GREEN CLIMATE FUND

Readiness and Preparatory Support

Direct Access Proposal Template

DAE Support Window

Proposal title

Advancing DBN's Climate Finance Readiness and Institutional Capacity for Scalable Green Financing (36500)

Direct Access Entity

Development Bank of Nigeria Plc

* The full proposal, including the financial proposal and annexes, is available on the GCF Partner Platform.

Version Update: 15 Sep 2025 | Initial: 22 Sep 2024
Aligned with the Revised Readiness Results Management Framework

How to complete this template?

This proposal template is designed for Direct Access by Direct Access Entities (DAEs) for the DAE Support Window.

To assist with completing this proposal template, the GCF provides the following guiding documents available on the GCF website:

- **Guide for Direct Access Entities to Access Readiness Support**
- **Guide for Direct Access Entities on Strategic Planning of Readiness Support**

If the DAE opts for the Direct Access option under the DAE window[1], there is no need to complete the FMCA questionnaire, as accreditation already verifies the entity's financial capacity.

While this template allows DAEs to prepare the direct access proposal offline, please note that all information must be entered and officially submitted through the online submission platform in the **GCF Partner Portal**.

How to get support to complete this template?

If you are not sure how to complete the proposal, or require support, please send an email to the relevant GCF regional team. Please refer to the GCF website to identify the relevant GCF regional team.

[1] Within the DAE window, funding is provided to assist accredited DAEs as well as candidate DAEs in the advanced stages of the accreditation process. For candidate DAEs, this refers to the stage of resolving outstanding accreditation conditions subsequent to the Board's approval of accreditation.

Proposal Details

Title of the Direct Access Proposal

Advancing DBN’s Climate Finance Readiness and Institutional Capacity for Scalable Green Financing

Total Approved Amount (in USD)

$349,316

Implementation Period (in months)

30 months

Country Information

☐ Single DAE

☐ Multi-DAE

Lead DAE

Development Bank of Nigeria Plc

Contact person

Jeremiah Dan-Okayi

Position

Head, Strategy & Policy

Email

jdan-okayi@devbankng.com

Additional email addresses that need to be copied in correspondences

strategy@devbankng.com

Type of Access

● Direct Access by DAE

Participating DAE Information

If the proposal involves multiple DAEs (multi-DAE)– please list each one below, adding as many rows as necessary. The entry listed above serves as the lead for the multi-DAE proposal.

Participating DAE	Name of contact person	Contact person's position	Contact person's email	Budget

1. Summary of the proposal

The Development Bank of Nigeria (DBN) seeks to strengthen its institutional capacity and operational readiness to access, deploy, and manage climate finance under the Green Climate Fund (GCF). This proposal presents the pathway through which DBN's proposed readiness activities will address institutional and technical barriers, strengthen internal systems, enhance pipeline development capabilities, and foster national and regional collaboration in climate programming.
DBN currently faces six critical barriers: *the absence of a centralized Climate Finance Unit*; *insufficient internal capacity for climate finance programming*; *limited ability to align systems and policies with evolving GCF standards*; *weak integration of climate risk in investment decision-making*; *lack of tools for greenhouse gas (GHG) emissions estimation*; and *limited exposure to peer learning and best practices*. These barriers inhibit DBN's ability to develop, manage, and report on GCF-aligned climate investment projects.

To address these, DBN will implement a coherent set of readiness activities. These include conducting an institutional diagnostic, revising key governance policies (ESRMF, Gender Policy, AML/CFT), developing and adopting a Climate Strategy and Resource Mobilization Framework, integrating climate risk into appraisal processes, and institutionalizing a dedicated Climate Finance Unit. Targeted training will be delivered on GCF programming cycles, concept note (CN) and funding proposal (FP) development, safeguards, and theory of change (ToC). At least two CNs will be developed and submitted to GCF. In parallel, a GHG Accounting Tool will be designed and piloted, supported by enhanced digital systems for project tracking and reporting.
The readiness support will also facilitate the recruitment of short-term technical experts and deliver knowledge products to support institutional learning. Peer exchange visits to leading Direct Access Entities (DAEs) such as the Development Bank of Jamaica (DBJ) will expose DBN to tested operational models and climate project structuring practices.

These outputs will lead to three core outcomes: DBN meets and maintains GCF accreditation standards; develops a robust, paradigm-shifting pipeline of climate investments aligned with national priorities; and engages in South-South learning to expand access to tested implementation strategies.
These outcomes will contribute directly to GCF's readiness objectives: (1) capacity-building for climate finance coordination and enabling environment; (2) paradigm-shifting pipeline development; and (3) knowledge-sharing to foster regional cooperation. The long-term impact is a climate-resilient, institutionally capable DBN that catalyses green investments and contributes meaningfully to Nigeria's low-carbon development.

2. DAE Context

Guidance

This section provides an overview o– the DAE context, including institutional capacity and accreditation status, priority areas for funding by the GCF and programming capacity. It also highlights the DAE's key challenges, pipeline as well as readiness needs and stakeholder engagement.

2.1 Institutional Context and Accreditation Track
Project/programme size ● Medium **Environmental & social risk category** ● Category B **Financing modalities** ● On-lending and/or blending (Loans)
DBN is accredited for Medium Project Size and E&S Category B Intermediation 2 with Fiduciary standards - Basic: Project management; On-lending/blending: Loans
Accreditation stage ● Negotiation Finalized

Accreditation was obtained 17th of July 2024; AMA execution at COP29 - 21st Nov 2024; AMA effectiveness: Pending.

2.2 Entity Climate Priorities and Programming Capacity

DBN's Revised Green Finance Strategy is hinged on the Accelerated Growth Plan 2024 – 2028 of the bank aimed at pushing the growth of the institution to accelerate the degree to which it catalyses MSME lending in the Nigerian market.
Priority sectors to focus on will include national priorities as defined in the Energy Transition Plan and Revised Nationally Determined Contributions (NDC) towards support the achievement of net zero by year 2060.
The revised strategy will expand the scope of the market reach of DBN’s green credit line to include such as green building, sustainable agriculture, transport, industry, circular economy, ICT, health, education, and water.
Key strategic priorities for DBN include

1. **Access to Green Finance**:
• Grow the numbers as regards the total percent of the lending portfolio from 10% to 20%.
• Increase the number of beneficiaries with access to green finance by 300%
• Raise further lines of credit from potential $150 million to $1 billion
2. Lending Reach and Scale:
• Diversify the sectors and focus from renewable energy to others like green building, sustainable agriculture, clean energy including gas and derivatives, transport, industry, water, waste, health, education, ICT, etc
• Create a pool of funding opportunities through engagement at national and sub national levels taking advantage of the Electricity Act 2023
3. Capacity Building:
• Drive institutional capacity for climate programming
• Collaborate with tertiary institutions on innovation and incubation
• Create faculties and chairs with leading business schools to showcase best practices and case studies from DBN green finance portfolio
4 Market Development:
• Increase advocacy with relevant stakeholders for an enhanced and conducive business environment for green finance in Nigeria
• Advocate and lobby for regulations that creates incentives for green economy including carbo tax, waivers, pioneer status, rebates, etc
• Participate actively in the carbon market in the continent
5 Partnership and Alliances:
• Build new alliances and court new partners for an enhanced sector.

