, #2 and #3 in 1.1.1.); 4 units for MCT - 1 laptop for MCT consultant #5 and 1 printer (4.1.2.); and 2 units for additional hardware and software for MCT.	
Office supplies	Office Supplies is provided for 1) against activity 1.1 for provision of a lumpsum for office supplies/consumables (cartridges, paper, etc.) at USD 4000 for the 2 years for the NDA office, 2) against activity 4.1 similarly as a lumpsum for office supplies/consumables for a total of USD5000 for the Entities office (MCT in particular) and 3) against activity 5.1 (communication at NDA office) to cover such things as: visibility supplies (pens, booknotes, etc. for workshops), telephone and internet charges for a total of USD6000 for the whole duration of the project,	
	Office supplies against 5.1 account for internet website development and update, as well as purchase of 'goodies' for communication	
Travel for project team	estimated travel for the project team both in country (in between the 4 states) and international: local trip 6 trips to the States per year at USD 1500; 2 international trip per year at USD7000 against 1.1.1. Additional in country travel may be included in the workshop/training budgets, as required.	
Travel for international consultants	4 international trips/visits budgeted for international consultant #1; 8 international trips/visits budgeted for international consultant #2 and #3	
Audio visuals and printing	The lumpsum amount (to be reconciled against actual costs) accounts for publication and printing of brochures and documents, preparation of audio-visual aid to capacity building. This has been estimated at 4 products for USD4000 each (number of publication, including number of languages, to be determined).	
workshops/training	a total of 16 training/workshops have been accounted for against deliverable 2.1.2.4 - strengthening capacity of state actors to engage with the GCF and with the NDA (8 workshops in total) and against 3.1.1.3. training and consultative workshops delivered in the 4 states (8 in total over the time of the Readiness project) to assist stakeholders in developing GCF concepts. Each workshop is computed at an estimated 10,000 USD, broken down as follows: Catering for 2 days: 1500 USD; Renting of facility (and audio equipment/technician): 1500 USD; Interstate travel (for visiting international consultants, project team or resource persons): 3500 USD; Travel and per diem for out of main island participants. : 2500 USD; Bus and/or taxi fare/local transport: 1000 USD	
	2 workshops will be held against 2.1: 1) to raise awareness and capacity of Council members (deliverable:2.1.2.3) for about 25 participants and 2) workshop to discuss the revised draft NDC and validate options and targets (deliverable 2.1.3.2) with tentatively 30 participants)	
PROJECT MANAGEMENT COST		
Consultant - individual - International #4 part time	International consultant as a Finance Specialist at SPC Delivery Partner office to oversee the whole financial management of the project, conduct of audit, provision of regular financial statements to inform the Team Leader and SPC Director, financial reports to the GCF. Work effort at 25% of tentative full cost of 70400 Euro per year or USD 80,206 (corresponds to USD6683 per month). 25% of the monthly amount makes for USD1700 per month. The Finance Specialist is at band 8.	Project Finance Specialist, SPC Pohnpei
Audit Fee	Yearly audit fee estimated at USD2500 based on actual costs under Readiness Support 1.	
Travel	1 international travel for SPC Director Climate Change and Environmental Sustainability division (CCES) to visit the project (monitoring visit) during the duration of the project. The visit is deemed necessary for enhancing the smooth running of the project. Upon experience from the previous Readiness 1 project, a monitoring visit would prove extremely useful for enhancing smooth running of the project and having good time to plan ahead and strategize, though of course regular monitoring is carried out by skype/electronic communication. It should be noted that the time of the Director CCES for overall oversight and engagement with the GCF for this project is covered by SPC.	



