

# **NO-OBJECTION PROCEDURE**



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# Outline



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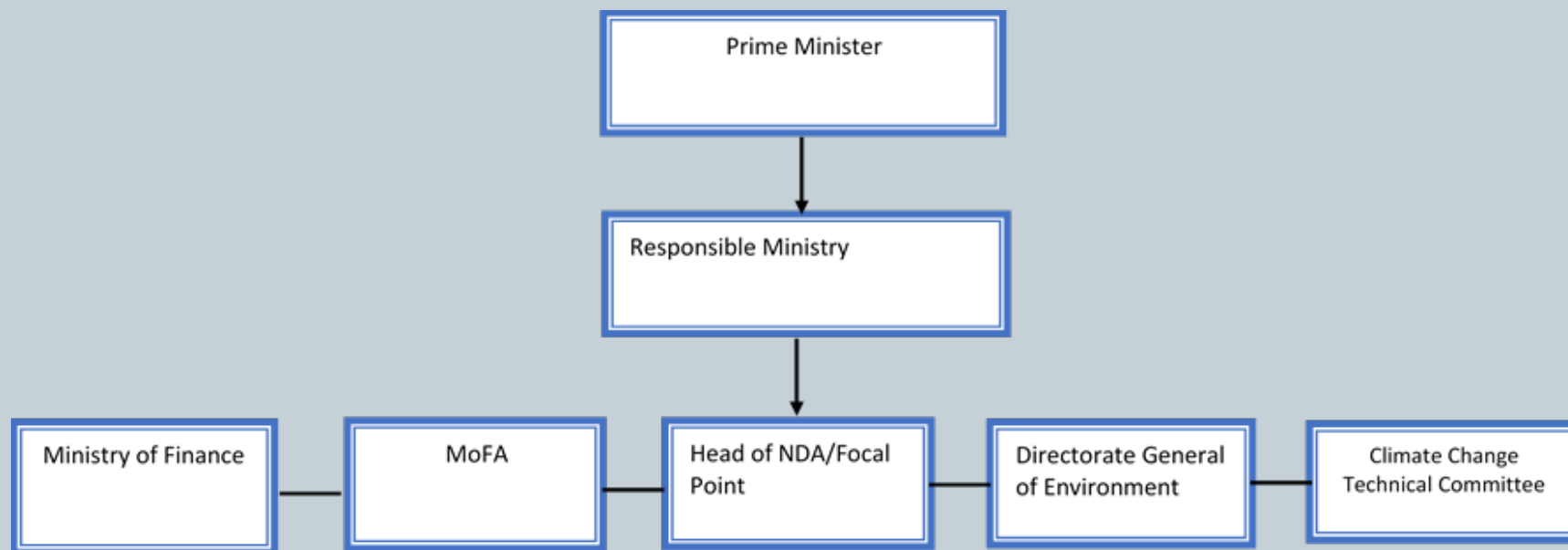
# 1. Introduction



- GCF Readiness Project started:
  1. Strengthening country's capacity
  2. Stakeholders engagement
- Roles of the NDAs identified:
  1. **Provide broad strategic** oversight of the Fund's activities in the country - alignment with national sustainable development objectives & frameworks
  2. **Lead and facilitate the stakeholders** (public & private sectors) to identify priority sectors to be financed by the Fund
  3. Provide **leadership on the deployment of readiness** and preparatory support funding in the country
  4. Communicate nominations/**no objection of entities seeking accreditation** to the Fund under the 'direct access'

**cont...**

- The NDA structure identified



- The ToR of the NDA prepared
- The NDA is planned to be established in 2018/2019