- Be the lead driver of the sector by allying with global names such as GEAPP, SEforALL, ETP, MDAs, etc
- Improve engagement to Tier 1 PFIs to access the large pool of MSMEs within the financial sector

On Programming capacity, DBN remains nascent, requiring significant capacity development and institutional strengthening.

2.3 Past and Ongoing Readiness Grants (GCF and non-GCF) and PPF support

Please list past and current GCF readiness grants, and relevant capacity-building initiatives funded by other agencies and funds

GCF Readiness and PPF Activities

Title & Reference Number	Start and End Dates	Amount Approved	Status	Objectives	Key Outcomes & Results	Complementarity with the readiness proposal
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Other Capacity-Building Initiatives Funded or Commissioned by Parties Other Than GCF

Title	Start and End Dates	Status	Funding Agency	Main objectives	Complementarity with the readiness proposal
Livestock Productivity & Resilience Support Project (LPRES)	19 June 2024 - 31 Dec 2027	underImplementation	World Bank	Drive resilience in the livestock value chain	Incorporates climate rationale and capacity building for MSMEs and the PFIs
Gender Credit Line – TA Component	11 Dec 2024 - 31 Dec 2027	underImplementation	AFD	Strengthen gender lending and institutional strengthening	Inclusion for vulnerable group - gender and building resilience
Green Credit Line – TA Component	24 Nov 2024 - 31 Dec 2027	underImplementation	KfW	Mainstreaming green and climate financing in Nigeria	Incorporates climate rationale and capacity building for MSMEs and the PFIs
IKI Small Grant	1 Sept 2025 - 31 Dec 2028	underImplementation	Int'l Climate Initiative & GIZ	Mainstreaming green and climate financing in Nigeria	Capacity building and incubation of MSMEs in Green & Climate Space
Prince Talal Prize for Human Development	31 Dec 2024 - 31 Dec 2028	underImplementation	Arab Gulf Program for Development (AGFUND)	Strengthening the capacity of MSMEs in Nigeria	Capacity building & incubation of climate resilient MSMEs
Water, Sanitation & Hygiene Fund	31 Dec 2024 - 31 Dec 2028	underImplementation	United Nations Sanitation & Hygiene Fund	Mainstreaming Sanitation & Hygiene in Nigeria	Capacity building & institutional strengthening for DBN, PFIs & MSMEs

2.4 Past and Ongoing Funded Activity Implementation and Project Pipeline

Please briefly describe GCF-funded proposals/projects or programmes that the DAE has implemented, is currently implementing, and is in the process of conceptualising and preparing

GCF Funded Activities

Project Title	Status	Amount	Details	Complementarity with the readiness proposal
N/A	N/A	N/A	N/A	N/A

2.5 Challenges, Gaps, and Barriers

#	Barrier Title	Description
Barrier 1 (B1)	Absence of a Climate Finance Unit	DBN lacks a centralized structure to lead and coordinate climate finance programming.
Barrier 2 (B2)	Insufficient Internal Capacity for Climate Finance Programming	Staff have limited knowledge of GCF requirements, leading to overdependence on consultants.
Barrier 3 (B3)	Limited Capacity to Keep Pace with Evolving Standards	Policies and procedures are not updated to reflect GCF standards (fiduciary, gender, ESS).
Barrier 4 (B4)	Limited Integration of Climate Risk in Investment Decision-Making	Climate risk is not systematically embedded in credit or investment appraisal frameworks.
Barrier 5 (B5)	Absence of GHG Emissions Estimation Tools	DBN lacks tools to measure or report climate mitigation impacts.
Barrier 6 (B6)	Limited Peer Learning Opportunities and Exposure to Best Practices	DBN has insufficient access to learnings from peer institutions and DAEs.

2.6 Stakeholder Engagement

The development of this readiness proposal was informed by a series of targeted consultations with the Development Bank of Nigeria's (DBN) Executive Management, Strategy Unit, ESG and Risk teams, and operational departments. These engagements were critical in identifying institutional and operational gaps that limit DBN's capacity to integrate climate risk into financial operations, mobilize blended climate finance, and effectively access and deploy Green Climate Fund (GCF) resources. Senior Management provided strategic direction on the proposal's design particularly the development of a Climate Strategy and Resource Mobilization Framework, the establishment of a Climate Finance and Innovation Unit, and the mainstreaming of ESG and gender-responsive safeguards in lending operations. The consultations also supported the articulation of DBN's priorities under Nigeria's NDCs and aligned the proposal with the Bank's broader sustainable finance agenda.

DBN has formally engaged with the National Designated Authority (NDA) The National Council on Climate Change through correspondence and bilateral discussions, to notify them of its intent to access the GCF readiness grant. The NDA provided valuable input into the structure of the proposal and has expressed support for DBN's role as a national Direct Access Entity (DAE) to deepen access to climate finance in Nigeria. This engagement reflects DBN's commitment to country ownership, transparency, and alignment with national climate strategies and frameworks.

During implementation, stakeholder engagement will be maintained as a cross-cutting and continuous activity to ensure effective delivery, learning, and alignment with national priorities. Some activities under this readiness, such as Activity 1.3.1.5 (consultative workshop with NDA, GCF Secretariat, and key stakeholders), Activity 2.2.1.2 (in-person workshops on the GCF programming cycle), and Activity 2.3.1.6 (development of a stakeholder engagement framework), are dedicated to establishing a structured stakeholder coordination mechanism. This will include periodic strategic roundtables involving DBN Senior Management, the NDA, private sector actors, financial institutions, development partners, and relevant government agencies.

2.7 Specific Readiness Needs

1. Need for a centralized structure to lead and coordinate climate finance programming.
2. Insufficient Internal Capacity for Climate Finance Programming leading to overdependence on consultants.
3. Limited capacity to keep pace with evolving GCF standards (fiduciary, gender, ESS)
4. Limited integration of Climate Risk in credit or investment appraisal frameworks
5. Lack of tools to measure or report climate mitigation impacts
6. Insufficient access to learnings from peer institutions and DAEs.

3. Statement of Objectives

Guidance

This section aims to clearly define the objectives and scope of readiness support being sought. It outlines: (1) the anticipated impact of readiness support to establish and advance DAEs' capacities to effectively programme, implement and report on GCF-funded activities, as well as broader climate finance, and (2) specific areas of readiness support required, addressing capacity gaps and aligning with the objectives and outcomes of the 2024-2027 readiness strategy.

