



**GREEN
CLIMATE
FUND**

Readiness and Preparatory Support

Direct Access Proposal Template

DAE Support Window

Proposal title

Strengthening FMCN's institutional capacities to advance climate action in Mexico.
(39330)

Direct Access Entity

Fondo Mexicano para la Conservación de la Naturaleza A.C.

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

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:

- [!\[\]\(4e333a6106fc298d0ae6dff272a736ef_img.jpg\) **Guide for Direct Access Entities to Access Readiness Support**](#)
- [!\[\]\(97089f8e07e24e31baa67366e358a709_img.jpg\) **Guide for Direct Access Entities on Strategic Planning of Readiness Support**](#)

If the DAE opts for the Direct Access option under the DAE window¹, 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

Strengthening FMCN's institutional capacities to advance climate action in Mexico.

Total Approved Amount (in USD)

\$900,000

Implementation Period (in months)

48 months

Country Information

☐ Single DAE

☐ Multi-DAE

Lead DAE

Fondo Mexicano para la Conservación de la Naturaleza A.C.

Contact person

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Position

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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

FMCN proposes a four-year implementation plan, preceded by a six-month inception phase to structure the launch of the Readiness. During this inception phase, FMCN will strengthen coordination with key stakeholders, design terms of reference for consultancies and service providers, and initiate operational activities of year 1. The Readiness is structured around three objectives: consolidating direct access, enhancing climate programming, and promoting knowledge sharing and cooperation.

The first objective focuses on setting up the enabling environment for integrated climate investment. Through strengthened FMCN digital systems, regular self-assessments, and updated institutional policies, the Readiness will support FMCN in meeting and maintaining GCF accreditation standards. These actions will strengthen programming capacities of FMCN and ensure continued compliance with evolving GCF policies, standards, and requirements.

The second objective aims to support the development and implementation of a paradigm-shifting pipeline of FMCN, aligned with Mexican national priorities, international commitments, and GCF USP-2 targets. The Readiness will enhance FMCN's capacity to develop a high-quality proposal that meets GCF's standards. At the same time, strengthened oversight, financial management, monitoring, and reporting systems and processes of FMCN will improve project execution and accountability. Targeted assessments and capacity-building for executing entities, potential executing entities and implementing organizations will address ESG gaps and strengthen project planning and management in line with GCF standards.

The third objective promotes knowledge-sharing and learning to enhance national and regional cooperation on climate programming and financing. The Readiness will support South-South and regional cooperation through partnerships between FMCN with DAEs and potential DAEs, particularly in Latin America. It will also support FMCN in organizing national platforms for the exchange of experiences and best practices among executing entities and key environmental stakeholders. These efforts will contribute to a more coordinated and effective climate finance ecosystem.

This Readiness support is expected to have a lasting impact on climate programming and direct access by consolidating FMCN's role as a capable and compliant DAE. The proposed activities will contribute to greater country ownership, more efficient access to GCF resources, and improved delivery of climate adaptation and mitigation results, aligning with GCF objectives.

2. DAE Context

Guidance

This section provides an overview of 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

- ☒ Small

Environmental & social risk category

- ☒ Category B

Financing modalities

- ☒ Basic

FMCN is an environmental fund created on January 26th, 1994, with 30 years of experience financing climate change adaptation and mitigation actions in Mexico by catalysing resource mobilization, building partnerships to engage various actors and sectors, and searching for innovative conservation mechanisms. FMCN has been an accredited entity of GCF since 2019. In 2024, FMCN upgraded its accreditation from micro- to small-sized projects and to Environmental and Social Risk Category B. FMCN is currently implementing two GCF-funded projects: RIOS (SAP023), approved in 2021, and ACCIÓN (SAP049), approved in 2025. GCF has endorsed on March 10th, 2026 the concept note for a new project entitled “Ríos y Ciudades”. The current Readiness support will contribute to the development of the studies, assessments, and technical inputs required for the preparation and future submission of the project's full funding proposal to GCF.

Accreditation stage

- ☒ Negotiation Finalized

FMCN has been an accredited entity of the GCF since 2019. In 2024, FMCN upgraded its accreditation from micro- to small-sized projects and to Environmental and Social Risk Category B. FMCN is currently implementing two GCF-funded projects: RIOS (SAP023), approved in 2021, and ACCIÓN (SAP049), approved in 2025.

2.2 Entity Climate Priorities and Programming Capacity

FMCN has accumulated experience across five GCF sectors: (1) Forestry and land use; (2) Most vulnerable people and communities; (3) Health and well-being, and food and water security; (4) Infrastructure and built environment; and (5) Ecosystem and ecosystem services. The sector in which FMCN has the most experience is ecosystem and ecosystem services, followed by forestry and land use. Of the 29 projects, six generate direct and cross-cutting climate benefits, while 23 deliver climate co-benefits.

FMCN's programming capacity as a Direct Access Entity is reflected in its ability to develop a pipeline of climate projects aligned with national priorities and to deliver them through established fiduciary, procurement, and grant management systems. FMCN has widely recognized policies and processes, as well as institutional arrangements, to coordinate partners, apply its environmental and social management system, and monitor and report on results and compliance requirements. FMCN's climate priorities are guided by Mexico's international commitments and national policy framework, including the Nationally Determined Contribution (NDC) 3.0 and the National Adaptation Plan (currently under development), as reflected in FMCN's Strategic Plan 2024–2030. At the project level, FMCN's pipeline includes the forthcoming GCF proposal Ríos y Ciudades (to be supported by this Readiness), which responds to both GCF strategic priorities and Government priorities by strengthening urban climate resilience through watershed and river restoration, integrating nature-based solutions with institutional strengthening, learning, and innovative financing mechanisms. In parallel, FMCN is advancing its accreditation process with the Adaptation Fund, and is engaging with the Government of Mexico to explore potential participation in the Fund for Responding to Loss and Damage, in line with emerging national priorities and financing needs.