READINESS AND PREPARATORY SUPPORT

PROPOSAL TEMPLATE

5.2 Procurement Plan						
For goods, services, and consultancies to be procured, please list the items, descriptions in relation to the activities in Section 3, estimated cost, procurement method, relevant threshold, and the estimated dates. Please include the procurement plan for at least the first tranche of disbursement requested below and provide a full procurement plan for the entire duration of the implementation period if available at this stage.						
Item	Item Description	Estimated Cost (US\$)	Procurement Method	Thresholds (Min-Max monetary value for which indicated procurement method must be used)	Estimated Start Date	Projected Contracting Date
Goods and Non-Consulting Services						
Office Equipment for NDA office (act. 1.1.1.)	3 laptops, 1 printer, misc office equipment/furniture (total of 4 units)	6,000.00	Shopping as per SPC policies	EURO 0 - EURO 2,000 (one quote required)	1-Apr-2019	1st quarter
Office and IT Equipment for MCT (act. 4.1.2)	3 laptops, 1 printer, misc office equipment/furniture + 2 units of additional hardware and software (total of 4 units)	6,000.00	Shopping as per SPC policies	EURO 0 - EURO 2,000 (one quote required)	1-Apr-2019	1st quarter
Sub-Total (US\$)		\$ 12,000.00				
Consultancy Services						
International Consultants #1 (act. 3.1)	Climate Change project development specialist or specialists to develop concepts and proposals as per GCF format	102,000.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	2nd quarter
International Consultants #2 (act 4.1.3)	Climate Change project development specialist or specialists to develop concepts and proposals as per GCF format for MCT (in particular for a SAP Food & water security, and for EDA) for an estimated 80 working	48,000.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	2nd quarter
International Consultant #3 (act 4.1.4)	International consultants/specialists or a consultancy firm skilled in GCF requirements to serve for an estimated 100 working days to ensure compliance of FSM nominated entities with GCF requirements. Alternatively SPC gender and SER experts may be made available on basis of time sheet.	60,000.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	1st or 2nd quarter
Consultant 1 - Individual - Local (2 years)	Team leader (climate change specialist for 24 months for activities 1.1.1; 2.1.1; 2.1.2; 2.1.3)	76,560.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	1st quarter
Consultant 2 - Individual - Local (2 years)	Stakeholder engagement and M&E specialist for 24 months for activities 1.1.2; 2.1.2	60,720.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	1st quarter
Consultant 3 - Individual - Local (2 years)	Program support staff for 24 months for activities 1.2.1; 2.1.2	42,240.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	1st quarter
Consultant 4 - Individual - Local (40 days)	Senior national consultants (sectoral policy updates - energy, transport, etc.) for 40 days at USD300 per day for activities 2.1.1	12,000.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	2nd quarter
Consultant 5 - Individual - Local (2 years)	One IT and communication specialist at MCT for 24 months for activity 4.1.1	60,720.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	2nd quarter
Sub-Total (US\$)		\$ 462,240.00				

4.3. Disbursement schedule

The NDA has identified the Pacific Community (SPC) as the delivery partner for this readiness request.

It is proposed that the funding be transferred to SPC in three tranches:

- The first disbursement, which amounts to US\$ 500,000, will be transferred upon the submission of an Inception Report from the NDA to the Fund, in an appropriate format and content acceptable to the Fund. The Inception Report will include a detailed 1) Implementation Plan, 2) Procurement Plan and 3) Budget;
- The second tranche of US\$ 300,000 will be transferred upon submission of an Interim Progress Report and Financial Report, including an Expenditure Statement at the end of year 1; and
- The final disbursement will be made upon submission of a Project Completion Report and Financial Report, including an Expenditure Statement at the end of year 2.

4.4. Additional information

This box provides an opportunity to include further explanations related to the budget, procurement plan and disbursement schedule, including any details on the assumptions to justify costs presented in the budget.

Counterpart financing

The NDA will provide counterpart support in the form of office, office supplies, domestic transportation, and other in-kind contributions, amounting to approximately US \$50,000, while preparing evidence based case to lobby Congressional support to make the NDA positions supported by GCF permanent to sustain the work of the NDA office.

Expected co financing of NDC enhancement from Pacific NDC Hub.

The delivery partner will provide co financing in the form of oversight and guidance from the Director, SPC Climate Change and Environmental Sustainability and assistance from the SPC Support Functions – Finance, Procurement, Administration, IT.

Other sources of co financing will be sought.

Detail of activities:

Activity 1: Strengthening the Capacity of NDA & Institutions

The project will further build the capacity of the NDA Office that is responsible for overall coordination and capacity building of FSM engagement with the Green Climate Fund (the Fund) and will work towards ensuring that key stakeholders are informed, involved and engaged to ensure that projects would be developed in line with the Country Program priorities.

To do this, the NDA Office would be staffed with the following positions:

- ☐ A Team Leader / consultant will be recruited for 2 years to support the NDA in undertaking the following tasks:
 - i) Building the knowledge, systems and coordination capacity of the NDA (see activity 2 below);
 - ii) Solidifying the coordination mechanisms and procedures for inter-ministerial coordination, intra-country coordination, and for prioritizing and decision making
 - iii) Providing strategic direction for the implementation of the Country Programme and keeping the country programme alive; and
 - iv) Identifying and developing strategies for GCF to build on the ongoing work of other development partners in the country, and deliver its support in a manner complementary to the efforts of other partners.
- ☐ A national Coordinator to focus on in country coordination.
 - i) Coordinating and raising awareness of key national and state-level stakeholders, as well as Micronesia accredited entities, on Fund-related matters;

ii) Organizing multi-stakeholder consultations. Given the scattered nature of the Federation, such workshops are critical to information dissemination as well as consensus building.