3.1 Objectives of the Readiness Support

GCF Objective	Linked Outcomes	Linked Outputs
Objective 1 – Capacity-building for climate finance coordination and enabling environment	• Outcome 1.3 – DAEs have met/maintained GCF accreditation standards.	• Output 1.3.1 – Institutional gaps of DAEs addressed to meet accreditation requirements.
Objective 2 – Paradigm-shifting pipeline development and implementation	• Outcome 2.2 – High-quality CNs aligned with USP-2 results. • Outcome 2.3 – NDAs and DAEs have enhanced systems to oversee implementation	• Output 2.2.1 – Capacity enhanced for CN/FP development. • Output 2.3.1 – Systems and processes for implementation improved.
Objective 3 – Knowledge-sharing and learning	• Outcome 3.2 – Enhanced collaboration among developing countries.	• Output 3.2.1 – South-South partnerships and collaboration mechanisms established

Objective 1. Capacity-building for climate finance coordination and setting up the enabling environment for integrated climate investment

☐ 1.1. Developing countries, through NDAs or focal points, have enhanced capacity to fulfil their roles, responsibilities and policy requirements, including coordination mechanisms to engage relevant stakeholders to develop, advance, and implement NDCs, NAPs and LTSs.

- ☐ 1.2. Developing countries design and implement strategic frameworks (including NDC/NAP/LTS), policies and instruments, including climate investment plans, to create enabling environments for integrated climate investments.
- ☐ 1.3. Direct access applicants and accredited entities (DAEs) have met and maintained the accreditation standards of the GCF and strengthened their programming capacities, as evidenced by the development of GCF-funded activities.

Objective 2. Paradigm-shifting GCF pipeline development and implementation for adaptation and mitigation, based on country needs and guided by USP-2

- ☐ 2.1. Developing countries have developed or updated their country programmes to guide GCF investment.
- ☐ 2.2. Developing countries have developed high-quality concept notes linked to approved GCF proposals for adaptation and mitigation that are aligned with the USP-2 results, including through DAEs, that build on readiness support and country programmes.
- ☐ 2.3. NDAs and DAEs have enhanced processes and systems to effectively oversee the implementation, financial management, monitoring and reporting of climate programmes and projects.

Objective 3. Knowledge-sharing and learning to enhance national and regional cooperation on climate programming and financing

- ☐ 3.1. Developing countries, through NDAs or focal points, have made use of knowledge products to address policy gaps and integrated climate investment programming and implementation.
- ☐ 3.2. Enhanced collaboration among developing countries on climate change issues, evidenced by transboundary and regional cooperations/South-South cooperation.

3.2 Anticipated Impact on Direct Access Entity Climate Programming and Implementation Capacity

The expected impact includes revised institutional policies aligned with GCF standards; a functional Climate Finance Unit; a submitted GCF accreditation upgrade application; enhanced staff capacity to originate CNs; approved CNs aligned with Nigeria’s NDCs; institutionalized climate finance delivery manuals; piloted GHG tools; and regional knowledge products.

4. Approach, Methodology, and Implementation Activities

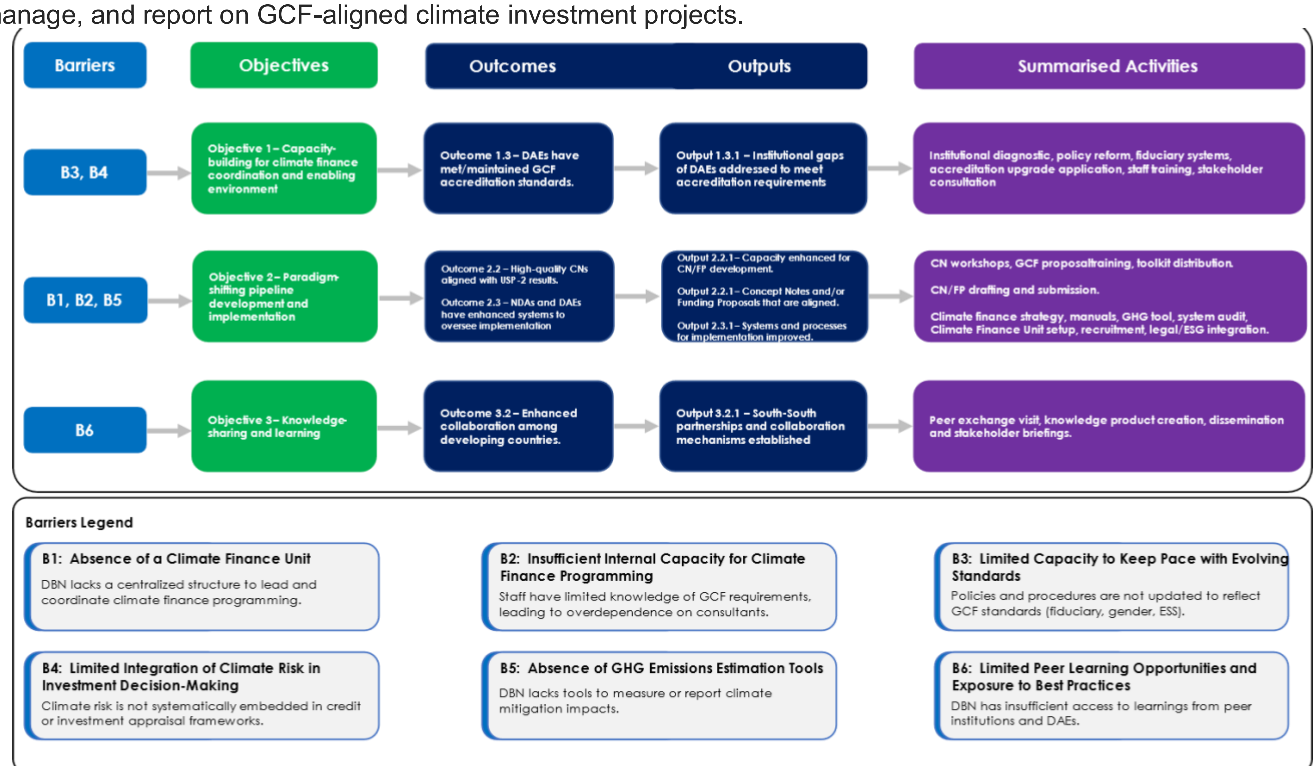
Guidance

Please describe technical approach, methodology, and implementation plan to address the country needs and gaps, through the Direct Access modality.

4.1 Theory of Change

The first step in articulating the programme's objectives as well as the logic behind the delivery of its intended results is the formulation of a TOC. Please provide a TOC which highlights key challenges being addressed, as well as the step-by-step pathways to achieving the expected results. Key steps to designing a TOC are outlined in the **RRMF Handbook**.