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
Sustainable Communities for Climate Action in the Yucatan Peninsula (ACCIÓN Yucatan) - PPF053	18 Oct 2022 - 17 Apr 2024	878,133	FP Approved	To identify and assess existing conditions, gather available information, and fill information gaps in order to develop a robust and solid full funding proposal.	(i) pre-Feasibility and feasibility studies; (ii) environmental, Socio-economic and Gender assessments and plans, (iii) risk assessment and mitigation plan; (iv) identification of project-level indicators including the measurement of GCF core indicators; (v) advisory services to design financial structure mechanisms for coastal and marine ecosystems' conservation, restoration and management and productive systems, including a blue carbon market mechanism; (vi) other project preparation activities, including communications materials and due diligence of the executing entities.	Does not apply.

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
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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
Sustainable Communities for Climate Action in the Yucatán Peninsula (ACCIÓN) - SAP049	Approved	25,000,000	The Sustainable Communities for Climate Action in the Yucatán Peninsula (ACCIÓN) project seeks to increase the climate resilience of vulnerable communities, ecosystems, and productive systems on the coasts of the Yucatan Peninsula through ecosystem-based adaptation (EbA) and sustainable livelihoods.	Does not apply.
River Restoration for Climate Change Adaptation (RIOS) - SAP023	Approved	9,000,000	River Restoration for Climate Change Adaptation (RÍOS) seeks to increase the adaptive capacity of people and ecosystems in watersheds vulnerable to climate change through river restoration.	FMCN has submitted a Concept Note to the GCF for a new project called Rivers and Cities, which will build on the RIOS project. The full proposal will be developed through this Readiness support.

2.5 Challenges, Gaps, and Barriers

FMCN operates in a context of increasing complexity in climate and environmental finance.

One of the main challenges is the increasingly volatile and uncertain international context, characterized by shifting geopolitical dynamics, evolving multilateral priorities, and changing global financial conditions. In response, climate finance frameworks are continuously adapting, requiring greater agility, compliance, and strategic alignment from environmental funds. At the national level, regulatory and fiscal obligations imposed by tax authorities require robust administrative, accounting, and compliance capacities. These requirements place a significant operational burden on environmental funds and their local partners, particularly in terms of transaction costs, reporting demands, and institutional readiness.

Another key gap relates to the uneven institutional capacity of local implementing organizations. While many partners have strong technical expertise and deep territorial knowledge, they often require additional support to meet ESG, fiduciary, and reporting requirements. These capacity gaps can affect the pace and quality of project design and implementation and represent a critical constraint to expanding access to climate finance, scaling successful interventions, and ensuring that local organizations can sustainably manage larger and more complex projects over time.

Finally, security conditions in some areas of the country represent a structural barrier to field implementation. Insecurity can limit access to project sites, delay activities, and increase operational risks for staff and partners working on the ground. These challenges require adaptive management approaches, strong local partnerships, and flexible implementation mechanisms to ensure continuity and effectiveness of environmental and climate actions.

2.6 Stakeholder Engagement

FMCN has a multi-level, participatory approach that ensures meaningful engagement with key stakeholders—including government institutions, local communities, Indigenous Peoples, and civil society organizations—strengthening project relevance, local ownership, and long-term sustainability.

FMCN demonstrates strong engagement with key stakeholders through a governance structure that integrates multidisciplinary representation from government, civil society, academia, and the private sector. The FMCN General Assembly, composed of 23 members, provides strategic oversight by approving annual reports, financial statements, and organizational changes, ensuring transparency and accountability to its stakeholders. From this body, seven members are appointed to the Board of Directors, which guides FMCN's administration and strategic direction. Stakeholder engagement is further reinforced through eight specialized committees, covering finance, institutional support, and project operations, where subject-matter experts actively contribute to decision-making in project implementation.

Government institutions are key partners in project design, playing a central role in ensuring that FMCN-supported initiatives are aligned with national policies and government priorities. Under its 2024–2030 Strategic Plan and across its entire project portfolio, FMCN systematically aligns its interventions with national strategies that reflect Mexico's international commitments.

At the local level, FMCN works through regional environmental funds across the country, which play a crucial role in channelling resources to the field. These regional funds have strong knowledge of local contexts, long-standing partnerships with local governments, and extensive experience working with local organizations and communities, including Indigenous Peoples. When a project is designed in a specific region, the corresponding regional fund is actively involved in the process. These funds engage their local partners, disseminate information about new projects, and organize consultations with relevant stakeholders to gather inputs, identify needs, and incorporate the perspectives of communities and other actors whose environment and livelihoods may be affected by the project. Academic institutions and researchers are engaged as knowledge partners, particularly during the project design phase. They may participate in focus groups or targeted interviews to provide technical and contextual information on the regions where projects are to be implemented, contributing evidence-based inputs to support project design. In addition, researchers support the generation and dissemination of knowledge produced throughout project implementation, helping to strengthen the quality, credibility, and outreach of project results.

2.7 Specific Readiness Needs

The Readiness needs focus on strengthening FMCN's institutional, operational, and programming capacities to effectively design, implement, and scale climate projects in line with Green Climate Fund (GCF) standards. First, FMCN's institutional frameworks need to maintain compliance with evolving GCF standards. This includes conducting periodic self-assessments, updating internal policies and procedures, and ensuring alignment with international and national standards.

Second, the Readiness highlights the need to strengthen FMCN's project pipeline, particularly by supporting the preparation of a high-quality funding proposal aligned with national priorities and GCF requirements. This includes feasibility studies and technical, social, and environmental assessments to advance a new proposal.

Third, the Readiness identifies the need to upgrade and integrate FMCN's digital systems to improve data suitability, interoperability, and oversight of project implementation, financial management, monitoring, and reporting. Strengthening these systems is essential to respond to the increasing complexity and scale of climate projects managed by FMCN.

Fourth, there is a need to enhance the capacities of Executing Entities and partner organizations. While these actors have strong technical and territorial expertise, they require additional support to integrate robust ESG standards into project planning and implementation. This includes developing a tool to identify capacity gaps and delivering targeted, practical capacity-building plans.

Finally, the Readiness highlights the need to foster knowledge sharing and peer learning at the national and regional levels to address uneven institutional capacities, limited opportunities for structured exchange, and the increasing complexity of climate finance requirements.

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

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

Improved digital systems will enable FMCN to better respond to the current and future needs of climate change projects by ensuring data suitability and information interoperability within its administrative and technical systems. In parallel, FMCN will conduct self-assessments and update its policies to comply with GCF standards and requirements. These actions will enable FMCN to promptly adjust its policies in response to GCF's changes to its standards and to assess whether accreditation upgrades are required when submitting new project proposals.