☐ Program support staff to assist with office management. Critical roles include

- i) Support the NDA office in the implementation of workshops, trainings, event and missions etc
- ii) Filing and organising project information for the NDA office

The NDA Office, in particular the respective staff identified above, will lead these activities.

The NDA may also add other activities in accordance with the Fund's defined scope of work on NDA strengthening (see Annex I).

As lessons learned, it should be noted that the FSM engagement with the GCF has been planned to be driven by the States. Raising further awareness and capacity of the states is paramount to delivering projects that are relevant to the priorities of the states. The focus of the NDA office will be 1) build local capacity by providing trainings and technical assistance to the States through the NDA focal points designated by all four state governors as well as 2) to coordinate the overall country projects and overall engagement with the GCF in coordination with the Council and 3) to lead the process of engagement and mobilize leadership.

Activity 2: Strategic Frameworks and Implementation of the CP

Implementation of the recently adopted Country Program will require the following enabling actions:

- i) Ensuring alignment and consistency between the FSM GCF Country Program, the FSM's development priorities, the country's Nationwide Climate Change Strategy (2009), the National Development Framework (2012), and the Fund's Initial results management framework;
- ii) Strengthening procedures, processes and mechanism for GCF in light of strategic national climate compatible development objectives,
- iii) In line with Activity 1, and to strengthen FSM's resilience to climate change impacts through a stronger engagement with the Fund, FSM would be updating/validating its NDC, develop a roadmap for NDC implementation, and develop a national adaptation plan. Co financing is expected from the Pacific NDC Hub currently being set up.
- iv) stakeholder consultations in a manner that is consistent with the Fund's defined scope of work on developing strategic frameworks (See Annex II) including the implementation of the CP and its iteration process that takes place at an annual basis
- v) FSM NDA's participation in the COP meetings as NDA plays a critical role in the Paris Agreement implementation activities (i.e. agree on the 'rule book' or guidelines for implementation and GCF is the key to the Paris Agreement successful implementation).

The NDA Office, in particular the Team Leader, will lead these activities. Coordination with other line ministries will be required.

The NDA may add other elements to the country programme during the iteration process.

It should be noted that the Climate Change and sustainable Development Council was established and mandated to coordinate and screen both internal and external requests

As lessons learned, it should be noted that Initial elements of process have been set up during the Readiness I project, including the establishment of the FSM Climate Change & Sustainable Development Council (referred to as 'the Council'). Additional work is needed to render the Council fully operational.

Activity 3: Developing pipeline programme and project proposals

- i) Support country stakeholders to develop the identified projects and programmes, including public-private partnerships, consistent with the Fund's Initial investment framework;
- ii) Channel short-term consultancy support to assist in project identification, project baseline studies, project technical inputs, cost benefit analysis, social and environmental safeguards, and gender mainstreaming.
- iii) Dialogue with Accredited Entities to assess opportunities of collaboration and develop partnership;
- iv) Define the roles of prospective public and private sector entities that may be accredited by the Fund in implementing FSM's programming priorities with respect to the Fund.

These activities will be led by the NDA Office, coordinated by the Team Leader with support from a pool of long term or short-term consultants assisting in elaboration of the concepts and proposals, as per GCF guidelines.

As lessons learned, it should be noted that the First Readiness Support project requested the services of a Project Development Specialist for a 10- month period. This was instrumental in getting a better understanding of the elements required for preparing concept notes. The Specialist devoted most of his work to training stakeholders in the 4 states on the GCF facility, understanding the nuances of engagement work with the GCF and Accredited Entities. Furthermore, GCF consultant (Michael Roy) spent a week in Pohnpei in October 2018 to support MCT with the concept note on Food and Water Security. This was supported through the project preparation in country technical assistance. Michael helped focus the project and develop problem and objective trees and the problem statement. He also provided further guidance during a workshop at the end of November on developing climate rationale in Cebu. This has established the foundations for activities included in this proposal.

Activity 4: Enhance capacity of Direct Entities and nominated Accredited Entities

Activities include:

- i) Equipping Micronesia Trust Fund with a staff position to carry the recommendations forward through implementation and permanent institutionalization and related equipment to strengthen engagement with the Fund;
- ii) Providing short-term consultancy support to upgrade systems and policies of nominated Entities to meet accreditation requirements
- iii) As gap assessments for FSMDB and Vital energy haven't been completed yet, TORs of the consultancies that would be required to bring these entities up to the Fund's standards will be developed in close collaboration with the GCF Entity Team who oversees support for these Direct Access Entities.