The Development Bank of Nigeria (DBN) seeks to strengthen its institutional capacity and operational readiness to access, deploy, and manage climate finance under the Green Climate Fund (GCF). This Theory of Change presents the pathway through which DBN's proposed readiness activities will address institutional and technical barriers, strengthen internal systems, enhance pipeline development capabilities, and foster national and regional collaboration in climate programming.
DBN currently faces six critical barriers: the absence of a centralized Climate Finance Unit; insufficient internal capacity for climate finance programming; limited ability to align systems and policies with evolving GCF standards; weak integration of climate risk in investment decision-making; lack of tools for greenhouse gas (GHG) emissions estimation; and limited exposure to peer learning and best practices. These barriers inhibit DBN's ability to develop, manage, and report on GCF-aligned climate investment projects.



4.2 Implementation Activities

Please list all proposed activities under their corresponding outputs. For each activity:

- Assign a unique identifier using the format aligned with the output (e.g., activities under Output 1.2.1 should be labelled as 1.2.1a, 1.2.1b, 1.2.1c, etc.).
- Ensure these activity labels match those referenced in the Financial Proposal to maintain consistency and traceability.
- Provide a clear and detailed description of each activity, specifying the exact actions that will be undertaken.

4.3 Stakeholder Engagement Strategy

The development of this readiness proposal was informed by a series of targeted consultations with the Development Bank of Nigeria's (DBN) Executive Management, Strategy Unit, ESG and Risk teams, and operational departments. These engagements were critical in identifying institutional and operational gaps that limit DBN's capacity to integrate climate risk into financial operations, mobilize blended climate finance, and effectively access and deploy Green Climate Fund (GCF) resources. Senior Management provided strategic direction on the proposal's design, particularly the development of a Climate Strategy and Resource Mobilisation Framework, the establishment of a Climate Finance Unit, and the mainstreaming of ESG and gender-responsive safeguards in lending operations. The consultations also supported the articulation of DBN's priorities under Nigeria's NDCs and aligned the proposal with the Bank's broader sustainable finance agenda.

DBN has formally engaged with the National Designated Authority, which is the National Council on Climate Change (NCCC), through correspondence and bilateral discussions to notify them of its intent to access the GCF readiness grant. The NDA provided valuable input into the structure of the proposal and has expressed support for DBN's role as a national Direct Access Entity (DAE) to deepen access to climate finance in Nigeria. This engagement reflects DBN's commitment to country ownership, transparency, and alignment with national climate strategies and frameworks.

During implementation, stakeholder engagement will be maintained as a cross-cutting and continuous activity to ensure effective delivery, learning, and alignment with national priorities. Some activities under this readiness, such as Activity 1.3.1.5 (consultative workshop with NDA, GCF Secretariat, and key stakeholders), Activity 2.2.1.2 (in-person workshops on the GCF programming cycle), and Activity 2.3.1.6 (development of a stakeholder engagement framework), are dedicated to establishing a structured stakeholder coordination mechanism. This will include periodic strategic roundtables involving DBN Senior Management, the NDA, private sector actors, financial institutions, development partners, and relevant government agencies.

Feedback and concerns from stakeholders will be formally captured through workshop evaluations, structured feedback forms, and bilateral follow-ups, and will be integrated into project reviews and adaptive management processes. This ensures that stakeholder inputs are not only heard but actively shape implementation. Furthermore, knowledge-sharing activities under Objective 3 will provide an avenue for two-way learning, enabling DBN and its partners to jointly address implementation challenges and refine solutions.

This approach is designed to foster ownership among all stakeholders, strengthen collaboration across sectors, and ensure that the readiness outcomes respond directly to national needs and institutional realities.,

4.4 Risk Assessment and Mitigation measures

Please describe potential risks and risk monitoring plan, as follows:

- Please list the key identified and potential risks as well as the mitigation measures proposed. The potential risks could include, for example, delays, disruptions, cost and market risks, inadequate coordination/participation, lack of political support, money-laundering/terrorist financing, and prohibited practices.
- Please indicate the probability of occurrence (low/medium/high) and impact level (low/medium/high) for each potential risk.
- If managed remotely, please describe the measures (mechanisms and controls) to be taken to identify, assess, monitor and mitigate any risk of money-laundering, terrorist financing or prohibited practices.
- Please describe the measures (mechanisms and controls) to be taken for activities within the proposal to identify, assess, monitor and mitigate any risk of money-laundering, terrorist financing, prohibited practices and other integrity matters.

Risk Category	Specific risk(s) / Risk(s) description	Probability of occurrence	Impact level	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
Operational	Delays in procurement or recruitment of consultants	Low	Medium	Begin procurement early; pre-identify TORs and shortlist service providers; follow DBN's expedited procurement policies	DBN Procurement Unit, Project Coordinator
Other	Low participation or coordination from stakeholders and ecosystem partners	Medium	High	Early stakeholder mapping and engagement; clear communication strategy; leverage DBN's networks to secure participation	DBN CFU, M&E Officer
Operational	Limited internal capacity to absorb and implement readiness outputs	Medium	Medium	Staff training; embed technical consultants in units; ensure senior management buy-in	DBN CFU, HR, Technical Consultants
Political	Lack of sustained government/NDA support or changes in national policy	Medium	High	Engage NDA throughout project lifecycle; formalize collaboration through MoUs and periodic briefings	DBN CFU, NDA
Financial	Exchange rate fluctuations impacting local cost estimates	Medium	Medium	Use conservative currency assumptions; maintain contingency buffer; and adjust workplan if needed	DBN Finance Unit
Financial	Risk of money laundering, terrorist financing, or misuse of funds	Low	High	Implement DBN AML/CFT and compliance policies; quarterly internal audits and spot	DBN Internal Audit, Compliance Unit
Reputational	Perception of bias in consultant selection or workshop participation	Low	Medium	Transparent, competitive recruitment and selection process; publicly share selection criteria	DBN Procurement & CFU

Other	Poor quality or insufficient documentation of deliverables and lessons	Medium	Medium	Clear deliverable templates; QA process for reports; assign M&E officer to ensure consistency	DBN M&E

5. Logical Framework (output)

Guidance

Please complete the logical framework in the separate document.

Objective: Capacity-building for climate-finance coordination and setting up the enabling environment for integrated climate investment.

Outcome: Direct access applicants and accredited entities (DAEs) have met and maintained the accreditation standards of the GCF and strengthened their programming capacities, as evidenced by the development of GCF-funded activities.

Output: Institutional gaps of direct access applicants and accredited entities (DAEs) are addressed to obtain and/or maintain accreditation.

Indicator: Number of direct access applicants and accredited entities (DAEs) with capacity, systems, policies and tools that are compliant with GCF accreditation requirements.

Please provide the number of entities benefitted from the country window or DAE window

Unit: No. of Entities

Accreditation Support	Baseline	Target
Post-Accreditation Support	0	1

Expected Deliverables

☒ Status report on capacity building of direct access applicants and accredited entities to meet GCF accreditation requirements.

Objective: Paradigm-shifting GCF pipeline development and implementation for adaptation and mitigation, based on country needs and guided by USP-2 programming targets.