Objective 2: Paradigm-shifting pipeline development and implementation, guided by national priorities and GCF USP-2 targets

FMCN will structure a full proposal and project documents to meet the high standards required by GCF, supported by feasibility studies and technical, social, and environmental assessments based on GCF feedback. These deliverables will form the basis of FMCN's first Standard Proposal Approval Process (PAP) and the second in Mexico, contributing directly to the approval of GCF proposals.

In parallel, FMCN will upgrade its project monitoring platform (SISEP), in line with its 2024–2030 Strategic Plan, to consolidate oversight and evaluation of projects in the territory. The identification of ESG gaps and improvement opportunities across potential and existing EE and implementing organizations will support the successful execution of projects. Tailored training and institutional strengthening plans will address capacity gaps in project planning and management, including human resources, procurement, and financial planning and management, aligned with GCF standards. These outcomes will strengthen operational performance and accountability across FMCN-supported projects.

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

FMCN will achieve at least one partnership with DAEs or potential DAEs, mainly in Latin America but also in other regions, to share institutional best practices and capacities in line with GCF standards. At the national level, FMCN

will strengthen cooperation by facilitating spaces for sharing experiences and good practices among EE, organisations, and other key partners. These efforts will foster knowledge exchange and learning among stakeholders, contributing to a more coordinated climate finance ecosystem.

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 Readiness support is expected to have a significant and lasting impact on climate programming and direct access by strengthening FMCN's institutional capacities as a Direct Access Entity (DAE), improving the quality and scale of its climate finance pipeline, and reinforcing coordination with national and regional stakeholders.

At the institutional level, the Readiness support will enable FMCN to meet and maintain the GCF accreditation standards through strengthened systems, updated policies, and enhanced digital and monitoring platforms. These improvements will reinforce FMCN's ability to comply with evolving GCF requirements, manage risks, and oversee implementation, financial management, monitoring, and reporting of GCF-funded projects. As a result, FMCN's role as a reliable and effective DAE will be consolidated, reducing transaction costs and timelines for accessing GCF resources.

In terms of climate programming, the Readiness support will contribute to the development of a high-quality, paradigm-shifting proposal aligned with national priorities and the GCF Updated Strategic Plan (USP-2). Improved project preparation capacities, including feasibility studies and technical, environmental, and social assessments, will increase the likelihood of GCF approving new proposals. Strengthened capacities among executing entities and implementing organizations will further support effective project implementation and delivery of climate adaptation and mitigation results on the ground.

More broadly, the Readiness support will enhance the enabling environment for direct access by fostering coordination, knowledge-sharing, and South-South cooperation among DAEs and key climate actors. By promoting the exchange of best practices and lessons learned at the national and regional levels, the readiness will contribute to a more robust, coordinated, and sustainable climate finance ecosystem.

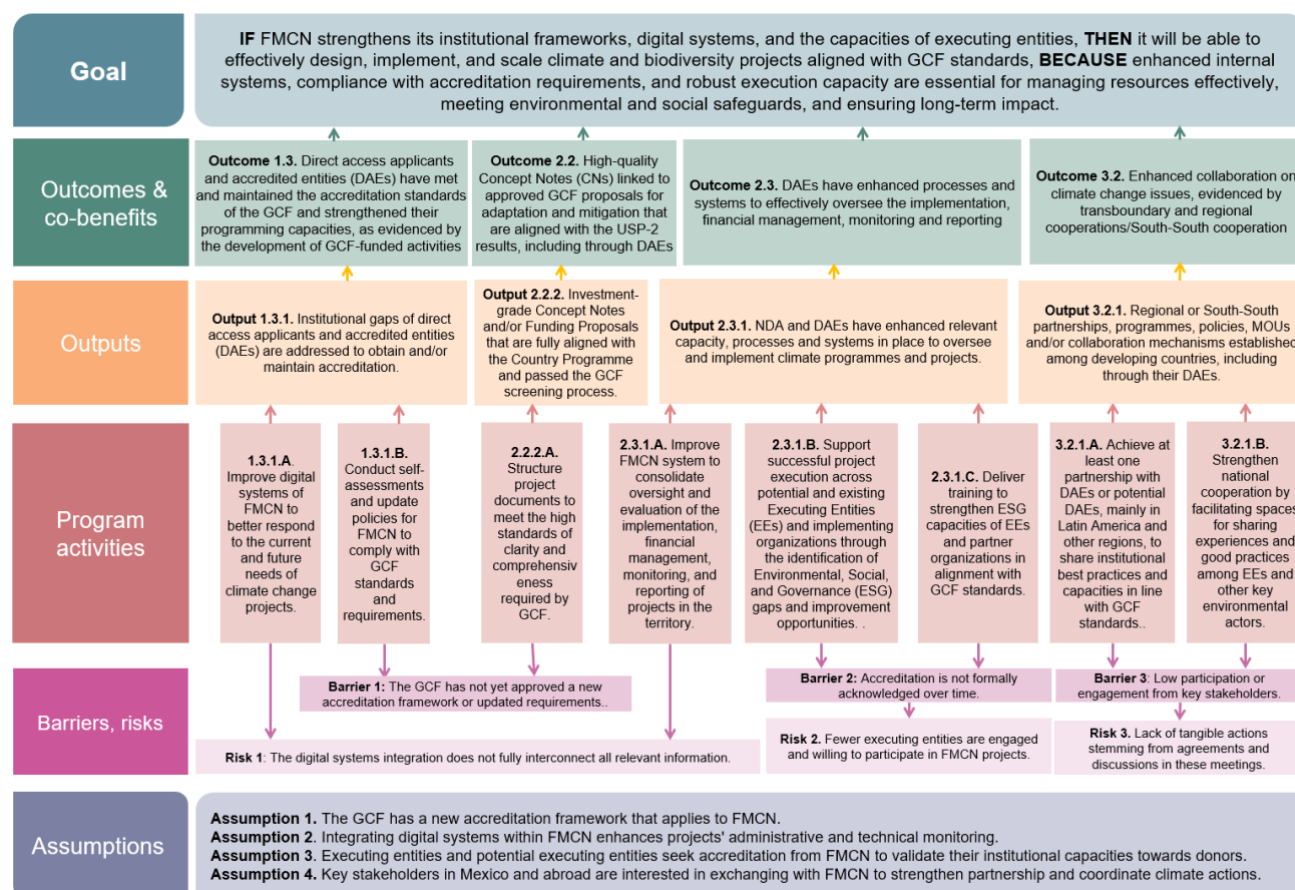
4. Approach, Methodology, and Implementation Activities

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](#).



