



**GREEN
CLIMATE
FUND**

Readiness and Preparatory Support

Direct Access Proposal Template

DAE Support Window

Proposal title

Strengthening the accreditation standards and programming capacities of the National Committee for Sub-National Democratic Development (NCDD) (38140)

Direct Access Entity

National Committee for Sub-National Democratic Development

* 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:

[!\[\]\(a870788d6ed9b8fd294b7654a8c8526b_img.jpg\) Guide for Direct Access Entities to Access Readiness Support](#)

[!\[\]\(de95854c7ee024cfadc48187bbb781b2_img.jpg\) 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 the accreditation standards and programming capacities of the National Committee for Sub-National Democratic Development (NCDD)

Total Approved Amount (in USD)

\$997,987

Implementation Period (in months)

48 months

Country Information

☐ Single DAE

☐ Multi-DAE

Lead DAE

National Committee for Sub-National Democratic Development

Contact person

H.E. Vatanak Chheng

Position

Deputy Head

Email

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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

This Readiness proposal is in support of the Direct Access Entity (DAE) – the National Committee for Sub-National Democratic Development (NCDD) – through the implementation of measures which will strengthen the NCDD and its Secretariat's (NCDD-S) capability in supporting the planning, development and implementation of climate priorities outlined under Cambodia's project pipeline. This Readiness proposal's **overarching goal** is to contribute towards Cambodia's efforts to meet its international and national climate commitments through strengthening the Direct Access Entity's (DAE's) accreditation functions and project management capacity. This will be achieved through the establishment of strong policies, procedures and systems, building the skills and knowledge of personnel, and supporting the country's project pipeline.

The **objectives** of this Readiness proposal are therefore to:

- Strengthen and update NCDD and NCDD-S' policies and procedures to meet the accreditation conditions and strengthen project management of approved projects [GCF Objective 1].
- Develop a pipeline of bankable projects for Cambodia through the provision of technical expertise, feasibility studies, concept notes and PPF funding requests [GCF Objective 2].
- Enhance the skills and knowledge base of NCDD-S personnel to improve project implementation [GCF Objective 2].
- Ensure effective monitoring and tracking of projects, enabling effective data management, project management, learning and making decisions in relation to climate finance projects [GCF Objective 2].
- Enhance project management through adaptative management processes and feedback mechanisms established to ensure lessons learned are incorporated into future projects and project implementation arrangements [GCF Objective 2].
- Contribute to, and participate in, peer-to-peer learning processes, and utilise obtained knowledge including lessons learned, into future planning, programming and implementation of climate finance [Objective 3].

Expected impacts and results of this Readiness include: (i) successfully meeting the DAE accreditation conditions; (ii) developing two high-quality concept notes against Cambodia's country programme, submitted through the GCF project pipeline; (iii) having in place appropriate systems to successfully implement, manage and monitor projects,

including trained personnel in the systems and processes; and (iv) incorporating lessons or tools garnered from peer exchanges into the development of the concept notes and implementation of projects in the DAE's portfolio.

Quantified outputs over 48 months (linked to the Revised RRMF and to the proposal's objectives) are as follows:

- Accreditation conditions met and verified: commission an independent audit firm to deliver the Third, Fourth and Fifth verification reports on the "Roadmap for enhancing NCDD to manage funds from the GCF," including an audit of the Audit & Ethics Committee's effectiveness, and submit requisite semi-annual verification reports to the GCF Accreditation Panel.
- Policies and systems upgraded:
 - ESS Policy updated to require project-level GRMs by Executing Entities; Guideline on GRM finalized per AP feedback; and staff training delivered on ESMS/GRM.
 - Information Disclosure Policy revised; NCDD website upgraded to enable proactive disclosure; and an online complaints handling platform established and operationalized.
 - Project management instruments strengthened: reviews and upgrades of the OPP Manual, Project Management Manual, and Internal Audit Manual; internal control mechanisms clarified for transparent project oversight.
- Capacity development delivered: at least 3 workshops (including train-the-trainer) on ESMS/GRM/Info-Disclosure and related systems; approximately 80 participants targeted ($\geq 30\%$ women), with follow-on refresher sessions as new projects are approved.
- Evidence-based pipeline prepared:
 - Execute downscaled climate risk and vulnerability assessments at subnational level to inform prioritization.
 - Produce a Subnational Climate Change Strategy and Action Plan to guide investment choices across districts.
 - Develop one Funding Proposal originated from the existing Concept Note of extreme heat resilience in Phnom Penh project and one develop PPF application (if necessary) for the completion of the Full Proposal. Develop one new Concept Note based on the country sectoral and project priorities to be submitted to a non-GCF climate financier.
- MERL established and institutionalized: design and deploy a Monitoring, Evaluation, Reporting and Learning (MERL) system aligned with the GCF IRMF, update the M&E Manual and user handbook, and train staff (target: ~80 personnel, $\geq 30\%$ women) to ensure high-quality reporting and adaptive management.
- Knowledge-sharing and South-South collaboration: support participation of NCDD-S in regional peer-learning exchanges (e.g., DAE Community of Practice), aiming to establish at least one (1) South-South partnership/MoU that feeds lessons into CN design and project implementation.

Alignment with Cambodia's priorities.

The proposal is directly anchored in national priorities and programming directions. NCDD's mandate focuses on locally led, subnational adaptation, integrating climate resilience into local governance, service delivery and infrastructure, which aligns with Cambodia's Climate Change Strategic Plan and NDC 3.0 implementation focus areas referenced in the proposal's DAE context (Section 2.2). By (i) enabling implementation of LGCC-3 (SAP058) through meeting accreditation conditions, (ii) generating district-level CRVAs and a Subnational Climate Change Strategy and Action Plan, and (iii) developing priority CNs from the Country Programme, the Readiness outputs operationalize national commitments and the NDA's pipeline priorities at subnational level.

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

- ☒ Micro

Environmental & social risk category

- ☒ Intermediation 2

Financing modalities

- ☒ Basic, Project Management, Grant award and/or funding allocation mechanisms

As a GCF Direct Access Entity (DAE) the National Committee for Sub-National Democratic Development (NCDD) is a national public-sector organisation based in Cambodia. NCDD is the secretariat for an interministerial mechanism for promoting democratic development through decentralisation and de-concentration reforms throughout the country. Its core mission is to coordinate the Royal Government of Cambodia's National Programme for Sub-National Democratic Development. It plays an important role in implementing decentralization reform policies, local governance and capacity development by developing regulations and providing finance to local governments. Committed to addressing climate change issues, it mainly focuses on adaptation by engaging local government bodies in adaptation activities in areas such as livelihood enhancement, infrastructure and water security.

NCDD was accredited to the Green Climate Fund in November 2019 for Micro / Category B (I-2) projects with basic, project management and grant financing modality capability. The accreditation report highlights a number of conditions to be met by the DAE – noting Readiness KHM-RS-005 (2021 – 2024) was developed to meet these conditions. However, the project was closed prior to key accreditation conditions being met, hence the inclusion of the remaining five (5) accreditation conditions into the current Readiness request (refer Objective 1).

Accreditation stage

- ☒ Negotiation Finalized

Refer to section above.
Dec 2019 (signed)
May 2020 (effectiveness)

2.2 Entity Climate Priorities and Programming Capacity

As outlined in Section 2.1, NCDD plays an important role in implementing decentralization reform policies, local governance and capacity development by developing regulations and providing finance to local governments. NCDD is committed to addressing climate change issues, focusing on adaptation by engaging local government bodies in areas such as livelihood enhancement, infrastructure and water security. NCDD's mandate aligns with Cambodia's national strategies including the Climate Change Strategic Plan and the Nationally Determined Contributions (NDC). NCDD emphasizes resilience-building at the subnational level, ensuring that climate considerations are embedded in service delivery and governance.

NCDD is Cambodia's first Direct Access Entity accredited by the GCF in 2019, enabling it to channel climate finance directly to local administrations. NCDD's 2024–2028 work program includes developing a robust project pipeline, enhancing fiduciary systems, and implementing environmental and social safeguards. Partnerships with organisations such as the UNCDF and the World Bank support readiness and technical assistance, while mechanisms such as LoCAL expand performance-based climate grants to districts, integrating adaptation into local budgets and planning processes.

NCDD continues to address capacity gaps in areas such as fiduciary compliance, safeguard implementation and project implementation. Ongoing efforts focus on institutional strengthening and scaling up climate-responsive governance across Cambodia's decentralized system. By combining its governance mandate with climate finance access, NCDD is positioning itself as a key driver of locally led climate action and resilience-building.

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
Support to Direct Access Entity in Cambodia to meet accreditation conditions - KHM-RS-005	9 Apr 2021 - 8 Jan 2024	252,644.63	Completed	This project focuses on: (i) addressing some key remaining conditions required under the conditional accreditation of NCDD-S as a direct access entity; (ii) developing NCDD-S staff capacity to implement the new policies and procedures; and (iii) developing an initial pipeline of project proposals for NCDD-S.	The project was closed prior to key accreditation conditions being met, hence the inclusion into the current Readiness request.	This project initiated NCDD-S's journey as a GCF Direct Access Entity by addressing key accreditation conditions, introducing new policies and procedures, and starting to build staff capacity. However, it closed before all conditions were met and before institutional systems were fully operationalized. The current Readiness proposal complements and extends these efforts by finalizing outstanding accreditation requirements, upgrading governance frameworks, and embedding safeguards, grievance mechanisms, and monitoring systems. Together, these initiatives ensure continuity and strengthen NCDD's ability to manage GCF-funded projects effectively and scale climate programming at the subnational level.
A Framework and Manual to launch a Sub-national Climate Fund aligned with LGCC-LoCAL in	N/A	310,000	Disbursed	This Readiness proposal's goal is to contribute towards Cambodia's efforts to attract and streamline investment opportunities and efficiently mobilise climate finance directly to local, vulnerable communities through the establishment of a sub-national climate fund framework and	Not available currently as it has only just commenced	The Sub-national Climate Fund project (KHM-RS-011) complements the NCDD-S proposed Readiness project by creating the financial architecture needed for local climate action, while the proposed Readiness project will strengthen NCDD-S' institutional capacity to manage such funds in compliance with GCF standards.

Cambodia - KHM-RS-011

supporting operations manual to guide and direct climate finance through the sub-national level down to the on-ground, grassroots level to assist vulnerable communities in adapting to climate change impacts.

Lessons emerging from Readiness KHM-RS-011 will be directly incorporated into the development of the concept notes under Objective 2 of this Readiness project.