As lessons learned, it should be noted that 3 national Accredited Entities were identified. MCT was accredited in July 2017 and the assessment process initiated for the other two. With appropriate capacity, National Entities would be in the best position to deliver FSM priority projects.

Activity 5: Developing and disseminating public information and awareness materials

Activities include:

- i) Development & implementation of a communications strategy
- ii) Elaboration of appropriate public and institutional awareness materials and tools

Please draw from relevant elements of your previous readiness experience in regards some of the lessons learned to underpin justification for some of these consultant positions and activities (e.g. Admin consultant position and Project Development Specialist support).

Through Readiness Support 1, it became apparent that the team had to extensively consult, meet and provide technical assistance at the State level. That translated into a good number of training, meeting and workshops across the 4 States of FSM. Considering the distance and the complexity of travel across the country, a full time finance & admin assistant to help with travel arrangements, organisation of workshops and arrangements for meetings prove indispensable to allow the technical team to focus on substantive outputs.

Through this next Readiness, the objective is to deliver an increased number of training to raise the capacity and awareness of states' stakeholders to engage with the GCF, identify project concepts and draft elements of the justification. The admin assistance of a local staff for this purpose, liaising with the travel agencies, securing venues and catering, arranging for the logistics, etc. is indispensable.

In addition, this next Readiness includes significant procurement of goods and services. The finance & admin assistant will help preparing the tender documents, purchasing goods and office supplies. Finally the assistant will be the first-call contact to outside audiences.

The Project Development Specialist of Readiness Support 1 helped much in delivering training and communicating the GCF modalities. Now that the CP has been finalized, the objective of this Readiness Support 2 project is to move effectively to implementation. More support is required to provide stakeholders with the capacity to develop concepts and justification for their priorities. The project specialist will accompany the development of concepts in this critical phase, whether through the fielding of a full time Project Development Specialist (preferred option) or, if unavailable, through the fielding of consultants skilled in project development.

International specialized consultancies will be required to a) support newly accredited entity or designated entities to lift the conditions or gaps (eg. In SER policies or gender mainstreaming). Here, the experience of SPC will be tapped into. But additional short term consultancies will be required, in particular for private entities.



FSM, across its federated nature and 4 states, multiplies the challenges of GCF engagement. The first Readiness Support project enabled FSM to 'get ready to get ready' (FSM NDA office at GCF dialogue in Pohnpei, August 2018). Yet, with few staff and support, it was able to get a solid process underway, a CP finalized and good initial elements for country-owned processes and project ideas. The challenge now is to get it implemented. A push is necessary and would require additional staff support to bring the stakeholders up to speed and develop concepts and processes in line with the GCF requirements, aiming for FSM to get its first GCF project in the near future and a solid pipeline by the end of the Readiness Support 2.

Project Management Cost by the Delivery Partner:

Under cost item including in the project budget, the delivery partner will make available a part time Finance officer to oversee all finance issues of the project. This includes:

- Liaising with the Project Team on implementation of activities, budget and record of expenses
- Reconciling expenses against budget for each activity
- Preparing procurement and tender process (liaising with Procurement experts at SPC Headquarters)
- Preparing financial statements
- Paying consultants and contractors
- Preparing and overseeing financial audits
- Providing the SPC CCES Director with information on delivery rate, and financial issues

The SPC Finance Officer will liaise closely with the project Admin & Finance officer for above operations as well as with the Team Leader.

As part of its Delivery Partner responsibility, SPC will also provide:

- Oversight and support from the SPC CCES Director and support from CCES Project Officer for day to day operations
- Support from OMD, including: Finance, Procurement, Travel, Senior leadership