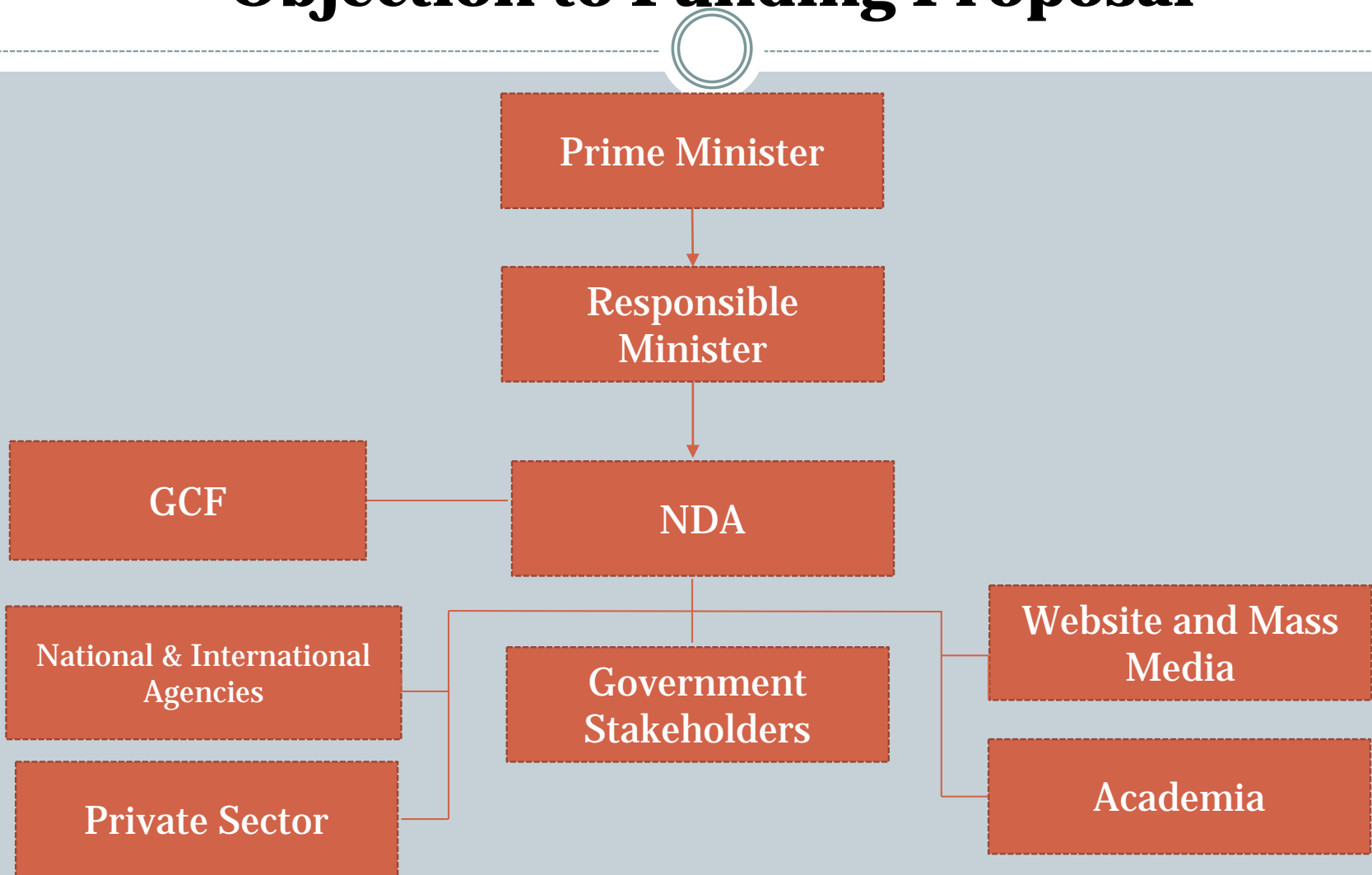
## 2. Purpose of the No-Objection Procedure



Timor-Leste's No-Objection procedure follows GCF guidelines:

- Consistency with national climate strategies and plans
- Country driven approaches:
  1. National Strategic Development Plan
  2. INDC
  3. NAPA
  4. Climate Change Policy,
  5. Energy Policy,
  6. Ranking national priorities
  7. etc

### 3. Communication and Dissemination of No-Objection to Funding Proposal



## 4. Steps of No-Objection Procedure



- Accredited entity (AE) **submits funding proposal to the NDA**;
- NDA Office undertakes completeness check against the **check-list** and the documents submitted
- NDA office **issues document** received letter to the AE
- NDA Office maintains the **record of the proposals received** and the same is updated in the website
- NDA **checks compliance of the funding proposal with the national climate change policies and priorities** stipulated in the Country Programme Framework;
- Based on the Completeness **Check and Country Programme Framework alignment**, NDA office issues formal communication to the proponent requesting for missing/additional documents
- NDA forwards the funding proposal to the members of **the Special Committee on Climate Finance (SCCF)**, co-chaired by the NDA and DG for Environment;

**cont...**



- **SCCF reviews the funding proposal** according to the guidelines provided by the NDA within at least 10 working days before the next scheduled SCCF meeting and assigns the Risk Category to the proposed project based on the Risk categorization guidelines / tool;
- **SCCF invites the AE to present and defend the funding proposal**
- Based on the **desk review** and the presentation of the proposed funding proposal by the AE, **the SCCF members take a decision** whether or not to recommend the funding proposal for next steps;
- If the funding **proposal is not recommended** by the SCCF, it is forwarded to the AE for **required adjustments and resubmission** to the NDA **or rejected**;





- **Funding Proposal:**
  - ✦ **Low to medium risk project:** approved by the Minister
  - ✦ **Medium to high risk project:** Approved by Prime Minister through Council of Ministers discussion
- **NDA issues a no-objection letter** as per the GCF template for funding proposal based on the high-level endorsement by the Minister for Environment and the Council of Ministers, where applicable.

## **5. Review of the No-Objection Procedure**



- Timor-Leste will revise its No-Objection Letter based on needs and experience during the implementation of GCF funded projects
- Currently Timor-Leste just reviewed two proposals (provided letter of No-Objection)
  1. Enhancing Early Warning Systems to build greater resilience to hydro and meteorological hazards in Pacific Small Island Developing States (SIDS)
  2. Safeguard vulnerable communities and their physical and economic assets from climate change induced disasters

## 6. Challenges



- Limited legal framework
- Limited human capacity
- Lack of stakeholders coordination
- Lack of facilities and equipment