Local Governments and Climate Change-III (LGCC3) - PPF063

31 Mar 2023 - 31 Mar 2024

196,760

FP
Approved

PPF Support is to provide the support for the full funding proposal development of LGCC-3 project (SAP058)

Developed by NCDD (as DAE) for LGCC-3 (SAP058)

The PPF 063 support for LGCC 3 (SAP058) is directly complementary to this Readiness proposal as it provides the technical and analytical work required for the full funding proposal development of the SAP project, while the proposed Readiness focuses on enabling NCDD to meet the outstanding accreditation to be able to effectively implement LGCC-3. The Readiness will therefore ensure that the systems, policies, procedures and institutional arrangements required of an accredited entity are in place, strengthened and operational, allowing NCDD to effectively implement the SAP058 project. In this way, the Readiness serves as the institutional and compliance backbone that will allow the investments and technical work undertaken through the PPF to be executed efficiently during project implementation.

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
Empowering Women for a Climate Resilient	22 Aug 2024 -	completed	United Nations Environment	This project aims to mobilize investment in renewable energy, promote leadership, develop skills for women and vulnerable	The capacity development and knowledge generated under this project, especially on climate finance for subnational administrations, will inform stakeholder engagement, gender responsive planning, and



Society, Phase II (Empower Phase II)	30 June 2026		Programme (UNEP)	groups through a climate finance study for sub-national administrations.	prioritization processes under this Readiness proposal. This will support the development of inclusive concept notes and the Subnational Climate Change Strategy and Action Plan, ensuring that gender equality and social inclusion considerations are systematically integrated into NCDD's climate investment pipeline.
Improved Service Delivery in Cambodia	1 Mar 2021 - 31 Dec 2025	completed	GIZ	This project aims to support local governments to deliver high-quality services to the citizens in the sectors of waste and water management, health, administrative services and through improved fiscal decentralisation.	The enhanced service delivery systems, fiscal decentralisation mechanisms, and governance practices supported under this project provide a strong foundation for the Readiness activities focused on strengthening project management systems (Output 2.3) and developing climate responsive investments. The experience and data generated through this initiative will also inform the prioritization of sectors and interventions under the Subnational Climate Change Strategy and Action Plan, and support the design of implementation ready concept notes.

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
Local Governments and Climate Change III (LGCC-3) - SAP058	Approved	9,783,456	Recently approved at the GCF Board B.43 meeting. The project's main objective is to integrate climate change adaptation into local development planning and finance, supporting Cambodia's national climate goals and Sustainable Development Goals (SDGs).	This Readiness is targeting the successful meeting of the DAE accreditation conditions to enable the implementation of this project. Lessons, key information and results emerging from the LGCC3 will be incorporated into the design of the concept notes if relevant.

2.5 Challenges, Gaps, and Barriers

Whilst NCDD has in place policies, procedures and systems to operate as an accredited entity to the Green Climate Fund, there are a number of capacity, technical and institutional gaps which hamper its ability to successfully build a coherent and coordinated climate finance approach and access the finance needed to support Cambodia to achieve its mitigation and adaptation priorities.

In addressing these challenges this Readiness proposal seeks to address the following key gaps and barriers.

1. Inability to previously meet accreditation conditions

A key constraint for NCDD in undertaking its accredited entity function for the GCF, has been the inability to effectively address the accreditation conditions. The need to meet the outstanding accreditation conditions has now become particularly critical as the SAP proposal Local Governments and Climate Change-III (LGCC3) was recently approved at the GCF Board B.43 meeting. In addition, implementation of Readiness projects has highlighted discrepancies between the NCDD-S internal project-related policies, procedures and systems and those at the national level governing the implementation of development partner projects. This has led to inefficiencies and gaps in the operations of projects, in particular relating to the oversight, management and approving functions of the specific-project teams.

2. Discrepancies between the NCDD-S internal project-related policies, procedures and systems and national level policies, procedures and systems

The NCDD has in place a number of policies, manuals and guidelines supporting its accredited entity function. However, challenges have arisen due to a lack of alignment in significant areas (e.g. procurement, recruitment, financial management, project governance and implementation arrangements) with the Government policies and procedures for externally funded programmes and projects. The role and functions of project management are not clearly defined, whilst the Operations and Procedures Manual (OPP) highlights the financial management, procurement, recruitment, are namely managed by NCDD-S divisions which run parallel to project management, thus creating fiduciary risks to the project implementation. Complications are arising due to the lack of clarity against the policies and procedures – leading to different interpretations of the GCF Board Decision B24 accreditations on Project Management Standard vs Administrative Standard; different interpretations of the application of the procedures, and; the inconsistent approach to the management of externally funded projects across the Ministries. This is leading to dual operating systems and implementation challenges.

The Readiness project focuses on strengthening NCDD-S's project-related strategic frameworks and ensuring consistency across the policies and procedures platform for projects, through a review and updating of project-related policies, project-related guidelines and project-related manuals, and a review of internal control mechanisms.

3. Lack of a coordinated and clear pipeline of future climate investments based on evidence-based decision making

Whilst NCDD-S has a current project under review for Board submission in the GCF pipeline – Local Governments and Climate Change III (LGCC3) - progress to-date on moving this proposal and country pipeline proposals forward as concept notes has been slow. There is a need to build on prior pipeline work to address the gap in progress in moving country priorities forward through the project pipeline cycle. This Readiness proposal focuses on the provision of support to further develop two concept notes to increase Cambodia's access to finance to support climate priorities.

4. Knowledge and skills gaps linked to the accredited entity functionality and the new or upgrading policies, procedures and systems

With the review and upgrading of the internal policies and procedures to be undertaken through this Readiness project, there will be gaps in NCDD personnel's awareness of, understanding and ability to effectively implement the new policies and procedures. It will be important for all personnel to understand and implement the upgraded project policies and procedures to ensure alignment with national and development partner standards. This Readiness will further support the review and upgrade of the project policies and procedures as outlined in Barrier 2, with training and awareness sessions to maximise the uptake of the new project policies, procedures and systems in place and to ensure consistency across the organisation.

5. Lack of peer networking or learning exchanges in which to generate new ideas or ways of planning, programming and implementing projects

The value of knowledge sharing and learning through face-to-face participation is widely recognised, however to-date, NCDD-S has not accessed learning networks which would support building of knowledge and experiences in project operations, policies or procedures and innovative approaches or technologies. The Readiness will support the participation and contribution of NCDDS personnel in regional climate finance peer learning networks and forums, in support of the DAE's planning, programming and implementation efforts.

2.6 Stakeholder Engagement

This Readiness proposal is in support of the Direct Access Entity (DAE) – the National Committee for Sub-National Democratic Development (NCDD) – through the implementation of measures which will strengthen the NCDD and its Secretariat's (NCDD-S) capability in supporting the planning, development and implementation of climate priorities outlined under Cambodia's project pipeline.

Within this context, NCDD-S has consulted across the relevant Units including the Internal Audit Group, the Policy Analysis and Development Division, and the Monitoring, Evaluation and Information Division on the focus and content of this proposal. Each of these Divisions have provided significant inputs into the proposal's contents and have been involved in the review and feedback process of this Readiness proposal.

In addition, the Deputy Head of NCDD-S has undertaken consultations with Cambodia's National Designated Authority (NDA) on the focus of the proposed Readiness, resulting in a concerted effort to provide funding for technical expertise, feasibility studies, concept note development and PPF funding requests – in support of moving adaptation priorities highlighted in the country programme forward through the pipeline. In addition, the NDA fully supports NCDD's focus on meeting the accreditation conditions and strengthening the internal project management capacities which will positively impact upon the implementation of pipeline projects for Cambodia.

During the implementation phase, the above-mentioned units will be directly involved in the implementation of the Readiness project through: (i) engagement on the upgrading and implementation of the policies including direct training on the implementation of the policies across NCDD; (ii) provision of technical support, advice and guidance on the development of the vulnerability and risk assessments; (iii) working directly with the professional services firm on the development of the concept note and supporting pre-feasibility study, including the PPF request; (iv) supporting the stakeholder consultations through protocols, logistics and leading sessions; (v) end-user inputs into the MERL and Project Management systems and manuals including participation in the capacity training; (vi) leading on communications and engagement; and (vii) involvement in peer exchanges and learnings including responsibility for the reporting and wider communication of findings back to NCDD units.

In terms of NCDD's engagement with CSOs, it is demonstrated through NCDD central role in Cambodia's decentralization and social accountability frameworks and its collaboration with national and subnational CSO networks and NGOs. Under the National Programme for Sub-National Democratic Development (NP-SNDD), NCDD operates within a governance approach that emphasizes inclusive, participatory, and citizen-responsive decision-making, including engagement with non-state actors such as CSOs and community-based organizations.

In particular, NCDD has been actively involved in the implementation of the Social Accountability Framework (I-SAF), which institutionalizes citizen participation in public service delivery through mechanisms such as community scorecards, interface meetings, and joint action planning processes. These mechanisms are implemented in partnership with CSOs, NGOs, and local facilitators, enabling structured consultation, feedback, and monitoring of public services at the subnational level. In addition, NCDD regularly collaborates with development partners and CSOs in multi-stakeholder platforms. For example, programmes supporting subnational governance and accountability explicitly involve CSOs as implementing and engagement partners, helping to strengthen transparency, accountability, and citizen participation in local governance.

Moreover, the broader institutional ecosystem in Cambodia supports continuous engagement between NCDD and CSOs through national and subnational coordination mechanisms, including technical working groups and partnership platforms where CSO networks provide inputs into policies, reforms, and development planning processes. Building on these established mechanisms and partnerships, this Readiness proposal will continue to engage CSOs and relevant stakeholders through consultations, workshops, and participatory processes—particularly in areas such as vulnerability assessments, concept note development, and policy review—ensuring that diverse stakeholder perspectives, including those of civil society, are integrated into project design and implementation.

The design of this Readiness proposal has been informed by a stakeholder engagement process undertaken in parallel with the development of the heatwave Concept Note and its supporting pre-feasibility study, which together form an integral part of the pipeline development in this Readiness proposal. This process included bilateral meetings with national and subnational institutions, engagement with development partners and CSOs, stakeholder consultation workshops, and community-level focus group discussions in Phnom Penh. Importantly, these consultations involved CSOs, non-governmental organizations, and community representatives working in urban poor and vulnerable communities, ensuring that local knowledge, lived experiences, and community priorities were incorporated into project design, which will be advanced through the Readiness support. The insights generated through these engagements—particularly regarding heat impacts, coping strategies, and barriers faced by vulnerable groups—have directly informed the prioritization of interventions, the design of project components, and the identification of target beneficiaries under both the pipeline concept notes and the broader Readiness proposal.