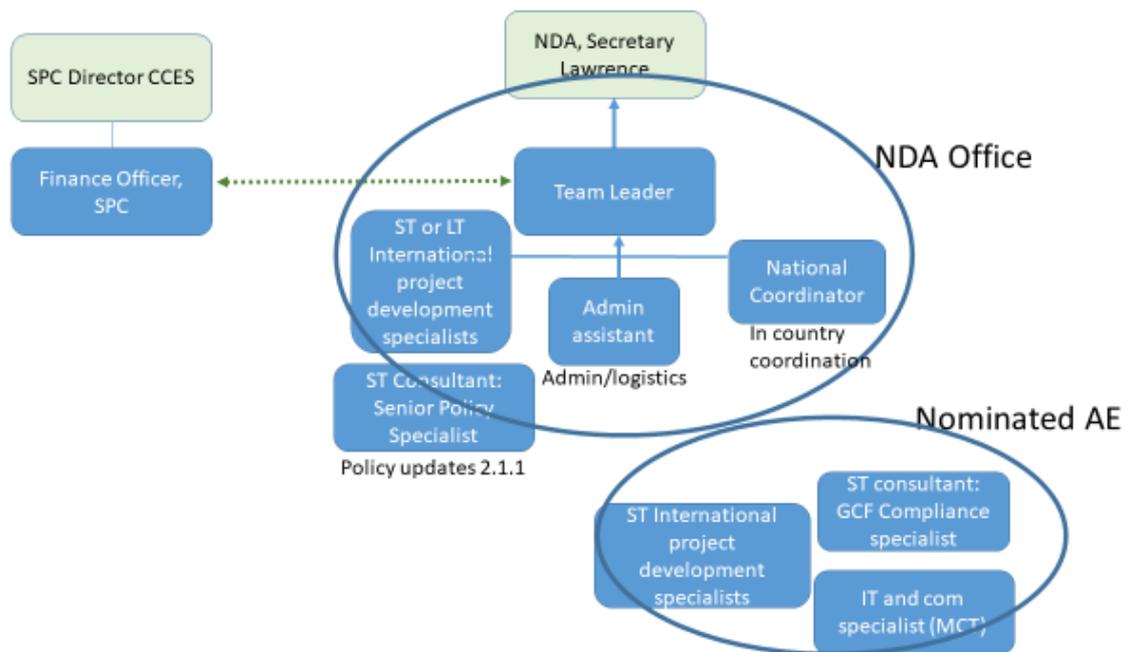
SECTION 5: IMPLEMENTATION ARRANGEMENTS AND OTHER INFORMATION

5.1. Please attach an “implementation map” or describe how funds will be managed by the NDA/FP or delivery partner

If the entity implementing the readiness support is not an accredited entity of the GCF, please complete the Financial Management Capacity Assessment (FMCA) questionnaire and submit it with this proposal.

While SPC will take responsibility for fiduciary management of the readiness funding, procurement of goods and services and overall accountability for reporting to the GCF, the NDA will lead the implementation process of this programme in collaboration with SPC and other relevant stakeholders. SPC will identify and hire the consultants, staff or consulting firms to deliver the activities, in accordance with the Procurement Plan and a detailed Implementation Plan, both of which will be further elaborated in the Inception Report.

FMCA of SPC has already been forwarded to the GCF and can be sent again, upon request.



5.2. Other relevant information

This box provides an opportunity to include any important information you wish to bring to the attention of the GCF Secretariat, but did not have an opportunity to provide in the sections above.

START DATE:

After the approval of the Grant, a notification letter will be sent by the GCF to NDA with copy to the Delivery Partner. The date of such notification by the GCF will be treated as the start date for project implementation. From that date, the end date of implementation will be calculated considering the total duration of the project as presented in the approved proposal.

RISK MATRIX

<i>Risk</i>	<i>Likelihood of Occurrence</i>	<i>Mitigation Measure</i>
FSM stakeholders have insufficient knowledge and capacity to identify concepts and develop these into potential GCF concepts	Medium	The project provides for increased staff support and budgetary support to deliver training, workshops and technical assistance at the States level (compared to Readiness 1). The project will develop and provide communication materials to inform stakeholders of the procedures and process
Project ideas are insufficiently prioritized and efforts are dispersed across a range of ideas	Medium	The capacity of the FSM Climate Change & Sustainable Development Council will be strengthened so that it can effectively play its role to prioritize project concepts. The national coordinator will ensure that consultations are taking place at National and States level to focus on States/country-owned priorities. A solid M&E system will be in place to monitor project development
Inability to identify competent Project Development Specialist and consultants	Medium	GCF roster of experts and SPC outreach would help in identifying suitable consultants
Proposed AE (eg. MCT) not enabled by GCF	Low	Support from the project is designed to help lift the conditions associated with MCT accreditation. The project will provide support to nominated entities to put in place a full set of policies and procedures to meet the GCF requirements.
Political and institutional instability at Country or state level	Low	Strong ownership of the Readiness project and GCF engagement at all levels of the country will be strengthened through the project. GCF Regional Dialogue hosted in Pohnpei in August 2018 already helped mobilizing FSM Leadership further.

5.1 Budget Plan

Please add rows for Outcomes, Outputs and Cost Categories as required. Additional budget categories may be added by manually typing them on the Budget Category sheet.