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IF FMCN strengthens its institutional frameworks, digital systems, and the capacities of Executing Entities (EEs) and local partner organizations, **THEN** it will be able to effectively design, implement, and scale climate and biodiversity projects aligned with GCF standards, **BECAUSE** enhanced internal systems, compliance with accreditation requirements, and robust execution capacity are essential for managing resources effectively, meeting environmental and social safeguards, and ensuring long-term impact. To achieve this, FMCN will interconnect and upgrade its digital platforms to optimize monitoring and operational efficiency, and align its policies with GCF standards and requirements. The proposal will also create a tool for detecting capacity gaps in EEs and organizations, design a comprehensive capacity-building program to respond to those gaps, and foster national and regional peer-learning spaces. These efforts will be implemented through a participatory approach involving close collaboration with stakeholders, including EEs, organizations, the NDA, and other climate actors, ensuring that all activities are grounded in real needs and capable of generating scalable, lasting outcomes.

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.

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

☒ Outcome 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.

☒ Output 1.3.1. Institutional gaps of direct access applicants and accredited entities (DAEs) are addressed to obtain and/or maintain accreditation.

Activities

1-3-1.a. Improve digital systems of FMCN to better respond to the current and future needs of climate change projects: Professional service provider will be engaged to review and ensure data suitability within the administrative and technical systems, enabling information interoperability. This activity will begin at the onset of the Readiness and will produce a deliverable by year 2.

1-3-1.b. Conduct self-assessments and update policies for FMCN to comply with GCF standards and requirements: With the revised accreditation framework and the new monitoring and accountability framework, FMCN will conduct self-assessments when submitting a new full proposal and will need to request an upgrade if the risk conditions are different from those for which FMCN is accredited. It will also need to promptly update its policies whenever GCF issues changes to its policies, standards, or requirements. To carry out these self-assessments and policy updates, FMCN will require the support of consultants to assess the necessary adjustments and translate relevant documentation. This activity will begin at the onset of the Readiness project and will produce a deliverable by year 3.

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

☒ Outcome 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.

☐ Output 2.2.1. NDA, DAEs and other climate stakeholders, have enhanced their capacity on Concept Note and/or Funding Proposal development for an inclusive integrated climate programming.

☒ Output 2.2.2. Investment-grade Concept Notes and/or Funding Proposals that are fully aligned with the Country Programme and passed the GCF screening process.

Activities

2-2-2.a. Structure project documents to meet the high standards of clarity and comprehensiveness required by GCF: Professional service providers and consultants will be hired to conduct feasibility studies, structure a Full Proposal, and carry out technical, social, or environmental assessments, including consultation and stakeholder engagement, based on GCF feedback to the Concept Note. This includes the preparation of inputs for the Environmental and Social Impact Assessment (ESIA) and the Gender Assessment, as well as participatory multi-stakeholder processes to identify a pipeline of potential investments and the most capable municipal- and state-level partners for implementation. The activity will also support the assessment and quantification of climate resilience and risk reduction benefits to strengthen transparency and evidence-based decision-making, alongside studies to identify financial mechanisms that can maximize the leverage of resources associated with these benefits. These deliverables will form the basis of the first Standard Proposal Approval Process (PAP) for FMCN and the second in Mexico. Once completed, these studies and assessments will be integrated into the final PAP for submission to the GCF. This activity will begin at the onset of the Readiness project and will produce a deliverable by year 1.

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

☒ Outcome 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.

☒ Output 2.3.1. NDA and DAEs have enhanced relevant capacity, processes and systems in place to oversee and implement climate programmes and projects.

Activities

2-3-1.a. Improve FMCN system to consolidate oversight and evaluation of the implementation, financial management, monitoring, and reporting of projects in the territory: FMCN will upgrade its project monitoring platform (SISEP), in line with its 2024–2030 Strategic Plan. SISEP is a participatory monitoring, evaluation, and learning (MEL) tool that enables FMCN and local partner organizations to track project progress against jointly agreed indicators aligned with FMCN's strategic objectives. All agreements with Executing Entities and local organizations implementing FMCN projects include clearly defined indicators that are integrated into the SISEP platform, through which progress, results, and implementation updates are periodically reported and monitored. This system allows community-based actions implemented in the field to directly contribute to project-level results frameworks and supports evidence-based decision-making both within FMCN and in coordination with key national-level stakeholders and systems. Professional service providers will conduct a technical assessment of the current system to identify operational and technological gaps, implement system improvements, and develop a user handbook. This handbook will be shared with GCF by year 3 as a key deliverable.

2-3-1.b. Support successful project execution across potential and existing Executing Entities (EEs) and implementing organizations through the identification of Environmental, Social, and Governance (ESG) gaps and improvement opportunities: FMCN will hire professional service providers and consultants to apply FMCN-designed E, S and/or G standards, including fiscal and legal reviews, to assess EEs and organisations and identify ESG gaps and improvement opportunities. An assessment tool will be developed and used in year 2 to apply the ESG standards to EEs and organisations involved in FMCN's projects. This activity will begin at the onset of the Readiness project and will produce a deliverable by year 4.

2-3-1.c. Deliver training to strengthen ESG capacities of EEs and partner organizations in alignment with GCF standards: Based on 1) the capacity gaps and ESG improvement opportunities identified through the assessments conducted under Activities 2.3.1.B and 2) the GCF Readiness MEX-RS-002 results, under which external consultant from Green Growth Global Institute (GGGI) conducted a participatory capacity assessment of targeted EEs against GCF standards; FMCN will hire specialized consultants and experts to design tailored institutional strengthening plans and targeted training processes for EEs and partner organizations. These activities will address gaps related to project planning and management, including human resources, procurement, financial planning and management, as well as the practical integration and operationalization of Environmental and Social Safeguards (ESS), including gender and Indigenous Peoples considerations, in project implementation and field operations. FMCN will also identify appropriate mechanisms to share training materials, lessons learned, and good practices within EEs and partner organizations. A report on the development and implementation of the strengthening and training activities will be produced by year 4.