Building on this foundation, NCDD will ensure that CSO engagement is systematically embedded throughout the Readiness implementation. A dedicated consultation process with CSOs and community-based organizations will be conducted prior to the inception phase to validate priorities and refine implementation approaches. Furthermore, CSOs will continue to be engaged during implementation through consultations, workshops, and participatory validation processes, particularly for subnational assessments, strategy development, and concept note and funding proposal preparation. NCDD will ensure stakeholder engagements include CSOs that represent indigenous peoples, women groups, and other potential organizations representing vulnerable persons for an inclusive approach. To ensure accountability and continuity of engagement, NCDD will prepare and update stakeholder engagement reports on an annual basis, explicitly capturing the participation and inputs of CSOs and other non-state actors. This approach ensures that the Readiness proposal is both informed by and responsive to civil society perspectives, and that inclusive and participatory processes remain central throughout implementation.

2.7 Specific Readiness Needs

The overall scope of work for this Readiness project focuses on ensuring the NCDD and therefore the NCDD-S, has in place the necessary policies, systems and procedures required to enable the organisation to effectively fulfil its obligations as an accredited entity, and to support the development of the project pipeline linked to the Country Programme. This includes:

- Finalising relevant accreditation conditions to enable NCDD to implement GCF projects [Objective 1].
- Ensuring NCDD and project personnel are aware of, and understand, NCDD's obligations as an accredited entity, including implementation of the Environmental and Social Management System (ESMS) and Grievance Redress Mechanism (GRM) at organisational and project level [Objective 2].
- Supporting the development of projects through the pipeline via technical expertise, feasibility studies, concept notes and PPF funding requests [Objective 2].
- Review and upgrade of project-related manuals, guidelines and procedures to strengthen project implementation and project management [Objective 2].
- Ensuring NCDD-S personnel are trained in project management requirements including the design, development and implementation of projects [Objective 2].
- Development of a MERL for NCDD-S to enable effective data management, project management, learning and making decisions in relation to climate finance projects [Objective 2].
- Contribute to, and participate in, peer-to-peer learning processes, and utilise obtained knowledge including lessons learned, into future planning, programming and implementation of climate finance [Objective 3].

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

This Readiness proposal's overarching goal is to contribute towards Cambodia's efforts to meet its international and national climate commitments through strengthening the Direct Access Entity's (DAE's) accreditation functions and project management capacity. This will be achieved through the establishment of strong project policies, procedures and systems, building the skills and knowledge of personnel, and supporting the country's project pipeline. The objectives of this Readiness proposal are therefore to:

- Strengthen and update NCDD and NCDD-S' project-related policies and procedures to meet the accreditation conditions and strengthen project management of approved projects.
- Develop a pipeline of bankable projects for Cambodia through the provision of technical expertise, feasibility studies, concept notes and PPF funding requests.
- Enhance the skills and knowledge base of NCDD-S personnel to improve project implementation.
- Ensure effective monitoring and tracking of projects, enabling effective data management, project management, learning and making decisions in relation to climate finance projects.
- Enhance project management through adaptative management processes and feedback mechanisms established to ensure lessons learned are incorporated into future projects and project implementation arrangements.

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 of this Readiness on the DAE's programming and implementation capacity includes:

1. **Strengthened Accreditation and Compliance:** The readiness project will have a transformative impact by enabling NCDD to fully meet its outstanding GCF accreditation conditions. This includes rigorous external verification audits to confirm the implementation of the "Roadmap for enhancing NCDD to manage GCF funds" and to assess the effectiveness of the Audit and Ethics Committee. It will also involve upgrading the Environmental and Social Safeguards (ESS) policy to ensure executing entities establish project-level grievance mechanisms, and operationalizing a robust grievance redress system supported by an online complaints platform and improved communication tools. By closing these compliance gaps, NCDD will maintain its DAE status and strengthen fiduciary, environmental, and social risk management systems. These improvements will give NCDD the credibility and operational readiness required to manage GCF-funded projects effectively and transparently. Additionally, this will have specific impact on NCDD's management of SAP058 – Local

Governments and Climate Change III (LGCC-3) which was recently approved at B.43, in which one remaining condition after the first disbursement in this project to be met.

2. **Enhanced Programming Capacity:** Beyond compliance, the readiness project will significantly enhance NCDD's ability to design and implement climate projects. It will upgrade key its project-related operational manuals including the Operations and Procedures Manual, Project Management Manual, and Internal Audit Manual - ensuring they align with national and GCF standards. A comprehensive Monitoring, Evaluation, Reporting and Learning (MERL) system will be established, integrated with the GCF's IRMF, and supported by an updated M&E manual and database. Staff will undergo targeted training in project cycle management, fiduciary standards, ESS, GRM, and MERL systems, ensuring these tools are effectively applied.
3. **Establishing a strong, high-quality project portfolio supporting country priorities:** Targeting key country priorities (i.e. Strengthening Resilience to Extreme Heat in Phnom Penh: ensuring a safer, healthier, and sustainable urban community for all), the Readiness will support the DAE in undertaking the design and development of a funding proposal aimed for submission to the GCF as well as a new concept note submission potentially to the Fund for Responding Loss and Damage (FRLD) during the Readiness project implementation period. This support will accelerate Cambodia's climate project pipeline by enabling NCDD to prepare investment-grade funding proposal and concept note, develop at least one PPF proposal, and produce a Subnational Climate Change Strategy and Action Plan informed by downscaled climate modeling and vulnerability assessments. This will ensure that adaptation priorities at subnational levels are translated into bankable projects ready for financing.
4. **Sustainable Capacity and Knowledge Systems:** The readiness support will embed sustainability into NCDD's operations by institutionalizing best practices and reducing reliance on external consultants. Train-the-trainer programs will create an internal cadre of experts capable of cascading knowledge across the organization. Peer learning exchanges with regional DAEs and climate finance networks will foster innovation and strengthen NCDD's ability to adopt global best practices. Upgraded policies and systems will be integrated into national frameworks, ensuring alignment with government SOPs for externally financed projects. Knowledge management tools, including guidance notes for institutional reporting to GCF and development partners, will further enhance transparency and accountability. These interventions will create a long-term enabling environment for climate finance governance, positioning NCDD as a leading national actor capable of mobilizing and managing climate finance for locally led adaptation and resilience initiatives.

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](#).

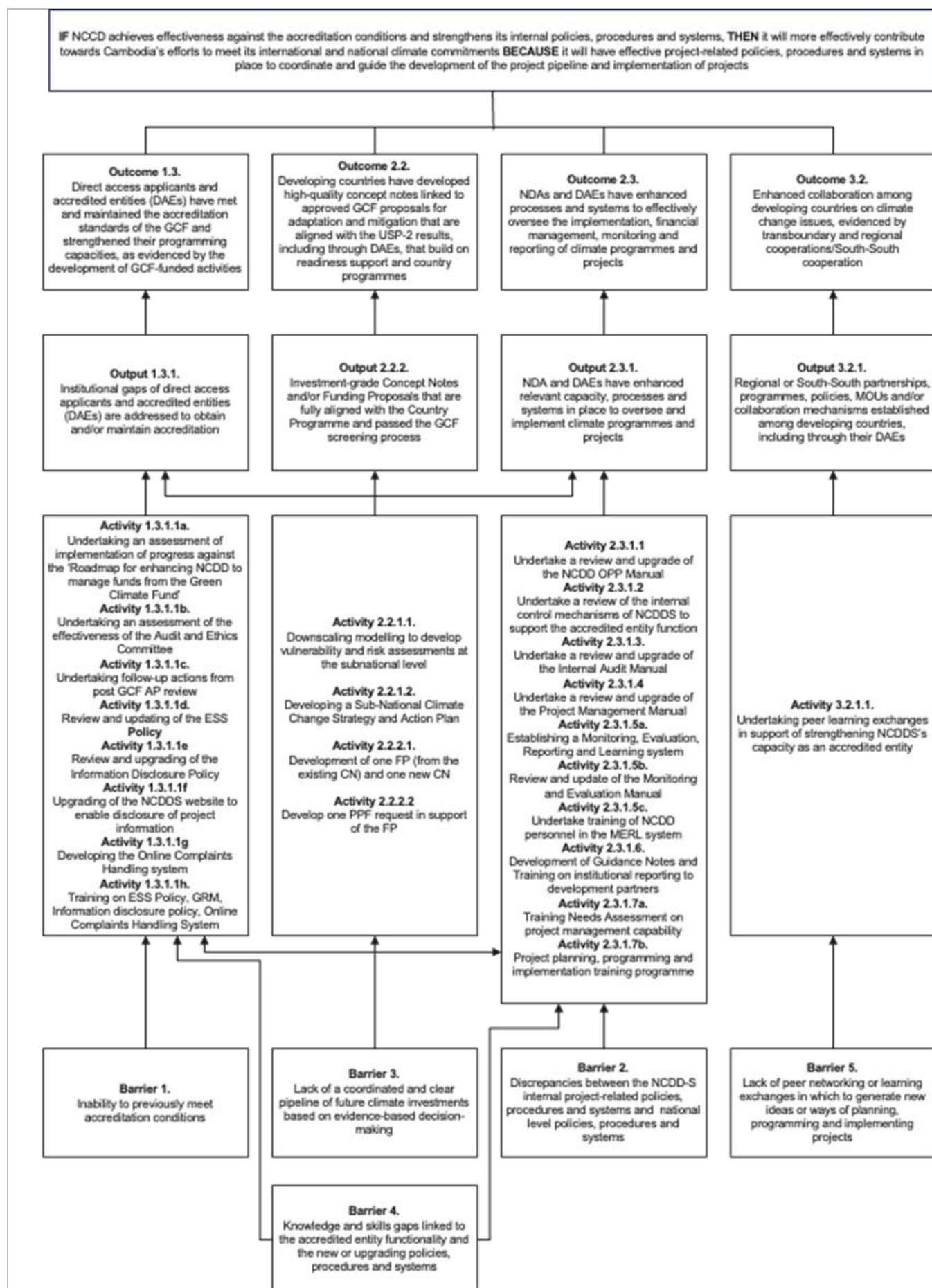
The goal statement for this Readiness project is:

IF NCDD achieves effectiveness against the accreditation conditions and strengthens its internal policies, procedures and systems, **THEN** it will more effectively contribute towards Cambodia's efforts to meet its international and national climate commitments **BECAUSE** it will have in place effective project-related policies, procedures and systems to coordinate and guide the development of the project pipeline and implementation of projects.