Outcomes	Budget Categories <small>choose from the drop-down list</small>	Detailed Budget (in US\$)					Total Budget <small>(per budget category)</small>	Total Budget <small>(per sub-outcome)</small>	Total Budget <small>(per outcome)</small>	Disbursement Plan					
		Unit	# of Unit	Unit Cost	6m	12m				18m	24m	30m	36m		
1. Readiness capacity strengthened	1.1 Strengthening capacity of NDA & Institutions	Consultant 1 - Individual - Local (2 years)	W/Day	528	145.00	76,560.00	235,520.00	235,520.00	19,140.00	19,140.00	19,140.00	19,140.00			
	Consultant 2 - Individual - Local (2years)	W/Day	528	115.00	60,720.00	15,180.00			15,180.00	15,180.00	15,180.00				
	IT Equipment	Laptop/tel/p	4	1,500.00	6,000.00	6,000.00									
	Office Supplies	lumpsum	2	2,000.00	4,000.00	1,000.00			1,000.00	1,000.00	1,000.00				
	Travel – Local	Trip	12	1,500.00	18,000.00	4,500.00			4,500.00	4,500.00	4,500.00				
	Travel - International	Trip	4	7,000.00	28,000.00	7,000.00			7,000.00	7,000.00	7,000.00				
2. Strategic frameworks for engagement with the Fund enhanced	2.1 Implementing Country Programmes and Strategic Frameworks	Consultant 3 - Individual - Local	W/Day	528	80	42,240.00	131,500.00	131,500.00	10,560.00	10,560.00	10,560.00	10,560.00			
		Consultant 4 - Individual - Local	W/Day	40	300.00	12,000.00			3,000.00	3,000.00	3,000.00	3,000.00			
		Travel – Local	Trip	3	1,500.00	4,500.00				4,500.00					
		Workshop/Training	workshop	8	10,000.00	80,000.00				40,000.00	40,000.00				
		Workshop/Training	workshop	1	15,000.00	15,000.00				15,000.00					
3. Pipeline projects developed	3.1 Developing pipeline programme and project proposals	Workshop/Training	workshop	1	20,000.00	20,000.00		20,000.00							
		Consultant - Individual - International #1	W/Day	170	600.00	102,000.00	210,000.00	210,000.00	6,000.00	24,000.00	36,000.00	36,000.00			
		Travel - International	Trip	4	7,000.00	28,000.00				7,000.00	14,000.00	7,000.00			
Workshop/Training	workshop	8	10,000.00	80,000.00		20,000.00			40,000.00	20,000.00					
4. Operationalisation of proposed Accredited Entities	4.1 Enhancing capacity of direct entities and nominated Accredited Entities	Consultant 5 - Individual - Local	W/Day	528	115.00	60,720.00	235,720.00	235,720.00	15,180.00	15,180.00	15,180.00	15,180.00			
		IT Equipment	Laptop/tel/p	4	1,500.00	6,000.00			6,000.00						
		Office Supplies	lumpsum	1	5,000.00	5,000.00									
		Travel - International	Trip	8	7,000.00	56,000.00									
		Consultant - Individual - International #2	W/Day	80	600.00	48,000.00				16,000.00	16,000.00	16,000.00			
		Consultant - Individual - International #3	W/Day	100	600.00	60,000.00				12,000.00	18,000.00	6,000.00			
5. Information sharing, experience exchange and learning	5.1 Developing and disseminating public information and awareness materials	Audio Visual & Printing	com materi	4	5,000.00	20,000.00	26,000.00	26,000.00	5,000.00	5,000.00	5,000.00	5,000.00			
		Office Supplies	tel, internet	4	1,500.00	6,000.00			1,500.00	1,500.00	1,500.00	1,500.00			
Total Outcome Budget									838,740.00	128,060.00	246,560.00	234,060.00	145,060.00	-	-
Project Management Cost (PMC) <small>Up to 7.5% of Total Activity Budget</small>		Consultant - Individual - International - # 4	Month	24	1,700.00	40,800.00	50,800.00	Percentage of PMC requested: 6.1%							
		Audit Fee	Lumpsum	2	2,500.00	5,000.00									
		Travel - International	Trip	1	5,000.00	5,000.00									

FOR GREEN CLIMATE FUND SECRETARIAT'S USE ONLY

Breakdown (per budget category)	Total (per budget category)
Audio Visual & Printing	20,000.00
Audit Fee	5,000.00
Consultant - Individual - International	210,000.00
Consultant - Individual - Local	293,040.00
Professional Services – Companies/Firm	-
IT Equipment	12,000.00
Office Supplies	15,000.00
Travel - International	117,000.00
Travel – Local	22,500.00
Workshop/Training	195,000.00
0	-
0	-
0	-
0	-
0	-
Total Outcome Budget + PMC	889,540.00