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

☑ Outcome 3.2. Enhanced collaboration among developing countries on climate change issues, evidenced by transboundary and regional cooperations/South-South cooperation.

☑ Output 3.2.1. Regional or South-South partnerships, programmes, policies, MOUs and/or collaboration mechanisms established among developing countries, including through their DAEs.

Activities

3-2-1.a. Achieve at least one partnership with DAEs or potential DAEs, mainly in Latin America but also in other regions, to share institutional best practices and capacities in line with GCF standards: FMCN will purchase flights and accommodations to meet in-person with DAEs and potential DAEs. These exchanges aim to strengthen institutional cooperation, facilitate peer-to-peer learning, and promote the sharing of experiences, tools, and good practices related to GCF accreditation, project implementation, fiduciary standards, and environmental and social safeguards. Please note that this Readiness proposal requests a total budget of USD\$900,000 rather than USD\$1,000,000, as the remaining USD\$100,000 will be submitted separately under a CPDAE Readiness proposal. FMCN has attached a letter formalizing this arrangement; please refer to Annex 1. By year 4, a summary report of meetings held will be delivered.

3-2-1.b. Strengthen national cooperation by facilitating spaces for sharing experiences and good practices among EEs and other key environmental actors: FMCN will cover expenses related to meetings with EEs, organisations, and other national partners. These exchanges will facilitate dialogue, collaborative learning, and the sharing of experiences and good practices, while strengthening coordination and cooperation among environmental actors at the national level. Non-consultant services will be hired to cover logistical and operational expenses related to meetings and exchange activities. By year 4, a summary report of meetings held will be delivered.

4.3 Stakeholder Engagement Strategy

Development stage

Stakeholder engagement has been a core component of this Readiness request, ensuring that the perspectives of both internal and external actors are integrated throughout the process. FMCN applies a multi-level and participatory engagement approach that involves government institutions, local communities, Indigenous Peoples, academia, civil society organizations, and local implementing partners, strengthening local ownership and the long-term sustainability of its interventions.

FMCN's stakeholder engagement approach is supported by its governance structure, which integrates multidisciplinary representation from government, civil society, academia, and the private sector. Through its General Assembly, Board of Directors, and specialized committees, FMCN ensures continuous participation of relevant stakeholders in strategic decision-making, project oversight, and institutional planning.

For activities aimed at improving digital systems of FMCN (Activities 1.3.1.A and 2.3.1.A), FMCN engaged stakeholders through surveys and participatory diagnostics, including FMCN team, existing EEs and local organizations implementing climate projects using FMCN digital systems, as these stakeholders are the primary users of the platforms and are directly responsible for project monitoring and reporting, and information management at both institutional and territorial levels. These consultations helped identify operational gaps, user needs, and opportunities to improve the accessibility, usability, and monitoring capacities of FMCN's digital tools. Government institutions were also consulted during this Readiness preparation to ensure alignment of the new project proposal (activity 2.2.2.A) with national climate priorities and strategies. These consultations included exchanges with relevant public institutions responsible for climate change, biodiversity, sustainable development, and territorial planning, allowing FMCN to identify policy priorities, institutional needs, and opportunities for coordination with existing public programs and national-level systems. Government stakeholders also provided strategic input on regional priorities, implementation challenges, and potential areas where the proposed project could generate added value and complement ongoing government efforts.

Implementation stage

Throughout implementation, FMCN will maintain open communication channels to ensure continuous stakeholder engagement and social inclusion across all activities. FMCN will promote the active participation of local and community-based organizations (including women-led organizations and Indigenous People's organizations) through targeted outreach, accessible consultation mechanisms, and capacity-building opportunities adapted to different institutional capacities and territorial contexts.

As digital systems are upgraded (activities 1.3.1.A and 2.3.1.A), stakeholders will be invited to provide feedback on the usability and relevance of the improvements. Identified stakeholders include FMCN staff who use and manage the systems being upgraded, as well as the EEs and local organizations that rely on these systems to report project progress. A dedicated channel will be established for submitting suggestions.

Stakeholder engagement will be a central component of the full funding proposal to be submitted to GCF (activity 2.2.2.A), ensuring that the project design adequately reflects local needs, priorities, knowledge, and implementation capacities. Through participatory consultations and multi-stakeholder engagement processes, FMCN will engage with municipal and state authorities, executing entities, local organizations, communities, and other relevant actors to gather technical inputs, validate project assumptions, identify potential investments, and strengthen ownership of the proposed interventions. These processes will also support the preparation of the ESIA and Gender Assessment by ensuring that environmental, social, gender, and territorial considerations are adequately integrated into the project design in alignment with GCF standards and best practices.

For the new tool to detect capacity gaps in EEs and organizations (activity 2.3.1.B), the process will include reviews by external experts and feedback from key partners prior to its application. This mechanism will ensure that FMCN's capacity-building strategies are responsive to stakeholder needs and adequately reflect the capacities and challenges faced by organizations operating at the territorial level, including those with limited institutional resources (activity 2.3.1.C).

All capacity-building activities (activity 2.3.1.C) will conclude with a satisfaction survey to assess whether the training met participants' needs and whether additional support is required. These surveys will also evaluate accessibility, inclusiveness, facilitator engagement, and the effectiveness of the methodologies used. FMCN will use this feedback to continuously improve training approaches and ensure that smaller or emerging organizations can effectively participate and benefit from the activities.

This Readiness proposal has been submitted and presented to the NDA, which acknowledges and validates the proposal carried out by FMCN. FMCN and the NDA will maintain periodic meetings to report progress and discuss implementation challenges and opportunities throughout the Readiness support period.