In addressing the identified gaps, this Readiness project aims to:

- a. Strengthen and enhance NCDD and NCDD-S' project-related policies and procedures to meet the accreditation conditions and strengthen project management of approved projects;
- b. Develop a pipeline of bankable projects for the DAE to support Cambodia's climate priorities, through the provision of technical studies and expertise, feasibility studies, concept notes and PPF funding requests;
- c. Enhance the policies, procedures, systems and the skills and knowledge base of NCDD-S personnel to improve project implementation;
- d. Ensure effective monitoring and tracking of projects, enabling effective data management, project management, learning and making decisions in relation to climate finance projects;
- e. Enhance project management through adaptative management processes and feedback mechanisms established to ensure lessons learned are incorporated into future projects and project implementation arrangements; and
- f. Enhance capacity and learnings through peer networking and knowledge exchanges.

This will be achieved through the following outcomes, outputs and activities as highlighted in the theory of change diagram below.

**Risks**

- The GCF do not provide the necessary templates and guidelines for Readiness proposal development in a timely manner, leading to a delay in the SAP project going to the Board for approval due to accreditation conditions needing to be met.
- GCF Accreditation Panel do not review and/or approve the deliverables designed to address the accreditation conditions in a timely manner.
- Delay in the implementation of activities leading to delays in disbursement and/or reporting.

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. Activity 1.3.1.1a. Undertaking an assessment of implementation of progress against the 'Roadmap for enhancing NCDD to manage funds from the Green Climate Fund' Note: Activity 1.3.1.1a – 1.3.1.1h, addressing DAE accreditation conditions, please refer to Annex A NCDD Accreditation Conditions table. Output 1.3.1 addresses the constraint for NCDD / NCDD-S to effectively undertake its accredited entity function in championing GCF projects due to unmet accreditation conditions which directly relate to its effectiveness to undertake implementation of projects currently in the PPF and development pipeline including the SAP proposal currently under review by the GCF – Local Governments and Climate Change-III (LGCC3) which was submitted to the GCF in August 2024. Activities under Output 1.3.1 will therefore support actions to address the remaining five (5) accreditation conditions, thus ensuring effective mobilisation of NCDD-S's project pipeline. A core priority for NCDD-S is meeting the conditions as outlined in Table 1 below. In addition to the activities outlined in Table 1, Output 1.3.1 will also include the provision of a training programme - including train-the-trainer - to support the implementation of the newly established Environmental and Social Management System e.g. environment and social safeguards policy, grievance redress mechanism, and online complaints system (refer Activity 2.3.3.1. Undertake training for NCDDS personnel on the ESS Policy, GRM and related systems). The trainings will involve three (3) workshops with an estimated 80 participants [30% female]. The initial trainings will include (a) train-the-trainer training for nominated NCDD-S personnel with responsibility in overseeing the ESMS and GRM systems and (b) training provided to all NCDD personnel, with a focus on programme / project personnel, to ensure a clear understanding of the systems including how to implement the systems at the organisational and project level. As the pipeline projects are approved, future trainings will be undertaken with the relevant project personnel e.g. executing entities, to ensure project personnel are familiar with the systems and their responsibilities relating to environmental and social safeguards. Deliverables under the Output will include: • An assessment audit, incorporating the Third, Fourth and Fifth Assessments of implementation of progress against the 'Roadmap for enhancing NCDD to manage funds from the Green Climate Fund'. • An audit report on the effectiveness of the Audit and Ethics Committee. • Training workshops on the ESS Policy, GRM and related systems including provision of workshop reports detailing agenda, course materials, discussion notes, participants listing (gender disaggregated) and evaluation. • Report on actions undertaken, if any, following the GCF AP review of the Guideline on Grievance Redress Mechanisms and Procedures on Implementing Projects and Programs within the Framework of Decentralisation and Decentralisation Reform. • Upgraded Information Disclosure Policy. • Upgraded website enabling disclosure of project information. • Online Complaints Handling System.

1-3-1.b. Activity 1.3.1.1b. Undertaking an assessment of the effectiveness of the Audit and Ethics Committee

1-3-1.c. Activity 1.3.1.1c. Undertaking follow-up actions from post GCF AP review of the Guideline on Grievance Redress Mechanisms and Procedures on Implementing Projects and Programs within the Framework of Decentralisation and Decentration Reform

1-3-1.d. Activity 1.3.1.1d. Review and updating of the ESS Policy

1-3-1.e. Activity 1.3.1.1e. Review and upgrading of the Information Disclosure Policy

1-3-1.f. Activity 1.3.1.1f. Upgrading of the NCDDS website to enable disclosure of project information

1-3-1.g. Activity 1.3.1.1g. Development of the Online Complaints Handling system

1-3-1.h. Activity 1.3.1.1h. Undertake training for NCDD personnel on the ESS Policy, GRM, Information disclosure policy, Online Complaints Handling System and related systems

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.

Activities

2-2-1.a. Activity 2.2.1.1. Downscaling modelling to develop vulnerability and risk assessments at the subnational level Climate projections are crucial for evidence-based decision-making. Whilst the Cambodian Ministry of Environment through UNCDF, has recently undertaken climate projections and risk vulnerability assessments as part of the national adaptation planning processes. The resulting report 'Climate Risk and Vulnerability Assessments for subnational adaptation in Cambodia: Downscaling report' provides for a baseline in establishing explanations of different methods of climate downscaling and to make an ensemble of the climate models that best capture the observed climate of Cambodia. However, whilst the calibrated model provides more reliable climate risk assessments for Cambodia, there remains gaps in the downscaling at subnational level. Additionally, whilst Cambodia has in place a Country Programme, this has been developed in the context of development partner priorities with little to no climate-evidence base and does not denote country-driven priorities. A key recommendation from the Downscaling Report notes the model ensemble has been created to form the climate hazard components for each of the different risks in the forthcoming CRVA work, however, it highlights the need for further analysis at the subnational / district level as the study sought only to validate and calibrate the climate models so that they are representative at the level and could be used for further risk and vulnerability analysis. Under this Readiness project, NCDD-S will lead on value-adding to the information collated under the report, and additional work currently being undertaken on impact assessments, to further develop downscaled modelling at the sub-national level across sectors. The resulting climate vulnerability and risk assessments will be utilised to identify sectors for prioritisation.

2-2-1.b. Activity 2.2.1.2. Development of a Subnational Climate Change Strategy and Action Plan Utilising information gathered through Activity 2.2.1.1, a Subnational Climate Change Strategy and Action Plan will be developed, highlighting the priority sectors and projects across districts which can be used in planning and decision-making for future climate investments. Ultimately the work undertaken in this output will contribute towards NCDD's climate investment pipeline and the development of a concept note and a funding proposal (refer Activity 2.2.2.3). To ensure alignment with national priorities and strategic frameworks, the development of the Subnational Climate Change Strategy and Action Plan will be guided by Cambodia's updated NDC 3.0, NAP, and relevant LTS, as well as the Climate Investment Plan supported under the country proposal. The prioritization of sectors and projects at subnational level will be explicitly mapped against national targets and priority investment areas identified in these frameworks, ensuring consistency and complementarity. This process will be undertaken in close coordination with the NDA and relevant stakeholders through existing coordination mechanisms, including the Country Platform, to ensure that identified subnational priorities are fully aligned with the national climate investment pipeline and contribute to a coherent, programmatic approach to GCF engagement.

☒ **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. Activity 2.2.2.1. Development of a funding proposal (from the existing concept note) and one new concept note Whilst NCDD-S has recently gained approval for the project – Local Governments and Climate Change III (LGCC3) - progress to-date on moving this proposal and country pipeline proposals forward as concept notes has been slow. Activity 2.2.2.1. Development of a funding proposal and concept note for country priority projects, and Activity 2.2.2.2. Develop one PPF request in support of the funding proposal - builds on prior pipeline work, and the work undertaken under Activities 2.2.1.1 and 2.2.1.2 and addresses the need to demonstrate significant progress in moving country priorities forward through the project pipeline over the four-year GCF Strategic Plan cycle. In supporting these ambitions, this Readiness proposal focuses on the provision of support to further develop a funding proposal for Strengthening Resilience to Extreme Heat in Phnom Penh: ensuring a safer, healthier, and sustainable urban community for all. The funding proposal is a partnership between NCDD and GIZ, with GIZ providing technical and financial support during the stage of concept note development. Following the recent submission and review by the GCF of the concept note, NCDD, through this Readiness will address the review comments and advance to funding proposal stage. In further addressing early review comments, the DAE will work with GIZ to (a) explore co-financing commitments, not only from Government but also from the private sector and other sources, to the project and (b) undertake a mapping exercise to highlight any existing national or regional initiatives or projects with a focus on heatwaves to identify partnerships for scaling-up or potential synergies. The resulting information and data gathered through these actions will be integrated into the development of a funding proposal for submission to the GCF. The Readiness support will include the development of the PPF funding request (if necessary) for this funding proposal, ensuring a smooth transition through the GCF pipeline (refer Activity 2.2.2.2). It is also recognized that NCDD through GIZ technical assistance may wish to undertake early works prior to the approval of this Readiness to address the review comments at the concept note stage. It is expected that the concept note will have been approved or endorsed by the GCF prior to the commencement of this Readiness project. Therefore, the Readiness resources will be utilized for the development of the funding proposal. Whilst the above-mentioned funding proposal will be conducted in Year 1 and 2, NCDD are also looking towards the future and will plan to commence development on a priority concept note later in the Readiness project's cycle (i.e. Year 3). This concept note (including pre-feasibility study) will be developed following discussions with the NDA and focus on a nominated sectoral and/or project priority from the Cambodia Country Platform. The Readiness will support the procurement of technical expertise to work with NCDD to develop the concept note and to explore the possibilities of submitting the concept note to a non-GCF donor. It is likely that NCDD will target the Fund for Responding to Loss and Damage (FRLD) for the concept note submission, although this will be further determined at a later stage of the Readiness project implementation.

2-2-2.b. Activity 2.2.2.2. Develop one PPF request in support of the Full Proposal completion. Supporting the development of the full proposal outlined in Activity 2.2.2.1, this activity will provide support to develop and submit at least one PPF request, if necessary, to support the completion phase of full proposal development under the GCF project pathway.