Outcome: Developing countries have developed high-quality concept notes linked to approved GCF proposals for adaptation and mitigation that are aligned with the USP-2 results, including through DAEs, that build on readiness support and country programmes.

Output: NDA, DAEs and other climate stakeholders, have enhanced their capacity on Concept Note and/or Funding Proposal development for an inclusive integrated climate programming.

Indicator: Number of studies, assessments, and other actions undertaken to support the development of investment-grade Concept Notes and/or Funding Proposals.

Please provide the number of studies, assessments, and other actions to develop CN/FP

Unit: No. of Studies/assessments

Conducted to	Baseline	Target
Conducted for GCF	N/A	2

Output: Investment-grade Concept Notes and/or Funding Proposals that are fully aligned with the Country Programme and passed the GCF screening process.

Indicator: Number of Concept Notes and/or Funding Proposals developed that are fully aligned with the Country Programme.

Please provide the CN/FP developed
Unit: No. of Projects

Project Submission Type	Baseline	Target
Concept Note	N/A	2
Funding Proposal	0	2
Concept Note	0	1

Expected Deliverables

☒ Concept Note and studies, assessment, reports, etc. to support the development of investment-grade Concept Notes.

☒ Funding Proposal and studies, assessment, reports, etc. to support the development of investment-grade Funding Proposals.

Outcome: NDAs and DAEs have enhanced processes and systems to effectively oversee the implementation, financial management, monitoring and reporting of climate programmes and projects.

Output: NDA and DAEs have enhanced relevant capacity, processes and systems in place to oversee and implement climate programmes and projects.

Indicator: Number of NDA and DAEs reporting enhanced processes and systems, knowledge and skills that advance their programme/project implementation, financial management, monitoring and reporting, and compliance with GCF standards and policies.

Please provide the number of NDAs/DAEs advancing their programme/project of GCF Funded Activities
Unit: No. of Entities

Institution Roles	Baseline	Target
DAE	0	1

Expected Deliverables

☒ Status report on capacity building of NDA and DAEs in the Country/Region in project/ program design, implementation and oversight.

Objective: Knowledge-sharing and learning to enhance national and regional cooperation on climate programming and financing.

Outcome: Enhanced collaboration among developing countries on climate change issues, evidenced by transboundary and regional cooperations/South-South cooperation.

Output: Regional or South-South partnerships, programmes, policies, MOUs and/or collaboration mechanisms established among developing countries, including through their DAEs.

Indicator: Number of regional or South-South partnerships, programmes, policies, MOUs and/or collaboration mechanisms established.

Please provide the number of regional, multi-regional, South-South partnerships established or strengthened
Unit: No. of Regional Partnerships

Effectiveness Status	Baseline	Target
Establish	0	1

Expected Deliverables

☒ Status report on the regional or South-South partnerships, programmes, policies, MOUs and/or collaboration mechanisms promoted by the Country or Region.

6. Implementation Arrangements

6.1.1 Partnering under Direct Access

Under the Direct Access modality, the Development Bank of Nigeria (DBN), as an accredited Direct Access Entity (DAE) to the Green Climate Fund (GCF), will be fully responsible for the implementation of this readiness programme. DBN will lead and coordinate all activities, supported by a range of specialised technical consultants and service providers contracted directly by the Bank to ensure the efficient delivery of the programme's objectives.

Roles and Responsibilities

Development Bank of Nigeria (DBN):

- Acts as the Delivery Partner and Implementing Entity responsible for the overall implementation, coordination, fiduciary oversight, reporting, and performance monitoring of the readiness grant.
- Manages the procurement and contracting of individual consultants and firms required to deliver technical inputs and capacity-building interventions.
- Provides strategic guidance, ensures alignment with DBN's climate strategy and the GCF Readiness objectives, and oversees delivery quality.

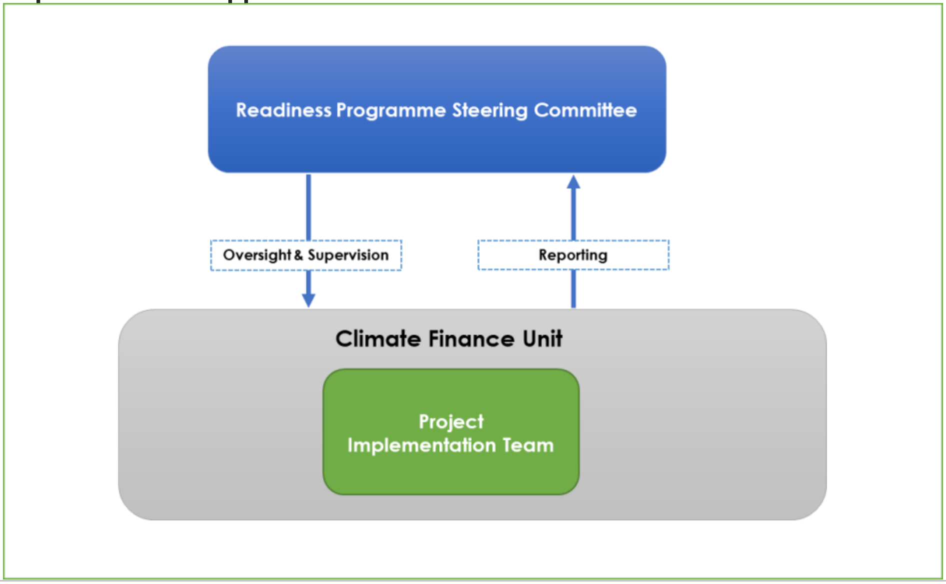
Technical Consultants/Service Providers:

- Will be competitively selected based on their expertise in GCF accreditation standards, fiduciary systems, climate finance programming, environmental and social safeguards, M&E, and knowledge management.
- Responsible for the execution of specific deliverables such as assessments, trainings, system designs, and preparation of pipeline concept notes under DBN's direct supervision.

GCF Secretariat:

- Will provide strategic and technical guidance throughout implementation, but will not be involved in selecting or contracting implementing partners or consultants.

Implementation Approach and Coordination



DBN will establish a **Project Implementation Team (PIT)** under its Climate Finance Unit to coordinate daily programme operations, including planning, procurement, oversight of deliverables, stakeholder engagement, and reporting. The PIT will include a Project Coordinator, M&E Officer, Procurement Officer, and Finance Specialist. A dedicated **Readiness Programme Steering Committee (RPSC)** will provide periodic oversight.

Project Steering Committee (RPSC):

Composed of representatives from DBN senior management, the Climate Finance Unit, relevant departments (Legal, Risk, Strategy), and the NDA.

Will meet quarterly to review implementation progress, approve key milestones and reports, and provide policy-level guidance.

Terms of Reference (ToR) will define its composition, quorum, decision-making procedures, and escalation mechanisms.

Coordination with the NDA:

Although DBN is the DAE, the NDA (National Council on Climate Change) will remain engaged and be consulted on strategic decisions, including review of final deliverables.