FOR GREEN CLIMATE FUND SECRETARIAT'S USE ONLY

Total Outcome Budget		838,740.00
Project Management Cost (PMC)	6.1% requested	50,800.00
Contingency	3% requested	25,162.20
<hr/>		
Sub-Total (Total Outcome Budget + Contingency + PMC)		914,702.20
Delivery Partner Fee (DP) - Up to 8.5% of the Sub-Total		77,749.69
<hr/>		
Total Project Budget (Total Activity Budget + Contingency + PMC + DP)		\$ 992,452.00

Budget Note	Detailed Description	position
OUTCOME COSTS		
Consultant 1 - Individual - Local (2 years)	One national consultant (climate change specialist) for 24 months at USD145 per day for activities 1.1.1; 2.1.1; 2.1.2; 2.1.3	team leader
Consultant 2 - Individual - Local (2 years)	One national consultant (stakeholder engagement and M&E specialist) for 24 months at USD115 per day for activities 1.1.2; 2.1.2	national coordinator
Consultant 3 - Individual - Local (2 years)	One national consultant (Program Support Staff) for 24 months at USD80 per day for activities 1.1.2; 2.1.2. The consultant will support the NDA office in planning and implementation of workshops, trainings, event and missions etc	program support staff
Consultant 4 - Individual - Local (40 days)	Senior national consultants (sectoral policy updates - energy, transport, etc.) for 40 days at USD300 per day for activities 2.1.1	senior policy specialists
Consultant - Individual - International #1	International consultants/specialists for project/proposal development for a total of 170 days at USD600 daily fee. It should be noted that the NDA Office would prefer to recruit a full time project development specialist. This option will be pursued as well. The total budget against that budget line will thus be used either for a project development specialist or for a series of project development consultants. 4 international travels (including per diem) have been budgeted to accompany this budget item.	international project development specialists
Consultant 5 - Individual - Local (2 years)	One national consultant (IT and communication specialist) for 24 months at USD115 per day for activity 4.1.1 (support to MCT)	IT and communication specialist
Consultant - Individual - International #2	International consultants/specialists for project/proposal development for a total of an estimated 80 days at USD600 daily fee (for 1) food and water security project and 2) EDA proposal). 4 international travels (including per diem) have been budgeted to accompany this budget time.	international project development specialists
Consultant - Individual - International #3	International consultants/specialists for GCF compliance to serve for an estimated 100 days to ensure compliance of FSM nominated entities with GCF requirements. These could be individual consultants or a consultancy firm able to provide the range of support services required at the appropriate time. Alternatively, SPC experts in gender mainstreaming and SER may be made available, as per SPC's experience going through the GCF Accreditation Process. Their time will be charged on the basis of time sheet. 4 international travels (including per diem) have been budgeted to accompany this budget time.	GCF compliance specialists
IT equipment	8 units at an average of USD1500 which include the provision of 4 units for NDA Office - 3 laptops, telephones/software and 1 printer (considered as 1 unit) for the NDA/project office (consultants #1, #2 and #3 in 1.1.1.); 4 units for MCT - 1 laptop for MCT consultant #5 and 1 printer (4.1.2.); and 2 units for additional hardware and software for MCT.	
Office supplies	Office Supplies is provided for 1) against activity 1.1 for provision of a lumpsum for office supplies/consumables (cartridges, paper, etc.) at USD 4000 for the 2 years for the NDA office, 2) against activity 4.1 similarly as a lumpsum for office supplies/consumables for a total of USD5000 for the Entities office (MCT in particular) and 3) against activity 5.1 (communication at NDA office) to cover such things as: visibility supplies (pens, booknotes, etc. for workshops), telephone and internet charges for a total of USD6000 for the whole duration of the project.	
	Office supplies against 5.1 account for internet website development and update, as well as purchase of 'goodies' for communication	
Travel for project team	estimated travel for the project team both in country (in between the 4 states) and international: local trip 6 trips to the States per year at USD 1500; 2 international trip per year at USD7000 against 1.1.1. Additional in country travel may be included in the workshop/training budgets, as required.	
Travel for international consultants	4 international trips/visits budgeted for international consultant #1; 8 international trips/visits budgeted for international consultant #2 and #3	
Audio visuals and printing	The lumpsum amount (to be reconciled against actual costs) accounts for publication and printing of brochures and documents, preparation of audio-visual aid to capacity building. This has been estimated at 4 products for USD4000 each (number of publication, including number of languages, to be determined).	
workshops/training	a total of 16 training/workshops have been accounted for against deliverable 2.1.2.4 - strengthening capacity of state actors to engage with the GCF and with the NDA (8 workshops in total) and against 3.1.1.3. training and consultative workshops delivered in the 4 states (8 in total over the time of the Readiness project) to assist stakeholders in developing GCF concepts. Each workshop is computed at an estimated 10,000 USD, broken down as follows: Catering for 2 days: 1500 USD; Renting of facility (and audio equipment/technician): 1500 USD; Interstate travel (for visiting international consultants - project team or resource persons): 3500 USD; Travel and per diem for out of main island participants: : 2500 USD; Bus and/or taxi fare/local transport: 1000 USD	
	2 workshops will be held against 2.1: 1) to raise awareness and capacity of Council members (deliverable:2.1.2.3) for about 25 participants and 2) workshop to discuss the revised draft NDC and validate options and targets (deliverable 2.1.3.2) with tentatively 30 participants	
PROJECT MANAGEMENT COST		
Consultant - individual - International #4 part time	International consultant as a Finance Specialist at SPC Delivery Partner office to oversee the whole financial management of the project, conduct of audit, provision of regular financial statements to inform the Team Leader and SPC Director, financial reports to the GCF. Work effort at 25% of tentative full cost of 70400 Euro per year or USD 80,206 (corresponds to USD6683 per month). 25% of the monthly amount makes for USD1700 per month.The Finance Specialist is at band 8.	Project Finance Specialist, SPC Pohnpei
Audit Fee	Yearly audit fee estimated at USD2500 based on actual costs under Readiness Support 1.	
Travel	1 international travel for SPC Director Climate Change and Environmental Sustainability division (CCES) to visit the project (monitoring visit) during the duration of the project. The visit is deemed necessary for enhancing the smooth running of the project. Upon experience from the previous Readiness 1 project, a monitoring visit would prove extremely useful for enhancing smooth running of the project and having good time to plan ahead and strategize, though of course regular monitoring is carried out by skype/electronic communication. It should be noted that the time of the Director CCES for overall oversight and engagement with the GCF for this project is covered by SPC.	