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. Activity 2.3.1.1. Undertake a review and upgrade of the NCDD OPP Manual to ensure alignment with national policies and procedures. The NCDD has in place a number of policies, manuals and guidelines supporting its accredited entity function. However, to ensure alignment and integration with national policies, donor / development partner policies and procedures, and to support the effective development and implementation of projects, there is a need to review and if appropriate, update a number of these policies or manuals. Output 2.2.1 therefore focuses on strengthening NCDD's project-related strategic frameworks and ensuring consistency across the policies and procedures platform for projects, through a review and updating of project-related policies, guidelines and manuals, and a review of internal control mechanisms. The NCDD Operations and Procedures (OPP) Manual provides detailed procedures and guidelines across all aspects of the organisation's administrative operations. However, challenges have arisen as the OPP Manual does not align in significant areas (e.g. procurement, recruitment, financial management, project governance and implementation arrangements) with the Government policies and procedures for externally funded programmes and projects. The role and functions of project management are not clearly defined, whilst the OPP highlights the financial management, procurement, recruitment, are namely managed by NCDD-S divisions which run parallel to project management, thus creating fiduciary risks to the project implementation. Complications are arising due to the lack of clarity against the policies and procedures – leading to different interpretations of the GCF Board Decision B24 accreditations on Project Management Standard vs Administrative Standard; different interpretations of the application of the procedures, and; the inconsistent approach to the management of externally funded projects across the Ministries. This is leading to dual operating systems and implementation challenges for project management. A review and update of the NCDD OPP Manual is therefore required to: (a) ensure alignment with national policies and procedures for externally funded projects; (b) ensure alignment and consistency with the practices and procedures put in place by the Government for all externally funded donor projects; (c) strengthen and provide clarity regarding project implementation arrangements, particularly relating to governance, oversight and management mechanisms and functions, in consistent with the GCF Board Decision B24 accreditations on Project Management Standards; (d) consistency review to ensure no overlapping procedures across manuals (such as NCDD OPP Manual and NCDD PMM Manual), and (e) update the Manuals to include procedures relating to the implementation arrangements pertaining to executing entities, particularly under GCF projects as outlined under the Accreditation conditions.

2-3-1.b. Activity 2.3.1.2. Undertake a review of the internal control mechanisms of NCDD to support the accredited entity function. To ensure strong implementation of GCF projects, the NCDD is requiring a review of the internal control mechanisms to ensure clarity in the interpretation of the roles and functions of the committees and units who play a role in ensuring transparency and accountability across programmes and projects. In particular, the members, roles and responsibilities of the NCDD Sub-Committee, NCDD-S committees, NCDD-S Working Groups and divisions as outlined in the OPP Manual are to be reviewed and if required updated, to ensure efficiency, accountability and transparency across the implementation and management functions relating to GCF funded programmes and projects.

2-3-1.c. Activity 2.3.1.3. Internal Audit Manual To ensure alignment with national policies and procedures, and international donor requirements (including the GCF), a review of the Internal Audit Manual will also be undertaken to ensure it meets international standards and is compliant with GCF requirements for accredited entities. This will involve the Internal Audit team working closely with the independent reviewer to strengthen the procedures and expand internal skills and knowledge in this area.

2-3-1.d. Activity 2.3.1.4. Undertake a review and upgrade of the Project Management Manual The Project Management Manual (PMM) outlines the procedures for the development and implementation of projects conducted within NCDD. The Manual includes several key standard documents that are used for directing projects as well as links to project instruments including Standard Operating Procedures, NCDD policies, manuals and guidelines, Gender Equality Policy, Environmental and Social Safeguards Policy, Grievance Redress Policy, and Information Disclosure Guidelines. With the GCF SAP project in the review pipeline, the NCDD / NCDD-S are preparing for implementation of the project by ensuring all the necessary procedures and guidelines are practical, relevant, consistent across Manuals and meet the GCF guidelines. Therefore, a review of the Project Management Manual (PMM Manual) is required to ensure alignment with the national policies, Government policies and procedures for externally funded programmes and projects for project management, consistency with complementary Manuals (e.g. OPP Manual) and consistent with the Green Climate Fund policies and procedures. The review will ensure the PMM Manual is consistent with updated policies on Gender, Environmental and Social Safeguards, Information Disclosure, Complaints Mechanism, and Monitoring and Evaluation procedures.

2-3-1.e. Activity 2.3.1.5a. Establishing a Monitoring, Evaluation, Reporting and Learning system To support the implementation of GCF projects in the pipeline, a strong Monitoring, Evaluation, Reporting and Learning (MERL) system is required. The development of a MERL for NCDD-S will enable the DAE to gather evidence needed to help manage, learn and make decisions in relation to climate finance projects, in particular, being able to effectively monitor and report against the GCF's Integrated Results Management Framework. Under this output, NCDD-S will procure technical expertise to develop a MERL system which aligns with the requirements of the GCF's Integrated Results Management Framework (IRMF) and enables effective monitoring, evaluation, reporting and learning against the framework for climate projects. The MERL system will include a database system to enable: o project monitoring and reporting aligned to development partner requirements, o integration with data collection tools and methodologies, and o integration with reporting tools.

2-3-1.f. Activity 2.3.1.5b. Review and update of the Monitoring and Evaluation Manual Activity 2.3.1.5b will involve the review and updating of the existing Monitoring and Evaluation Manual (2019) to ensure it is aligned to the new MERL system. This will include the development of an M&E Handbook clearly articulating the guidelines and responsibilities of NCDD-S personnel.

2-3-1.g. Activity 2.3.1.5c. Undertake training of NCDD personnel in the MERL system Training of NCDD-S personnel in the use of the MERL system and its application to their projects. The training would cover 80 participants [targeting 30% of women] from across the Program Management & Support Division, Monitory Evaluation & Information Division, Finance and Administration Division, and Division Policy Analysis and Development. The training will be documented including materials, participants list (gender disaggregated) and an evaluation survey for results to be incorporated into future trainings.

2-3-1.h. Activity 2.3.1.6. Development of Guidance Notes and Training on institutional reporting to development partners As part of the MERL process, develop guidance notes and templates on the role of, and how to structure NCDD-S's institutional reporting to the GCF and other development partners. This would include improving the capacity and skills of NCDD personnel in the continuity and quality of bi-annual progress reporting on the accredited entity functionality to meet requirements as per the AMA. This will include training personnel in M&E and reporting including the provision of institutional progress reports, including bi-annual GCF reports).

2-3-1.i. Activity 2.3.1.7a. Undertake a Training Needs Assessment on project management capability Output 2.3.1 will complement the actions by NCDD in meeting the accreditation conditions, and the subsequent training of NCDD-S personnel, through value-adding to the knowledge via a project planning, programming and implementation training programme. The training programme aims to build internal expertise across the project cycle through the establishment of a cohort of project specialists, and reducing over time, reliance on external support. The first phase will involve the undertaking of an organisational Training Needs Assessment, to identify gaps in skills and knowledge. The Needs Assessment will focus on areas including: roles and responsibilities of an accredited entity; climate finance knowledge (i.e. understanding climate finance landscape and funding mechanisms, policies and procedures, modalities and how to access finance); project and concept note development; project management skills (e.g. managing projects, reporting, risk management, monitoring and tracking); tools and systems skills and knowledge (e.g. project management tools); and monitoring and reporting on projects, particularly in relation to the GCF's reporting portals and Integrated Results Management Framework (IRMF).

2-3-1.j. Activity 2.3.1.7b. Develop and Implement a project planning, programming and implementation training programme Following the Needs Assessment, a medium-term training programme is to be developed and implemented. The aim will be to develop a 'rolling' programme rather than a one-off programme, which is implemented across the organisation over the span of the Readiness project. In this manner, the programme will enable the capturing of new personnel as part of their on-boarding, as well as expand and develop the skillsets and knowledge of longer-term personnel. In particular, the training programme will also focus on establishing a cohort of train-the-trainers, with the intention for those in-house personnel to takeover / lead on aspects of the training.

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. Activity 3.2.1.1. Undertaking peer learning exchanges in support of strengthening NCDDS's capacity as an accredited entity The value of knowledge sharing and learning through face-to-face participation is widely recognised. In support of this, Output 3.2.1 supports the participation and contribution of NCDDS personnel in regional climate finance peer learning networks and forums, in support of the DAE's planning, programming and implementation efforts. The peer learning experiences – such as the Community of Practice of Direct Access Entities and other regional peer-to-peer networks - will enable collaborations and the sharing of ideas, skills, experiences and resources to improve or strengthen project development and implementation. The aim will be for NCDDS to benefit from the opportunities to exchange information, share success stories and best practices and discuss how to strengthen processes, priorities and ways of accessing financing to support Cambodia's climate priorities. The Readiness project will support travel for peer learning exchanges for two NCDDS participants, enabling NCDDS to work with the representatives of regional countries, establish partnerships and share knowledge and learnings designed to strengthen and/or improve NCDDS operations in supporting Cambodia to meet its international and national climate commitments.

4.3 Stakeholder Engagement Strategy

This Readiness proposal is in support of the Direct Access Entity (DAE) – the National Committee for Sub-National Democratic Development (NCDD) – through the implementation of measures which will strengthen the NCDD and its Secretariat's (NCDD-S) capability in supporting the planning, development and implementation of climate priorities outlined under Cambodia's project pipeline.

Within this context, NCDD-S has consulted across the relevant Units including the Internal Audit Group, the Policy Analysis and Development Division, and the Monitoring, Evaluation and Information Division on the focus and content of this proposal. Each of these Divisions have provided significant inputs into the proposal's contents and have been involved in the review and feedback process of this Readiness proposal.

In addition, the Deputy Head of NCDD-S has undertaken consultations with Cambodia's National Designated Authority (NDA) on the focus of the proposed Readiness, resulting in a concerted effort to provide funding for technical expertise, feasibility studies, concept note development and PPF funding requests – in support of moving adaptation priorities highlighted in the country programme forward through the pipeline. In addition, the NDA fully supports NCDD's focus on meeting the accreditation conditions and strengthening the internal project management capacities which will positively impact upon the implementation of pipeline projects for Cambodia.