Regular updates will be shared with the NDA, and coordination will be maintained to ensure national alignment.

Reporting Mechanism to GCF

DBN will ensure the timely submission of the following reports to the GCF Secretariat in accordance with the TOR and GCF guidelines:

- Inception Report
- Annual Progress Reports
- Final Completion Report
- Quarterly Financial Reports
- Annual External Audit Reports
- Final Independent Evaluation Report

Each report will be based on verifiable evidence and aligned with the logical framework indicators and approved deliverables.

Third-Party Capacity Assessment

All external consultants and service providers will undergo due diligence and capacity assessment by DBN's Procurement and Risk Departments prior to engagement. While a formal FMCA (Financial Management Capacity Assessment) may not be required, DBN will apply equivalent internal screening tools to ensure all third-party providers meet technical and fiduciary standards.

Summary of Contractual Arrangements

- DBN will enter into Time-Bound Service Agreements or Framework Contracts with all third-party consultants and firms.
- Payments will be deliverable-based, with clear timelines and milestones in accordance with the approved budget and payment schedule.
- All contracting will follow DBN's procurement policies, consistent with GCF's fiduciary standards.

Presence and Implementation on the Ground

The Development Bank of Nigeria (DBN), as the Direct Access Entity (DAE) for this readiness proposal, is fully headquartered and operational in the beneficiary country, Nigeria. DBN maintains a central office in Abuja, which houses the Climate Finance Unit (CFU) that will be responsible for the coordination, supervision, and implementation of all readiness activities.

In-Country Implementation Arrangements

DBN will implement the readiness support activities entirely from within Nigeria. The Bank has the institutional infrastructure, technical expertise, and financial management systems to ensure effective execution of all programme components. The presence of DBN on the ground ensures contextual understanding, proximity to key stakeholders, and rapid decision-making.

A **dedicated Project Implementation Team (PIT)** will be embedded within the Climate Finance Unit to manage day-to-day delivery. The PIT will consist of:

- A Project Coordinator
- A Procurement and Finance Officer
- A Monitoring and Evaluation (M&E) Officer
- Technical advisors/consultants hired locally

This team will liaise closely with other DBN departments (Risk, Strategy, Internal Audit, etc.) to support the delivery of specific outputs and to integrate readiness activities into DBN's broader institutional systems and practices.

Oversight and Governance

To ensure high-level oversight and effective governance, a **Readiness Programme Steering Committee (RPSC)** will be established. This body will provide strategic direction and quality assurance. It will meet quarterly or as needed to review progress, approve key deliverables, and resolve implementation challenges.

The RPSC will include representatives from:

- DBN Executive Management
- The Climate Finance Unit
- Legal and Risk Departments
- The Nigerian NDA (National Council on Climate Change), as an observer and strategic partner

Field-Level Activities and Stakeholder Engagement

All workshops, trainings, stakeholder consultations, and pilot initiatives will be conducted within Nigeria. DBN's local presence allows for direct engagement with target stakeholders, including government institutions, financial intermediaries, private sector actors, and civil society organisations. DBN's regional reach and institutional partnerships across Nigeria will further support the organisations of participants and ensure effective delivery of on-the-ground activities.

6.1.2 Framework Agreements

Not Applicable

6.2 Organisation and Staffing

In this chapter, propose the structure and composition of your team. Consider including a visual depiction of the programme team through an organisational chart, depicting reporting responsibilities. List the main disciplines, key experts responsible, and technical and support staff, including their relevant past experience, using the form below.

Please also include any details on any other relevant group of stakeholders, such as steering committees, technical teams, tasks force, coordination mechanisms, PMC structure, etc.

For these groups, describe their composition, decision-making processes, operational procedures, terms of reference (if any) and how the DAE will manage or oversee these units to ensure fulfillment of its obligations.

Name of staff	Organization	Area of Expertise	Position Assigned	Task Assigned	Base Country During Assignment
Jeremiah Dan-Okayi	DBN	Head of Strategy & Policy	Project Lead	Overseeing the project implementation, workplans and budgets.	Nigeria
Ekene Ezeigwe	DBN	Manager, Project Implementation Unit	Project Manager	Supervising the project implementation. Approving quarterly workplans and budgets, reviewing progress reports.	Nigeria
Aiche, Karimu Kelly	DBN	Accounting and Finance	Project Finance Analyst	Manage Budget, finance records and report	Nigeria

Arome Michael Akagwu	DBN	Project Mangement Implementation	Project Officer	Support project implementation, workplans, budgets, and progress reports.	Nigeria

DBN will establish a **Project Implementation Team (PIT)** under its Climate Finance Unit to coordinate daily programme operations, including planning, procurement, oversight of deliverables, stakeholder engagement, and reporting. The PIT will include a Project Coordinator, M&E Officer, Procurement Officer, and Finance Specialist. A dedicated **Readiness Programme Steering Committee (RPSC)** will provide periodic oversight.
Project Steering Committee (RPSC):
Composed of representatives from DBN senior management, the Climate Finance Unit, relevant departments (Legal, Risk, Strategy), and the NDA.
Will meet quarterly to review implementation progress, approve key milestones and reports, and provide policy-level guidance.
Terms of Reference (ToR) will define its composition, quorum, decision-making procedures, and escalation mechanisms.