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)
Political	Leadership transitions within key public partner institutions involved in this Readiness.	Medium	Low	Since activities are not dependent on public actors, regular updates and communication will ensure continuity despite leadership changes.	FMCN
Operational	Delays in deliverables submitted by consultants.	High	Medium	Contracts with clearly defined deliverables and deadlines. Regular follow-up meetings to identify early signs of delay.	FMCN
Operational	Services provided do not meet expected quality or specifications.	High	Medium	Detailed service specifications and quality standards in all contracts. Regular oversight during implementation, and establish clear mechanisms for correction if services do not meet expectations.	FMCN
Operational	Challenges in scheduling meetings with EEs and DAEs in the region due to tight agendas	Low	Medium	Plan meetings in advance. Propose flexible scheduling options. Virtual platforms are used when in-person meetings are not feasible.	FMCN
Operational	High levels of insecurity.	Medium	Medium	Most trainings and meetings will take place in Mexico City. Before any travel, FMCN will assess the security conditions of destination. FMCN has a Security Manual shared with the team.	FMCN



Operational	Procurement process delays.	Low	Medium	Develop and implement a procurement plan with clear timelines and responsibilities, aligned with the project work plan. Proven successful experience implementing GCF and GEF projects, including prior due diligence to FMCN procurement procedures.	FMCN
Regulatory	Risk of non-compliance with evolving AML/CFT regulatory requirements	Low	Low	Given the nature of FMCN's Readiness activities, the likelihood of ML/FT risk is considered very low. Resources will be managed directly by FMCN or disbursed to consultants or service providers against clearly defined deliverables, with payments made only upon satisfactory delivery. FMCN operates in full compliance with the Mexican legal framework, particularly with the Ley Federal para la Prevención e Identificación de Operaciones con Recursos de Procedencia Ilícita (LFPIORPI). Following the 2025 amendments to the law, FMCN is actively monitoring the forthcoming secondary regulations and implementation guidelines and is working with an external firm specialized in regulatory compliance for NGOs in Mexico to support timely alignment with the updated requirements. In parallel, FMCN's internal auditor is receiving specialized training to incorporate the necessary adjustments into the organization's AML/CFT policies and processes and ensure continued compliance with the evolving regulatory framework.	FMCN

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: 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
Funding Proposal	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
Strengthen	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

Activity	Partner	Roles and responsibilities	Implementation approach and reporting mechanisms	Reporting mechanism to the GCF
1.3.1.A.	Professional services provider (To be define)	The professional services provider will be responsible for data cleaning of FMCN digital systems. FMCN will draft and publish ToRs, clearly defining the expected timeline and deliverables.	The professional services provider will review the data stored in the digital systems used for administrative and technical functions. This review will ensure data suitability between both systems. Afterwards, the professional services provider will ensure interoperability between the systems, streamline data flows, and support FMCN's reporting and operational requirements. Throughout implementation, the professional services provider will work closely with FMCN team to ensure proposed solutions are tailored to users' needs, and sustainable over time.	FMCN will submit a deliverable on this activity by year 2.
1.3.1.B.	Consultants (To be define)	The consultants will assess on the necessary adjustments and translate relevant documentation. FMCN will conduct self-assessments when presenting a new project concept note / funding proposal or when GCF updates its policies.	When programming or when GCF updates its policies, FMCN will identify gaps between existing institutional documents and current GCF standards and requirements. Based on this gap analysis, consultants will be engaged to provide technical inputs, legal review, or translation services into English. Throughout the process, FMCN will ensure coordination between FMCN team and consultants to maintain consistency across all materials.	FMCN will submit a deliverable on this activity by year 3.
2.2.2.A.	Consultants and professional services providers (To be define)	The consultants and professional services providers will be responsible for preparing Full Proposal, feasibility studies, technical, social, or environmental assessments. A consultant will primarily support the follow-up and	FMCN will define the expected scope for the Full Proposal, feasibility studies, technical, social, or environmental assessments based on GCF feedback to the Concept Note of <i>Rios y Ciudades</i> project. The consultants and professional services providers will develop and execute a work plan to produce the required support documents. FMCN is also allocating resources to support participatory	FMCN will submit a deliverable on this activity by year 1.

		oversight of Objective 2's implementation. FMCN will oversee progress to ensure the outputs are suitable for use in the Full Proposal.	multi-stakeholder processes and any necessary travel by the FMCN team required for the development of the supporting documents. A consultant will primarily support the follow-up and oversight of the implementation of Objective 2 and, if needed, other objectives, to ensure timely and accurate delivery of this Readiness.	
2.3.1.A.	Professional services provider (To be define)	The professional services provider will assess SISEP and propose actions to strengthen the system. It will also implement those improvements. FMCN will provide relevant information and monitor progress.	FMCN will outline the performance expectations for the monitoring and reporting system (SISEP). Professional services provider will conduct a technical assessment of the current system and identify upgrade opportunities in line with the FMCN 2024-2030 Strategic Plan. It will also conduct targeted improvements based on their assessment. FMCN will ensure access to relevant information, facilitate coordination with FMCN team, and review deliverables.	FMCN will submit a deliverable on this activity by year 3.
2.3.1.B.	Professional services provider (To be define)	The professional services providers will apply the ESG standards to EEs and organisations. Other professional services provider will provide the assessment tool for the application of ESG standards. FMCN will provide the initial scheme develop and follow up implementation.	FMCN will design the ESG standards internally, drawing on existing international and national standards, national requirements for organisations operating in Mexico, and the social and environmental needs specific to the projects. The professional services provider will apply the ESG standards to the organisations involved in FMCN-led projects. Another professional service provider will provide the assessment tool to apply the ESG standards.	FMCN will submit a deliverable on this activity by year 3.
2.3.1.C.	Professional services provider and consultants (To be define)	The professional services provider or consultants will produce strengthening plans based on activity 2.3.1.B findings. Other professional services provider will provide	FMCN will share with the professional service providers or consultants the EEs and organisation's results of the ESG standards application. Professional service providers or consultants will identify ESG gaps and design strengthening plans. Other	FMCN will submit a deliverable on this activity by year 3.

		capacity-building trainings to EEs and organisations. FMCN will define clear objectives and timelines to oversee and follow up with the consultants.	professional service providers will be in charge of addressing the ESG gaps, based on the strengthening plan. FMCN will define the best way to share training and materials between all EEs and organisations.	
3.2.1.A.	Does not apply	FMCN will purchase international travel and accommodations to attend peer-to-peer meetings.	FMCN will define logistical needs for each peer-to-peer meeting with DAEs or potential DAEs. Based on these logistical needs, FMCN will purchase international travel and accommodations.	FMCN will submit a deliverable on this activity by year 4.
3.2.1.B.	Does not apply	FMCN will facilitate national exchange spaces for sharing experiences and good practices and will procure the logistical services required for these activities, including accommodations, venue rental, and catering services.	FMCN will define the logistical needs for each national space, including travel, accommodation, venue rental, and catering.	FMCN will submit a deliverable on this activity by year 4.