During the implementation phase, the above-mentioned units will be directly involved in the implementation of the Readiness project through: (i) engagement on the upgrading and implementation of the policies including direct training on the implementation of the policies across NCDD; (ii) provision of technical support, advice and guidance on the development of the vulnerability and risk assessments; (iii) working directly with the professional services firm on the development of the concept note and supporting pre-feasibility study, including the PPF request; (iv) supporting the stakeholder consultations through protocols, logistics and leading sessions; (v) end-user inputs into the MERL and Project Management systems and manuals including participation in the capacity training; (vi) leading on communications and engagement; and (vii) involvement in peer exchanges and learnings including responsibility for the reporting and wider communication of findings back to NCDD units.

Direct beneficiaries from the activities outlined in this Readiness proposal consist of all NCDD-S personnel [i.e. 84 government staff of which 25% are women and government contractual staff of which 42% are women] particularly through the implementation of the environmental and social management system, grievance redress mechanism, the monitoring, evaluation, reporting and learning (MERL) system, and review and upgrade of project-related guidelines and procedures. These activities will directly benefit personnel who are at the forefront of developing, implementing and managing climate change projects as it will streamline processes and provide clarity on required policies and guidelines. Lastly, through the targeted training programmes designed to raise awareness and understanding on the implementation of the above systems, NCDD personnel will develop a deep understanding of the required application of key ESS, GRM and Gender related requirements for development partners.

In addition, the NDA will benefit from this Readiness proposal, due to the strengthened capacity of NCDD-S, enabling the NCDD-S to more effectively develop and implement projects in-line with Cambodia's climate priorities. In particular, the focus on developing the two draft concept notes already in the pipeline allocated to NCDD-S as the accredited entity, will ensure these project proposals move quickly through the pipeline due to the technical expertise, feasibility studies and concerted effort on developing high-quality concept notes and PPF funding requests for GCF approval.

Indirect beneficiaries will be those project executing entities and project recipients whom the NCDD will be overseeing and managing as an accredited entity. Improvements to compliance systems and procedures will ensure strong and effective implementation of projects on-ground, with an accredited entity who has the experience and skills to provide guidance and oversight. Lastly, in the medium to longer term, development partners beyond the GCF will also benefit from the NCDD strengthened project-related systems as the improved processes and procedures, and experienced personnel will translate across into other development projects.

This Readiness project will target at least a 30% participation rate from women in the activities, in particular the training programmes to better understand the implementation of the ESMS and GRM systems, review of relevant project-related policies, the development and implementation of the MERL system, and inclusion in the regional peer learning opportunities. Inclusion targets are based on the number of female personnel who are in the NCDD-S and / or positions directly related to the development, implementation and management of climate change related projects.

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 meeting the pending accreditation conditions due to (i) late issuance/updates of GCF Readiness templates and guidance, and/or (ii) delayed review/approval by the GCF Accreditation Panel of deliverables addressing the conditions. Such delays could postpone readiness milestones and, consequently, affect the timely start of SAP058 implementation.	High	High	Maintain proactive, scheduled coordination with the AP Desk and GCF Secretariat to anticipate template/guidance updates and align deliverables early. Submit draft deliverables for early, informal technical feedback prior to formal submission to reduce iteration time; track and respond to AP comments on a rolling basis	NCDD-S
Operational	Delay in the implementation of activities leading to delays in disbursement and/or reporting	Medium	Medium	Detailed workplans to be developed and followed. Regular progress reports to the Deputy Head, NCDD-S. Convene meetings to identify potential delays and solutions.	NCDD-S
Operational	Limited DAE capacity for oversight and management of grants simultaneously under implementation	Low	Medium	Readiness activities will be delivered by NCDD-S with the support of a PMT and technical support for specific activities as required.	NCDD-S
Financial	Misuse of funds or prohibited practices, including fraud, corruption, money laundering, and terrorist financing (ML/TF),	Low	Medium	Conduct sanctions screening and due diligence for all vendors/consultants, including verification of legal identity, beneficial ownership (where available), and sanctions/adverse media checks; exclude entities/individuals	NCDD-S

and/or non compliance with procurement/financial controls could compromise fiduciary integrity.

flagged under UNSC sanctions (as acknowledged in Section 7.5). Procurement integrity: follow the Royal Government of Cambodia's SOPs on procurement for externally financed projects (methods, thresholds, evaluation, records); publish award notices on the upgraded NCDD website as part of information disclosure commitments. Whistleblowing and GRM use: channel financial/procurement complaints through the GRM and online complaints system; enable anonymous reporting; time bound investigation and remediation with documented outcomes Monitoring mechanisms: Independent annual financial audits by a private auditor with explicit testing of AML/CFT controls (sanctions screening, payment authorization, bank reconciliations, etc.). Quarterly internal control reviews led by the internal control staff, with spot checks on procurement files and payment trails; corrective actions tracked to closure.

Regulatory

Risks related to National Policies and/or Laws: Changes in, or strict application of, national laws, regulations, and government procedures for externally financed projects (including procurement, financial management, and staffing approvals) may delay implementation of Readiness activities and the timely delivery of accreditation-related outputs. Misalignment between existing NCDD OPP procedures and national SOPs may also create ambiguity in implementation arrangements.

High

High

Implement all procurement and financial management processes in full alignment with the Royal Government of Cambodia's SOPs for externally financed projects; Maintain close coordination with relevant ministries (e.g. MEF) and the NDA to ensure timely approvals and compliance with national regulations; Undertake Activity 2.3.1.1 to review and upgrade the NCDD OPP Manual to ensure alignment with national laws and eliminate inconsistencies; Establish clear internal guidance for staff on applicable procedures during the transition period (i.e. SOPs vs OPP); Incorporate contingency time in the implementation plan to accommodate potential regulatory delays.

NCDD-S

Operational

Risk related to procurement: Delays or inefficiencies in procurement processes may arise due to procedural requirements under national SOPs, limited internal procurement capacity, or coordination challenges between NCDD units. This may affect timely contracting of technical

Medium

High

Apply the Royal Government of Cambodia's SOPs for externally financed projects to ensure standardized and compliant procurement processes; Prepare and approve procurement plans early in the implementation phase to anticipate timelines for key contracts; Clearly define roles and responsibilities within the Readiness Management Team,

NCDD-S



experts and delivery of key outputs (e.g. CRVA, strategy development, concept notes).

including procurement, technical oversight, and contract management functions; Mobilize the National Coordinator and relevant technical staff to support procurement processes, documentation, and contract management; Where feasible, bundle related services into packages to reduce procurement lead times; Monitor procurement progress regularly and address bottlenecks through internal coordination mechanisms.

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	0	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	0	1
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
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

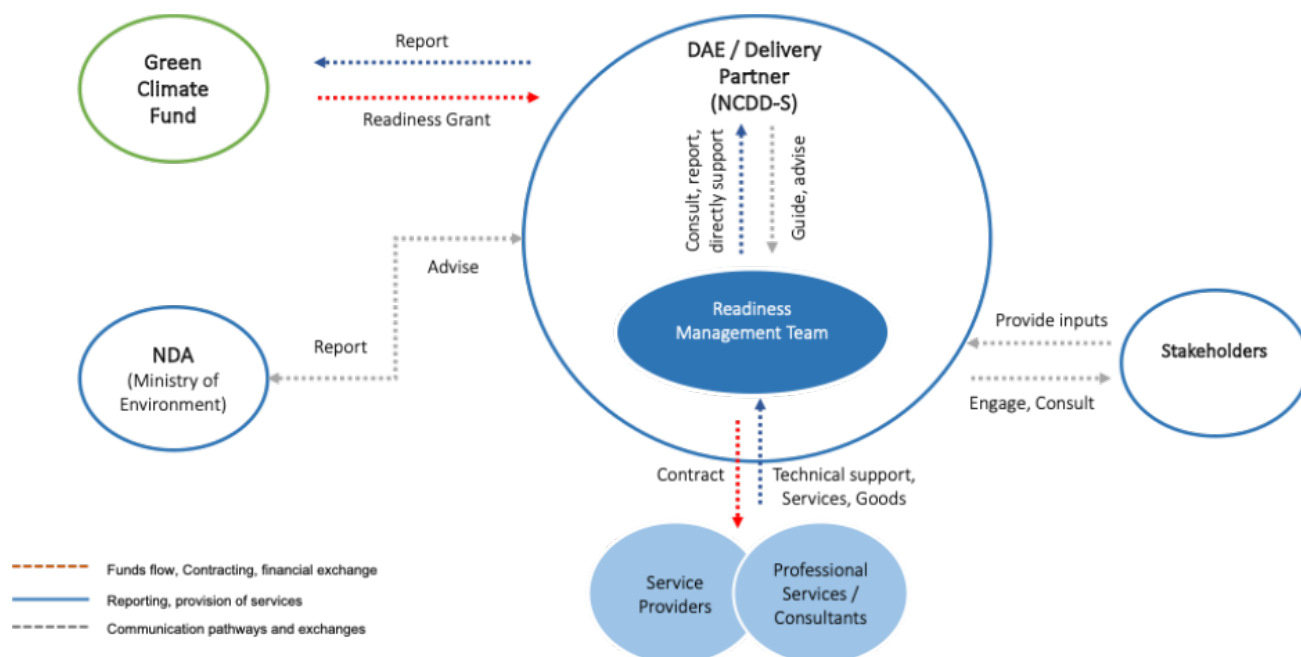


Figure 1. NCDD-S DAE Readiness Implementation Arrangements

As the Direct Access Entity, the National Committee for Sub-National Democratic Development Secretariat (NCDD-S) will be directly responsible for the implementation of this Direct Access Readiness project. This will include undertaking responsibility for managing the Bilateral Grant Agreement to be signed with GCF or its fiduciary agent and be responsible for implementation of the readiness support, and will carry out all fiduciary and financial management, procurement of goods and services, monitoring and reporting activities under this proposal in compliance with the Bilateral Grant Agreement to be signed with GCF or its fiduciary agent.

NCDD-S retains ultimate management responsibility and accountability for all grant implementation matters, including the execution of the activities and budget resources through its Readiness Management Team.

The NCDD-S will establish a Readiness Management Team (RMT) whose responsibility it is to manage the Readiness proposal. Whilst noting that some gaps of NCDD OPP Manual mechanisms will be addressed through this Readiness programme, the RMT will be required to ensure all administrative and operational actions and technical activities under this Readiness project are in compliance with GCF's policies and procedures and with the Bilateral Grant Agreement to be signed with the GCF. Therefore, the RMT will be responsible for the review and approval of **all** Readiness related activities including administration, finances, budgeting and planning, banking, reporting, recruitment, and procurement. That is, all expenditures and procurements (of goods and services) must be reviewed and approved by the RMT to be considered as eligible expenditures under this Readiness programme. Likewise, all recruitment processes and decision-making of recruited personnel must have the approval of the RMT. The RMT will also be responsible for the project's risk management, monitoring and reporting activities under this proposal in compliance with GCF's policies and procedures and with the Bilateral Grant Agreement to be signed with GCF.