6.3 Fund flow arrangements

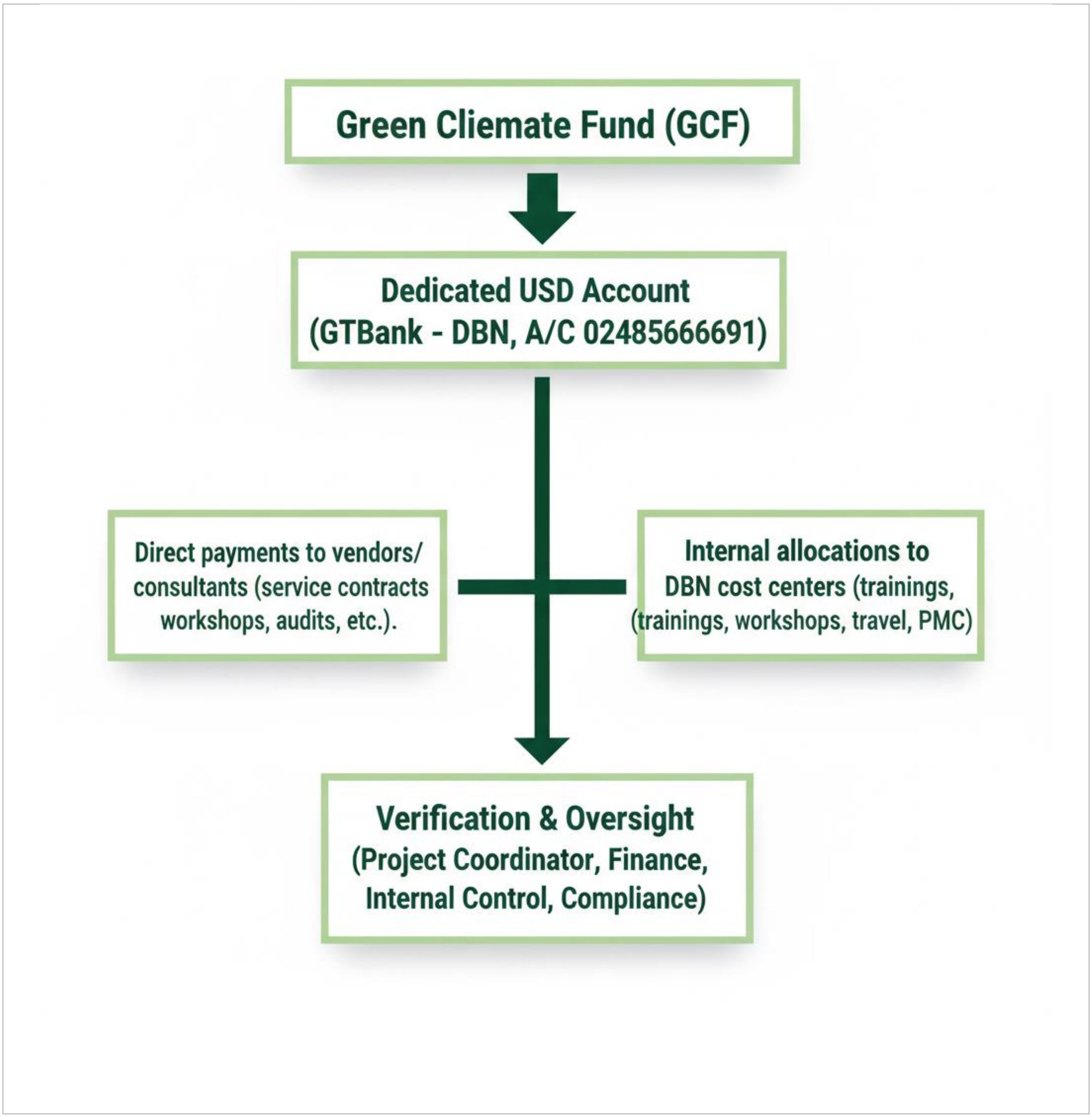
Fund Flow Arrangements

The funds for this Readiness project will follow a transparent and controlled flow mechanism in line with DBN's financial management and fiduciary systems, as well as the GCF's requirements for accredited entities.

- Dedicated USD Account
    - A dedicated USD-denominated account has been established at Guaranty Trust Bank (GTBank) in the name of the Development Bank of Nigeria Plc (DBN) for the exclusive purpose of receiving and managing GCF Readiness funds.
    - Account Details:
        - Account Name: Development Bank of Nigeria Plc
        - Bank: GTBank
        - Account Number: 0248566691
        - Currency: USD
- Fund Flow Process
    - Upon approval and signing of the Readiness Grant Agreement, the GCF Secretariat will transfer funds directly into the dedicated DBN USD account at GTBank.
    - From this account, DBN's Finance Department will process disbursements in line with approved workplans and deliverable-based payment schedules.
    - Disbursements will be made:
        - Directly to vendors/consultants/service providers through bank transfers upon satisfactory delivery and acceptance of outputs.
        - Internally to DBN cost centers (e.g., for workshops, travel, project management costs) through controlled internal transfer requests validated by the Project Coordinator and Finance Unit.

- Each transfer will be backed by signed payment requests, invoices, and verification of deliverables, and will undergo review by DBN's Internal Control and Compliance Units.

- Exchange Rate Risk Management
    - Since the account is USD-denominated, exchange rate risks are minimized. However, where local expenditures require conversion to Naira, DBN will:
        - Use conservative exchange rate assumptions during budgeting.
        - Retain a contingency buffer (2% of project cost) to mitigate volatility.
        - Reconcile USD/Naira conversions monthly and adjust expenditure forecasts accordingly.
    - No speculative foreign exchange transactions will be undertaken.
- Audit and Oversight
    - The fund flows will be audited annually by DBN's Internal Audit Department and independently at project completion.
    - Fund utilization reports will be submitted to the GCF Secretariat as part of project progress reporting.


Green Cliemate Fund (GCF)
Dedicated USD Account
(GTBank - DBN, A/C 02485666691)
Direct payments to vendors/
consultants (service contracts
workshops, audits, etc.).
Internal allocations to
DBN cost centers (trainings,
(trainings, workshops, travel, PMC)
Verification & Oversight
(Project Coordinator, Finance,
Internal Control, Compliance)

7. Monitoring, Evaluation and Reporting

Guidance

The RRMF has been revised to align with the objectives and outcomes outlined in the 2024-2027 readiness strategy, with the view to (1) simplify and streamline monitoring and reporting procedures; (ii) appropriately capture and reflect the systemic approach and strategic, programme-based methodology for planning and implementing readiness support; and (iii) establish a clear connection between readiness support and the enhanced programming capacities of developing countries and DAEs to effectively access and utilise climate finance.

Please note that there are as per the Revised RRMF, there are two levels of monitoring and reporting. The first is at the programme/project level, and the second is at the Country level. Outlined below are the monitoring and reporting requirements and responsible parties.

7.1 Programme Monitoring and Reporting (Output-Level)

Responsibility & Tasks:

- In the case of direct access, the DAE or a Framework Agreement (FWA) holder is responsible for monitoring the programme/project's implementation and preparing relevant reports that detail the progress of output-level results and deliverables as articulated in the programme/project logframe.

Financial Reporting:

- Regular financial reporting is the principal reporting mechanism under Readiness. Reports should provide an overview of funds received and expended and a comparison of planned versus actual expenditure with rationale for any variances. All financial reports must be presented in USD, in line with the approved programme budget. The detailed reporting requirements, including content and format, will be specified in the implementation-related templates.

Reporting Frequency:

- Annual progress reports, including financial reporting, are to be submitted to the GCF Secretariat by 31 March of each year, unless otherwise agreed to in the respective legal agreements. Upon project closure, a completion report must be submitted within three months of the completion of the activities

☒ By checking this box, I acknowledge awareness of reporting tasks, including frequency and content

7.2 Financial Audits

Responsibility:

- Independent, third-party auditor commissioned by [choose appropriate] the DAE or FWA holder in case of direct access, or by the delivery partner if chosen from the GCF pre-qualified pool through mini-tenders.

Task:

- Regular financial audits to ensure responsible and transparent fund management, preventing misuse or mismanagement and ensuring compliance with GCF and national requirements.

Reporting Frequency:

- Annual financial audit reports must be submitted to the GCF Secretariat by 31 March of each calendar year, unless an alternative frequency and deadline is agreed upon at the conclusion of the legal agreement. The completion financial audit report to be submitted to the GCF Secretariat within three months of completing the activities.