6.1.2 Framework Agreements

Does not apply.

6.2 Organisation and Staffing

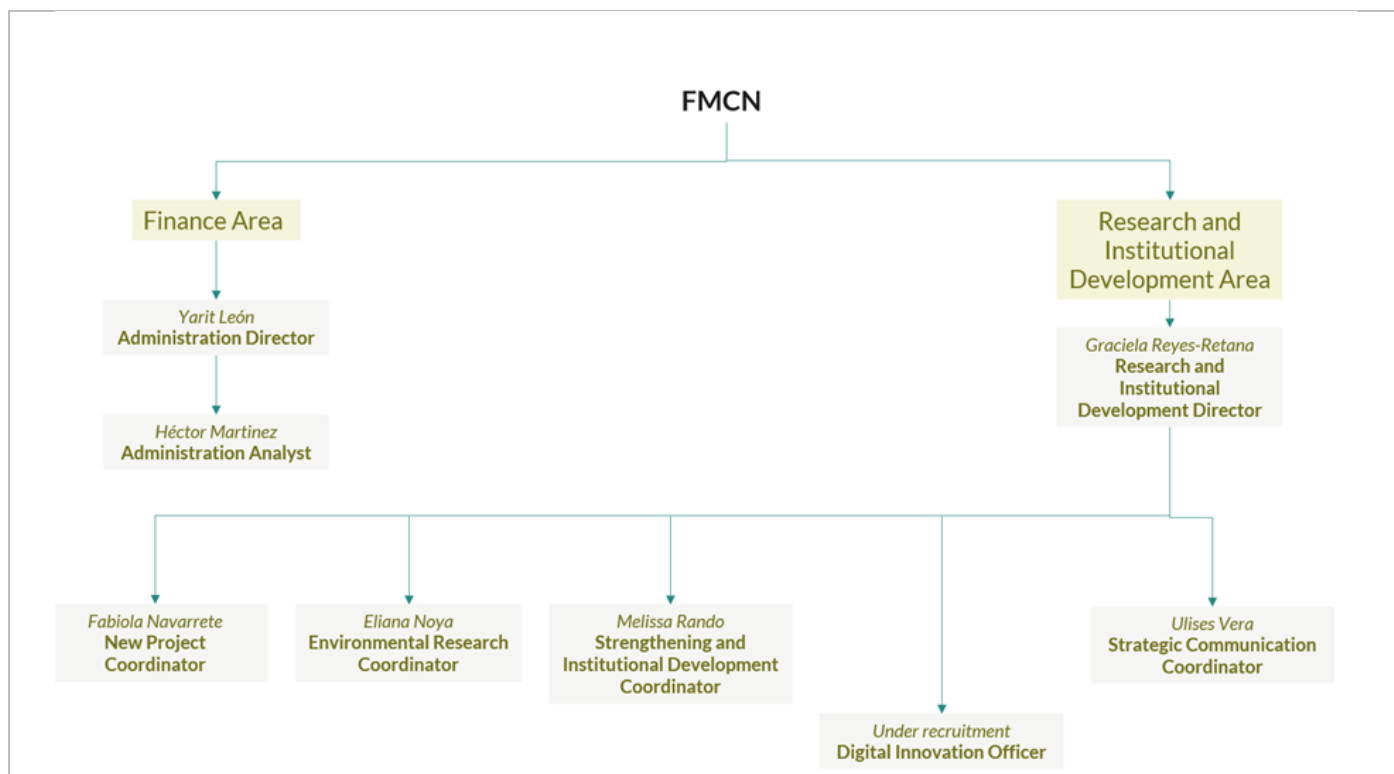
In this chapter, propose the structure and composition of your team. Consider including a visual depiction of the programme team through an organisational chart, depicting reporting responsibilities. List the main disciplines, key experts responsible, and technical and support staff, including their 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
Graciela Reyes-Retana	Fondo Mexicano para la Conservación de la Naturaleza	Institutional development	Research and Institutional Development Director	Supervise the proper execution of this Readiness (all activities).	Mexico
Melissa Rando	Fondo Mexicano para la Conservación de la Naturaleza	Institutional development	Strengthening and Institutional Development Coordinator	Technical coordination of this Readiness, including the identification of capacity gaps and addressing them (all activities).	Mexico
Yadira Irineo	Fondo Mexicano para la	Administration	Administration Analyst	Transversal administrative support to the Technical coordination.	Mexico