Readiness Management Team

The project will be managed by NCDD-S personnel as outlined in the table in Section 6.2 (i.e. Readiness Management Team or RMT). The RMT will consist of core personnel: (12 NCDD-S staff) Project Director, Project

Manager, Project Coordinator, Planning and Budget Officer, Capacity Development and Gender Officer, Policy Officer, Finance Officer, Procurement Officer, Internal Control Officer, Technical Officer, GRM and Stakeholder Officer, Monitor & Evaluation Officer; and (2 project contractor staff) National Coordinator Contract Staff, and Finance & Program Contract Staff.

The RMT will be responsible for the delivery of activities including administration, finance, budgeting and planning, banking, reporting, recruitment, procurement of goods and services, to be undertaken under this Readiness proposal. In particular, this will include but not limited to:

- Develop all terms of reference for activities under the Readiness.
- Recruitment and procurement of personnel and expertise to undertake activities managed by the RMT including (a) review technical applications and financial tenders; (b) conduct interviews and evaluation; (c) determine and approve of selected candidates and consultancies.
- Procurement of goods under this Readiness managed by RMT including (a) review technical applications and financial tenders; (b) conduct review and evaluation; (c) determine and approve of selected vendors and good providers.
- Supervise and manage contractors, project contract staff and suppliers for the Readiness.
- Preparation of Annual Work Plan and Budget in alignment with approved Readiness Budget.
- Financial management and reporting, including (a) budgeting and reporting; (b) arrangement of audits on funds disbursed; (c) budget implementation, review and approval; and (d) banking management and bank account custodian.
- Progress reporting to the GCF and its fiduciary agent.
- Disbursement requests to the GCF and its fiduciary agent.
- Tracking and monitoring of activities against the implementation plan.
- Undertaking risk-management and reporting.
- Supporting workshops and travel for beneficiaries, staff, and stakeholders.
- Production of deliverables.
- Stakeholder consultations.
- Support in-country missions to provide in-person support.
- Preparation of project closing documents including reporting and deliverables.
- Coordination and progress reporting to stakeholders.

National Designated Authority

The Ministry of Environment serves as the National Designated Authority (NDA) to the Green Climate Fund and will directly engage with the DAE particularly on matters relating to the project pipeline. As per current arrangements, the NCDD-S will ensure the NDA is kept regularly updated on progress relating to the DAE Readiness project, and in particular, in regards to the identification of the proposed projects under the country pipeline for the DAE to lead on the development and subsequent implementation. The DAE shall communicate and coordinate at least two semi-annual meetings with the NDA and the GCF Secretariat on the progress and status of the Readiness programme implementation.

Professional Services / Consultants

Professional Services (i.e. firms and/or consortiums of consultants) and individual consultants (international and national) will be recipients of funds to plan and implement specific activities as outlined in this proposal (Section 6.2) and supporting budget. The services required will be dependent upon the activity and subsequent tenders for services will be constructed to meet the specific needs. Provision of professional services and consultants will be procured and managed by Readiness Management Team.

Procurement and management of these professional services will follow the guidelines as set out in the *Royal Government of Cambodia's Standard Operating Procedures on Project Management for Externally Financed Projects in Cambodia*, having responsibility for implementation, monitoring and coordination,[1] the *Royal Government of Cambodia's Standard Operating Procedures on Financial Management for Externally Financed Projects in Cambodia* and the *Royal Government of Cambodia's Standard Operating Procedures on Procurement for Externally Financed Projects in Cambodia*. The RMT will also develop a Financial Management and Procurement Manual

The NCDD Operations Policies and Procedures Manual shall not apply on this Procurement or Financial Management. Other Procurement related Committees defined under NCDD OPP shall not apply.

Service Providers

Provision of goods and services outside of professional services / consultants, will be procured through the Government of Cambodia's procurement policy and managed by Readiness Management Team. Procurement and management of these professional services will follow the guidelines as set out in the *Royal Government of Cambodia's Standard Operating Procedures on Project Management for Externally Financed Projects in Cambodia*, having responsibility for implementation, monitoring and coordination,[2] the *Royal Government of Cambodia's Standard Operating Procedures on Financial Management for Externally Financed Projects in Cambodia* and the *Royal Government of Cambodia's Standard Operating Procedures on Procurement for Externally Financed Projects in Cambodia*.

The NCDD Operations Policies and Procedures Manual shall not apply on this Procurement or Financial Management. Other Procurement related Committees defined under NCDD OPP shall not apply.

Operational Procedures for the Readiness Project

As outlined in the theory of change, there are recognised discrepancies and conflicting operational procedures between the NCDD Operations Policies and Procedures Manual (OPP Manual) and the *Royal Government of Cambodia's Standard Operating Procedures on Project Management for Externally Financed Projects in Cambodia* (i.e. the national level procedures). Whilst this Readiness project will review and update the OPP Manual to ensure alignment with the national procedures, in the meantime, this Readiness project will operate under the following policies and procedures:

- The Project will be implemented in-line with the Royal Government of Cambodia's Standard Operating Procedures on Project Management for Externally Financed Projects in Cambodia, having responsibility for implementation, monitoring and coordination.[3] The Standard Operating Procedures (SOPs) provide guidelines for the identification, preparation, appraisal, implementation, monitoring and evaluation of investment projects and programs financed by development partners in Cambodia.
- The Project shall follow the Royal Government of Cambodia's Standard Operating Procedures on Financial Management for Externally Financed Projects in Cambodia. NCDD Operations Policies and Procedures Manual shall not apply on this Financial Management.
- The Project shall follow Royal Government of Cambodia's Standard Operating Procedures on Procurement for Externally Financed Projects in Cambodia. NCDD Operations Policies and Procedures Manual shall not apply on this Procurement Management. Other Procurement related Committees defined under NCDD OPP shall not apply.

The Readiness management team will be responsible for ensuring the Readiness project adheres to these policies and procedures, and in meeting the requirements under the Bilateral Grant Agreement with the GCF.

[1] Available online at: <https://gdicdm.mef.gov.kh/2020/10/05/10176.html5>

[2] Available online at: <https://gdicdm.mef.gov.kh/2020/10/05/10176.html5>

[3] Available online at: <https://gdicdm.mef.gov.kh/2020/10/05/10176.html5>

6.1.2 Framework Agreements

Not applicable for this Readiness.

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
H.E. Chheng Vatanak	NCDD-S	Project Oversight	Project Director	Provides strategic and high-level support, oversight and management of the Readiness, including expenditure review and approval.	Cambodia
H.E. Chey Sambathphalla	NCDD-S	Project Management	Project Manager	Lead and Manage the Readiness team to deliver against the proposal, implementation plan and budget. Oversight and manage the Readiness operational functions including procurement, contracting, financial management, monitoring and reporting. Manage stakeholder relationships and ensure effective	Cambodia

				engagement and participation. Verify the budget request process and coordinate with Finance Staff to execute the activities according to budget plan and seek approval from Project Director.	
Mr. Khorl Yuthyl	NCDD-S	Project Implementation	Project Coordinator	Work with the professional services and consultants (international and national) to deliver against respective activities, including providing technical inputs and advice, in the execution of the activities. Support the implementation of the Readiness operational functions including procurement, contracting, financial management, monitoring and reporting. Coordinate stakeholder relationships and ensure effective engagement and participation. Implement budget request process and coordinate with Finance Staff to execute the activities according to budget plan and seek approval from Project Director.	Cambodia
Ms. Dy Socheath	NCDD-S	Project Implementation	Planning and Budget Officer	Support the Readiness team to deliver against the proposal, implementation plan and budget (AWPB).	Cambodia
Ms. Choun Somaly	NCDD-S	Project Implementation	Capacity Development and Gender Officer	Support the Readiness team on capacity development activities including trainings and workshops. Support the policies and guidelines related to ESS, Gender and project ESS, Gender related matters.	Cambodia
Ms. Kong Bunna	NCDD-S	Project Implementation	Policy Officer	Support the Readiness team on implementation of policies review and development related activities. Support the development of project pipeline and concept note activities. Support the strategy development work and strategic partnership discussion with key partners.	Cambodia
Ms. Sak Channita	NCDD-S	Financial Management	Finance Officer	Undertakes regular budget reconciliations and ensures any issues are highlighted. Manages financial payments under the project. Manages outflows of funds under the project and keep records of all payments. Undertake banking processing and coordination with banks. Undertakes the budget implementation and coordinate with	Cambodia

				Project Coordinator and Project Manager seeking approval from Project Director.	
Ms. Arun Navy	NCDD-S	Procurement Management	Procurement Officer	Ensures procurements are aligned to the approved budget. Supports the procurement of goods, services and consulting services. Undertakes the procurement implementation and coordinate with Project Coordinator and Project Manager seeking approval from Project Director.	Cambodia
Mr. Tor Vannak	NCDD-S	Internal Control Management	Internal Control Officer	Support the implementation of the Internal Control Mechanism activities. Review and coordinate on all Internal Audit and External Audit activities.	Cambodia
Ms. Ith Zolinda	NCDD-S	Project Implementation	Technical Officer	Support the implementation of the policies review and development. Coordinate within NCDD-S divisions on stakeholder consultation, discussion, and meetings. Review and consolidate deliverables and coordinate with M&E Officer on GCF Readiness reporting in PPMS. Dissemination and publish key deliverables related to the implementation of revised or new policies including guidelines and manuals.	Cambodia
Mr. Phon Sokha	NCDD-S	Project Implementation	GRM and Stakeholder Officer	Support the policies and guidelines related to GRM and project GRM related matters. Support stakeholder relationships and ensure effective engagement and participation.	Cambodia
Mr. Keo Samrith	NCDD-S	MERL	Monitoring & Evaluation Officer	Support the implementation of the NCDD-S MERL framework, ensuring it meets expectations and delivers quality evidence. Support the design and application of data collection tools and methodologies to evidence project performance and impact. Regularly collect, manage, and analyse data to track progress towards project outcomes. Produce comprehensive MERL reports for internal and external stakeholders. Recommend project adjustments based on monitoring, research, and evaluation findings. Track project performance, success stories and adaptations for effective reporting to the programme leadership. Support the project in undertaking various	Cambodia

studies e such as evaluations,
reviews, and reports.