Please confirm which type of auditor will be selected and provide any details

○ Private sector auditor Auditor

<u>(If Public Auditor (such as Country Supreme Audit Institution (SAI) or other)):</u>

N/A
N/A

☒ By checking this box, I acknowledge awareness of financial audit responsibilities, including frequency

7.3 Mid-Term Review (if the programme is four years)

This will align with the Year 2 annual progress report; a separate mid-term report is not required. Instead, a specific section in the Year 2 annual progress report will focus on the assessment of the adequacy of the initial design of the four-year programmes, the evaluation of the progress made towards achieving project objectives, and the review of the effectiveness of the delivery partner (if selected from the GCF pre-qualified pool). It will also identify any challenges encountered. The findings from this review will be used to make necessary adjustments to the project implementation plan in Years 3-4.

☒ By checking this box, I acknowledge awareness of reporting tasks, including frequency and content

7.4 Final Evaluation

Responsibility:

- An independent evaluator will be commissioned by the DAE, or a FWA holder, in case of direct access

Task:

- Upon completion of the project implementation period, an independent evaluation will be conducted to assess the overall impact of the readiness activities. This evaluation will measure the contribution of these activities to the country's objectives and GCF outcomes, guided by the GCF Evaluation Policy and Standards. It will include an impact assessment and document lessons learned to inform future project planning and readiness support. If the country selects two programmes, the GCF Secretariat and the country may consult to explore the rationale and feasibility of conducting a single evaluation for both programmes.

Reporting Frequency:

- The final evaluation report will be submitted to the GCF Secretariat within three months of completing the Readiness activities.

☒ By checking this box, I acknowledge awareness of reporting tasks, including frequency and content

7.5 Sanctions and Restrictive Measures

No Sanctions

7.6 Grievance Redress Mechanisms
The project will follow the Development Bank of Nigeria's (DBN) grievance redress mechanisms and whistleblowing policy. In line with its whistleblowing framework, DBN guarantees protection to any whistleblower who makes disclosures in good faith. DBN's procedures allow staff, contractors, partners, and members of the public to make enquiries or express concerns related to its operations and financed activities without fear of retaliation. The process is managed by DBN's Compliance and Internal Audit functions to ensure impartial handling and accountability. External stakeholders, including individuals, civil society groups, or communities, can submit grievances or concerns directly through DBN's dedicated whistleblowing platform, available on its website at: https://www.devbankng.com/whistleblowing The platform is managed by an independent third-party service provider, ensuring confidentiality, anonymity (if preferred), and independence from DBN's internal IT systems. In addition, DBN maintains open channels for stakeholder engagement, including correspondence via official email, consultations, and periodic stakeholder roundtables, where concerns can also be raised and formally addressed. During the inception phase and throughout the implementation of this readiness project, all stakeholders, including DBN staff, consultants, contractors, and participating financial institutions, will be sensitized on the grievance redress mechanisms available. They will also be informed of the Green Climate Fund's Independent Redress Mechanism (IRM) as an alternative channel to escalate grievances directly to the GCF where concerns remain unresolved at the entity level.

8. Budget

8.1 Budget
The DAE (for the DAE Support Window) is required to prepare and submit the Budget for the proposal period. Please complete the Budget using the specified Excel template. As necessary, provide an accompanying narrative (text) explanation in this section of the proposal. If not necessary, please indicate “Refer to the Excel file”. The Budget must include a disbursement schedule linked to deliverables and aligned with the Implementation Plan. Use the Budget narrative to explain and justify the figures as needed. Download template
Budget plan (please complete in the separate document) While developing the budget, please consider the ineligible costs as per page 13 of the Initial Guide for Countries to Access Readiness Support

9. Other relevant information

9.1 Exit and Sustainability Strategy
1. Capacity Building and Institutionalization The proposed readiness support includes targeted training programmes aimed at strengthening institutional capabilities within the Development Bank of Nigeria (DBN) as a Direct Access Entity (DAE), along with key ecosystem partners. Training activities will focus on: • Accreditation and fiduciary standards • Project structuring and programming for GCF access • Climate rationale, gender, and environmental and social safeguards (ESS) • Monitoring, Evaluation, and Learning (MEL) These trainings will be designed using participatory approaches and aligned with DBN's internal learning needs. Where possible, the **"train-the-trainer" model** will be employed to institutionalize knowledge and skills transfer beyond the project duration. Training materials, toolkits, and guidance notes will be retained and updated by DBN's Climate Finance Unit for continued in-house use. To ensure institutionalization, the programme will produce and integrate key tools and deliverables such as: • Revised internal control mechanisms • Updated governance manuals, risk frameworks, SOPs, and reporting tools • GCF-compliant project templates and evaluation instruments • A functional GHG accounting tool and operational toolkit These outputs will be embedded into DBN's operational systems and linked with performance metrics for continuity. **2. Integration into National Systems** The readiness support is designed to strengthen and align DBN's internal policies with Nigeria's climate priorities, Nationally Determined Contributions (NDCs), and the GCF's fiduciary standards. Key frameworks to be revised include: • The Environmental and Social Risk Management Framework (ESRMF) • Gender Policy and Action Plan • AML/CFT policies • Climate Strategy and Resource Mobilization Framework These outputs will be developed through consultative processes involving the NDA, relevant ministries, private sector actors, and civil society, ensuring alignment with broader national systems and reinforcing DBN's leadership role in climate finance mobilisation within Nigeria. **3. Sustainability Mechanisms** The readiness programme introduces a **"knowledge retention and continuous learning system"** through the following: • A repository of knowledge products including policy briefs, case studies, and toolkits • Peer exchange visits and stakeholder workshops to build regional networks. • Onboarding and induction modules to be integrated into DBN's HR system for new staff These sustainability strategies are designed to reduce the dependency on external consultants and empower DBN's internal teams for long-term success.

9.2 Readiness Programme Closure

A structured transition and asset transfer process will be implemented to ensure sustainability post-readiness. This will include both **tangible assets** (e.g., software tools, equipment) and **intangible assets** (e.g., training curricula, knowledge products, systems).

Asset Transfer Plan Highlights:

- Documentation and Handover: All project-developed materials, tools, and deliverables will be documented and transferred to DBN's Climate Finance Unit.
- Ownership and Custodianship: DBN will formally assume ownership of all tools, templates, and systems, with oversight by its Internal Audit and IT departments.
- Technology Integration: Any digital systems or platforms developed (e.g., GCF-compliant reporting systems) will be hosted on DBN infrastructure, ensuring continuity.
- Final Handover Meeting: A closeout workshop will validate all deliverables and confirm institutional integration, with participation from the NDA, DBN leadership, and key stakeholders.

The closure strategy ensures that the Readiness investments are embedded within DBN's operational ecosystem, thereby contributing to sustained climate finance access and deployment beyond the grant period.