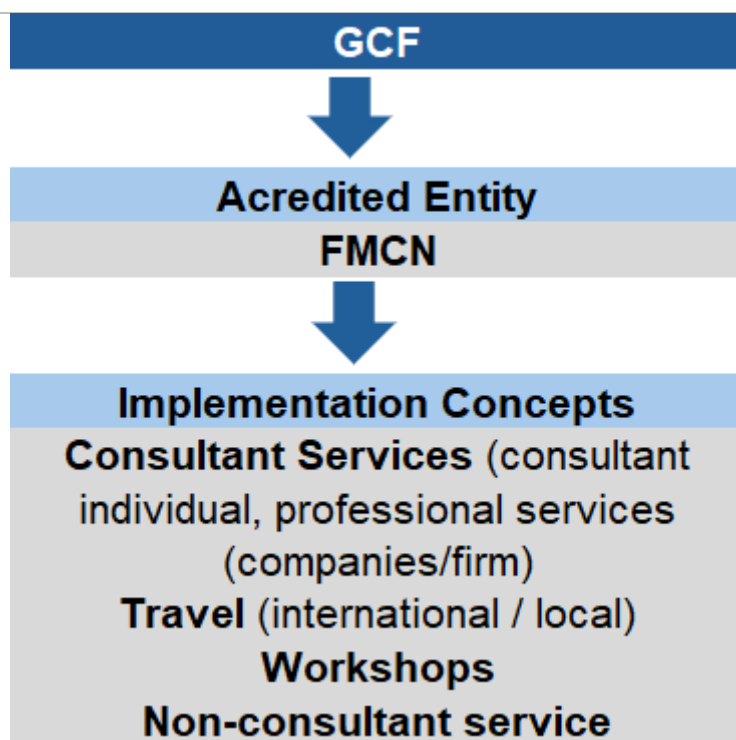
	Conservación de la Naturaleza				
Fabiola Navarrete	Fondo Mexicano para la Conservación de la Naturaleza	Project developer	New project Coordinator	Draft new project proposal and coordinate supporting documents (activity 2.2.2.A).	Mexico
Eliana Noya	Fondo Mexicano para la Conservación de la Naturaleza	Environmental and Social Safeguards	Socio-Environmental Research Coordinator	Support the draft of new project proposal and coordinate the ESS supporting documents. All other related activities with ESS (activity 1.3.1.C, 2.2.2.A).	Mexico
Ulises Vera	Fondo Mexicano para la Conservación de la Naturaleza	Communication and event planning	Strategic Communication Coordinator	Support the organisation of national and regional meetings (activities 3.2.1.A and 3.2.1.B).	Mexico
Under recruitment	Fondo Mexicano para la Conservación de la Naturaleza	Institutional digital efficiency	Research and Institutional Development Director	Operates with external providers the strengthening of FMCN digital platforms (activities 1.3.1.A and 2.3.1.A).	Mexico
Yarit León	Fondo Mexicano para la Conservación de la Naturaleza	Administration	Administration Director	Transversal support of activities.	Mexico
Héctor Martínez	Fondo Mexicano para la Conservación de la Naturaleza	Administration	Administration Analyst	Transversal support of activities.	Mexico



6.3 Fund flow arrangements

FMCN will receive the GCF funds in an exclusive account for the project in US dollars, which will transfer resources to the exclusive operating account for the project in pesos, the latter to carry out the project's operations and distribute the resources to the different recipients.

To avoid exchange rate differences, FMCN will use the exchange rate on the day the resources are transferred from the exclusive account in US dollars to the exclusive operating account in pesos.



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

(If Public Auditor (such as Country Supreme Audit Institution (SAI) or other)):

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

There are currently no UNSC restrictive measures in force with respect to Mexico.

7.6 Grievance Redress Mechanisms

FMCN's Institutional GRM is designed to effectively prevent and detect fraud, acts of corruption, and violations of the Code of Ethics. It also addresses disputes related to institutional procurement, staff grievances, and environmental and social issues arising during project implementation. This mechanism ensures that complaints or reports are handled through confidential, accessible, and secure channels, providing a transparent process for all stakeholders. Every grievance is managed impartially, in a timely manner, and in full alignment with FMCN's internal policies and international best practices. Additionally, FMCN has a Whistle-blower Protection Policy which protects whistle-blowers and ensures all reports are treated with confidentiality, integrity, and without fear of retaliation. In 2024, GCF reviewed and approved FMCN's Institutional GRM, resulting in FMCN's upgrade from a micro-size Category C-I3 project to a small-size Category B/I2.

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

The Readiness will enhance institutional capacities of EEs through a targeted focus on ESG standards. Specifically, activities 2.3.1.B and 2.3.1.C aim to initiate practical implementation efforts that directly contribute to strengthening internal processes and technical capabilities. For those EEs responsible for applying ESS, additional capacity will be developed through a specialized training designed under activity 1.3.1.C. FMCN will define the best way to ensure the training's long-term accessibility for all EEs.

In parallel, the Readiness will support the institutionalisation of knowledge through the development of tools and digital systems that streamline operational effectiveness. Activity 1.3.1.A will support FMCN's digital systems transformation, enhancing administrative efficiency, while activity 2.3.1.A will improve the system to oversee FMCN projects. In addition, during the submission of new project funding proposals to the GCF, FMCN will need to conduct self-assessments and, if necessary, request an upgrade if the risk conditions are different from those for which FMCN is accredited. FMCN will also need to refine its policies to align with GCF standards and requirements updates (activity 1.3.1.B).

To ensure local national relevance, activity 2.2.2.A will focus on the design of a new project through feasibility studies and stakeholders' participation. This inclusive approach is expected to enhance the legitimacy and effectiveness of the project among all actors involved.

Integration into National Systems

The Readiness will contribute to the development of a new GCF project that aligns with Mexico's national priorities. The new project, supported under activity 2.2.2A, will directly contribute to Mexico's NDCs, global goals, such as 30x30 initiative, and national priorities as the 2025-2030 restoration program.

Sustainability Mechanisms

EEs and organisations benefiting from activities 1.3.1.C, 2.3.1.B, and 2.3.1.C will implement projects more efficiently. These activities will enhance their skills in ESG standards, enabling them to better align with international best practices and donor expectations.

To ensure lasting impact, a train-the-trainer approach will be embedded into the capacity-building strategy under activity 2.3.1.C. EEs who undergo capacity-building will be encouraged to mentor and support smaller or first-time/potential EEs. This will foster peer learning and institutional solidarity. Trained EEs will be positioned to share their experiences and support others in applying new knowledge and practices.

Knowledge-sharing under Objective 3 will foster a culture of learning, innovation, and collaborative problem-solving across institutions. At the national level, activity 3.2.1.B will organize forums to exchange lessons and best practices among EEs and other key environmental actors. Internationally, activity 3.2.1.A will facilitate at least one partnership with DAEs and potential DAEs from Latin America and other regions. FMCN is especially committed to sharing the outcomes of this Readiness. The innovative proposals of this Readiness could be valuable for other DAEs facing similar challenges and operating at a comparable scale.

9.2 Readiness Programme Closure

FMCN will not transfer assets under this Readiness. All assets developed throughout the implementation will remain under FMCN's management. These assets will be maintained, updated, and scaled from within the organisation. FMCN will ensure that their use benefits EEs, potential EEs, and other environmental organisations in Mexico.