n/a	Professional Services Firm	Project Auditing	Auditor	Outcome 1.3. Undertake (a) the Third, Fourth assessment of the NDCC Roadmap and (b) Audit on the effectiveness of the Audit & Ethics Committee	Cambodia
n/a	Professional Services Firm	Grievance Redress	GRM Specialists	Outcome 1.3. Undertake follow-up actions on the GRM based on the GCF AP Review comments	Remote and/or Cambodia based
n/a	Consultant (International)	Environmental and Social Safeguards	ESS Specialist	Outcome 1.3. Review and upgrade the ESS Policy and Information Disclosure Policy	Remote with country visits
n/a	Professional Services Firm	IT / Database / Information Management	IT / Database Specialists	Outcome 1.3. Develop the online information disclosure and the Online Complaints System	Cambodia
n/a	Professional Services Firm	Climate change hazard and risk mapping Strategy development	Climate change and vulnerability & risk mapping specialists	Outcome 2.2. Subnational CRVA's and develop the Subnational Climate Change Strategy and Action Plan	Remote with country visits
n/a	National Coordinator	Climate Change / Climate Data / Project Management	Climate Change Specialist	Support and lead the internal implementation and activities under the Readiness	Cambodia
n/a	Professional Services Firm	Various	Project Developers	Outcome 2.2. Develop concept note and Funding Proposal	Remote with country visits
n/a	Professional Services Firm	Policy and Institutional Platforms, Audits, Project Management	Policy and Institutional Specialists / Project Management Specialists	Outcome 2.3. Review and upgrade the OPP Manual, internal control mechanisms, Internal Audit Manual and Project Management Manual	Remote with country visits

n/a	Consultant (National)	Policy, Institutional platforms, Governance mechanisms	Policy & Institutional Specialist	Outcome 2.3. Review and upgrade the OPP Manual, internal control mechanisms, Internal Audit Manual and Project Management Manual	Cambodia
n/a	Professional Services Firm	Monitoring, Evaluation, Reporting and Learning MERL systems	MERL Specialists	Outcome 2.3. Establish MERL system, User Manual and undertake Training	Remote with country visits
n/a	Consultant (National)	Assessments / Project Management	Capacity Development Specialist	Outcome 2.3. Undertake TNA	Cambodia
n/a	Consultant (International)	Evaluations	Independent Evaluator	Undertake independent evaluation of the Readiness project	Remote with country visits

6.3 Fund flow arrangements

The signing of the Bilateral Grant Agreement with the GCF or its fiduciary agent will trigger the disbursements for the project. As outlined in Figure 1, funds will flow from the GCF to NCDD. A Commercial Bank Account will be established by NCDD and dedicated for this Readiness Programme. The bank account currency will be in USD which will minimise / mitigate against exchange rate risks.

NCDD's RMT will manage the Readiness funds through the bank account, with all payments against procurements to be made directly to the contractors or suppliers from the dedicated bank account. Funds will be utilised for the purposes outlined in the budget e.g. contracting professional firm, consultancy, staff under this Readiness, workshop venues, operational supplies etc. Reconciliations against the bank account will be undertaken as per the financial reporting requirements of the GCF and as outlined in the operational procedures outlined in Section 6.1.1.

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 no entities or individuals who are subject to or affected by United Nations Security Council sanctions regimes that will be involved in such projects/activities, either as counterparties or as beneficiaries.

7.6 Grievance Redress Mechanisms

The Royal Government of Cambodia has in place a mechanism for receiving and resolving grievances at the national level has been established in the form of a working group called the Grievance Redressal Working Group (GRWG) issued by the decree of the head of the NCDD Secretariat consisting of compositions, roles, duties, and functions. The GRWG is responsible for receiving and resolving complaints.

The GRM mechanism is available to any citizens or stakeholders who are negatively affected by actions or decisions or decisions related to the implementation of projects and programs within the framework of decentralization and deconcentration reforms funded by development partners and under the guidance and coordination of the NCDD Secretariat.

The functioning and process of the GRM system is outlined in the 'Guidebook on Mechanisms and Procedures for Receiving and Resolving Complaints related to Implementation of Projects and Programs within the Framework Decentralization Deconcentration Reform'. The Guidebook outlines the focus on grievance redressal working groups, principles of receiving and resolving grievances, the scope of grievance redress, procedures for receiving and resolving grievances, and planning and action plans and budgets.

All people also have the right to submit a complaint directly to NCDD Secretariat, either through the NCDD website, in writing, by email (complaint@ncdd.gov.kh), by telephone or in person. NCDD Secretariat will record and investigate all complaints received in accordance with the grievance mechanism as outlined in Guidebook on Mechanism and Procedures for Receiving and Resolving Complaints.

Information for accessing the NCDD GRM can be found in the following link:

https://ncdd.gov.kh/applying_complaint/

For more information please contact: Tel: (+855) 23 720 038 / 720 061 / 78 575 775 Email: complaint@ncdd.gov.kh

This existing GRM process (when approved by the AP Panel) will be applicable and effective for this Readiness proposal.

In addition to the NCDD grievance process described above, project-affected people and other stakeholders may also access the GCF Independent Redress Mechanism (IRM) at any time. The IRM is independent from project implementation and provides a safe avenue for complaints related to actual or potential adverse impacts of GCF-funded activities. Complaints can be filed in the complainant's local language, by email, post, or through the IRM's online form; confidentiality can be requested, and the IRM can accept anonymous submissions via representatives. The IRM offers problem-solving (dispute resolution) and/or compliance review, and provides protections against retaliation.

To ensure safe and anonymous access at project level, NCDD will: (i) maintain confidential channels in the institutional GRM (webform, email, phone, in-person) and allow complaints to be submitted without disclosing identities publicly; (ii) prominently disclose, on the NCDD website and in all stakeholder engagement materials, that complainants may choose either the NCDD GRM or the IRM (or both), including links and contact details; and (iii) record and process all grievances in line with the approved GRM Guidebook, while informing complainants of their right to approach the IRM at any stage. These measures will be operationalized alongside the upgrades to the GRM and information disclosure systems included in this Readiness proposal.

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

As the NCDD-S is undertaking the delivery partner function, the sustainability of project activities will be embedded directly into the on-going operations of the National Committee and the Government overall. In particular, the NCDD plays an important role in implementing decentralization reform policies, local governance and capacity development by developing regulations and providing finance to local governments. Committed to addressing climate change issues, it mainly focuses on adaptation by engaging local government bodies in adaptation activities. Given the mandate of the NCDD / NCDD-S, the Readiness activities will have longer term benefit and impact beyond the life of the project. Additionally, the activities to be undertaken through this Readiness project will assist in the longevity of corporate knowledge on climate financing and project-related matters.

In particular, the sustainability of the project activities can be viewed through a commitment to:

Capacity Building and Institutionalization

- The training programmes outlined under Objective 2 - GRM and ESS training and training on project programming, planning and implementation - will lead to a knowledgeable and skilled workforce supporting the broader organisational and accreditation function of NCDD. The training will also include a train-the-trainer components which will ensure an embedding of knowledge and skills through peer learning over the longer-term. The trainings will be targeting 80 personnel of which 30% will be women.
- There will be a number of tools and instruments developed under this Readiness which will be embedded into the NCDD operations including the OPP Manual, Project Management Manual, MERL system aligned to the GCF's IRMF, Internal Audit Manual, Environmental and Social Management System, Grievance Redress Mechanism amongst others. These guidelines and procedures will guide NCDD / NCDD-S at the organisational and project level, thus strengthening current procedures and embedding high quality, international standards into their operations.

Integration into National Systems:

- This Readiness proposal is enhancing existing policies and frameworks through the upgrading of key procedures (e.g. project management, environmental and social safeguards, grievance redress mechanisms, internal audit controls, internal control mechanisms etc) to (a) strengthen the application of these procedures across the organisation, and (b) to ensure alignment with the GCF and national policies and controls. The upgrading of existing policies and procedures will strengthen the capability of NCDD to effectively lead on its accredited entity responsibilities and prepare and implement high quality projects.

Sustainability Mechanisms:

- This Readiness proposal is supporting sustainable training and imparting of knowledge and skills through on a "train-the-trainer" approach as outlined in the capacity building sub-section above.
- In addition to the capacity development, this Readiness proposal is supporting learning and sharing platforms through NCDD-S participation and contributions towards regional climate finance peer learning networks. The peer learning experiences will enable collaborations and the sharing of ideas, skills, experiences and resources to improve or strengthen project development and implementation. The aim will be for NCDD-S to benefit from the opportunities to exchange information, share success stories and best practices and discuss how to strengthen processes, priorities and ways of accessing financing to support Cambodia's climate priorities

Adaptive Management

The NCDD-S will undertake an adaptive management approach to the implementation of this Readiness project through incorporation of lessons learned from previous projects including:

- Ensuring flexibility in the approach of each output is embedded in the implementation plan. This includes building in realistic timeframes for procurement of high-quality expertise, development of internal expertise to support activities and building upon existing activities or partnerships.
- Ensuring contingency is built into the budget components for each output to avoid multiple change requests to budgets and workplans. Whilst the budget and workplan has been developed on best practice ideals and has utilised current costings for the implementation of activities, a conservative approach to the budgeting has also been undertaken to account for any variances in prices (particularly given the four-year timeframe of the project) and any unexpected occurrences arising.
- Undertaking a continual monitoring process through the Project's M&E Plan to ensure activities are tracking as per the implementation plan, are well supported to achieve results and to highlight any challenges or potential challenges which could arise, which may impact upon the delivery of the outputs and activities.
- Risk management plans will be reviewed regularly (i.e. bi-annually) to ensure all risks are being monitored and mitigation measures are effectively in place, as well as highlight any emerging risks and capturing these into the risk management plan.
- The mid-term review will provide for a formal opportunity to review and reassess the project and provide for adaptive management measures to be implemented for the remaining implementation period. This will include (but not limited to) the opportunity to assess: (a) whether the outputs and activities continue to remain relevant and appropriate; (b) whether the required resources have been effectively allocated; (c) emerging priority areas or issues.

9.2 Readiness Programme Closure

Given the Direct Access Entity (i.e. NCDD) is implementing this DAE Window Readiness project, there will be a process of continual transferring and archiving of all documentation that will result from the outcomes of this project to use for future reference, within the Secretariat. It is not envisaged there will be any asset procurement under this Readiness, however, if there is, this will be treated as per NCDD-S's asset management procedures.