5.2 Procurement Plan

For goods, services, and consultancies to be procured, please list the items, descriptions in relation to the activities in Section 3, estimated cost, procurement method, relevant threshold, and the estimated dates. Please include the procurement plan for at least the first tranche of disbursement requested below and provide a full procurement plan for the entire duration of the implementation period if available at this stage.

Item	Item Description	Estimated Cost (US\$)	Procurement Method	Thresholds (Min-Max monetary value for which indicated procurement method must be used)	Estimated Start Date	Projected Contracting Date
Goods and Non-Consulting Services						
Office Equipment for NDA office (act. 1.1.1.)	3 laptops, 1 printer, misc office equipment/furniture (total of 4 units)	6,000.00	Shopping as per SPC policies	EURO 0 - EURO 2,000 (one quote required)	1-Apr-2019	1st quarter
Office and IT Equipment for MCT (act. 4.1.2)	3 laptops, 1 printer, misc office equipment/furniture + 2 units of additional hardware and software (total of 4 units)	6,000.00	Shopping as per SPC policies	EURO 0 - EURO 2,000 (one quote required)	1-Apr-2019	1st quarter
Sub-Total (US\$)		\$ 12,000.00				
Consultancy Services						
International Consultants #1 (act. 3.1)	Climate Change project development specialist or specialists to develop concepts and proposals as per GCF format	102,000.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	2nd quarter
International Consultants #2 (act. 4.1.3)	Climate Change project development specialist or specialists to develop concepts and proposals as per GCF format for MCT (in particular for a SAP Food & water security, and for EDA) for an estimated 80 working days	48,000.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	2nd quarter
International Consultant #3 (act. 4.1.4)	International consultants/specialists or a consultancy firm skilled in GCF requirements to serve for an estimated 100 working days to ensure compliance of FSM nominated entities with GCF requirements. Alternatively SPC gender and SER experts may be made available on basis of time sheet.	60,000.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	1st or 2nd quarter
Consultant 1 - Individual - Local (2 years)	Team leader (climate change specialist for 24 months for activities 1.1.1; 2.1.1; 2.1.2; 2.1.3)	76,560.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	1st quarter
Consultant 2 - Individual - Local (2 years)	Stakeholder engagement and M&E specialist for 24 months for activities 1.1.2; 2.1.2	60,720.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	1st quarter
Consultant 3 - Individual - Local (2 years)	Program support staff for 24 months for activities 1.1.2; 2.1.2	42,240.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	1st quarter
Consultant 4 - Individual - Local (40 days)	Senior national consultants (sectoral policy updates - energy, transport, etc.) for 40 days at USD300 per day for activities 2.1.1	12,000.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	2nd quarter
Consultant 5 - Individual - Local (2 years)	One IT and communication specialist at MCT for 24 months for activity 4.1.1	60,720.00	Open tender as per SPC policies	EURO 2,000 - EURO 200,000	1-Apr-2019	2nd quarter
Sub-Total (US\$)		\$ 462,240.00				