



MVOTMA

Ministerio de Vivienda
Ordenamiento Territorial
y Medio Ambiente

Mr. Yannick Glemarec
Executive Director
Green Climate Fund

CC:
Mr. Javier Manzanares
Deputy Executive Director
Green Climate Fund

Montevideo, May 31th 2019

Dear Executive Director,

With the present letter and according to Javier Manzanares's letter received on March 21st and regarding GCF Board's decision B.22/06, Uruguay's National Designated Authority is submitting its inputs regarding the update of the Fund's initial Strategic Plan.

The ideas and suggestions detailed in the Annex below have been elaborated within the framework of Uruguay's National Climate Change Policy approved in 2017, the country's first National Determined Contribution submitted in 2017, the three National Adaptation Plans under development, the current NDC Programming and MRV process, and Uruguay's draft GCF Country Programme. These inputs are also based in the country's participation in the GCF Board as well as the dialogue and experience that the NDA has undertaken with the Fund up until today.

Hoping to continue working with the GCF to address our countries and the global climate change challenges and ambitions, and wishing for a fruitful first replenishment process, please accept the assurances of my highest consideration.

Yours sincerely,

Ignacio LORENZO

Director for Climate Change – Ministry of Housing, Land Planning and Environment- Uruguay
Uruguay's National Designated Authority to the Green Climate Fund



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Annex

Uruguay's NDA inputs to the Strategic Plan of the Green Climate Fund

Submitted on May 31st, 2019

a) In order to reflect Uruguay's strategic directions, approaches and plans, the Fund's strategic directions should take into account that:

- All projects and programs submitted to the Green Climate Fund must be aligned with national policies, priorities and programs, in this regard the Nationally Determined Contribution to the Paris Agreement and the GCF Country Programme becomes essential documents to frame the needed alignment. In this sense, it is highly desirable that Accredited Entities designing projects and programs proposals to be submitted to the Fund engage early with respective NDA(s) in the design of the project/programme; and not only in the last stage in order to request the No Objection letter. Also programme and projects are modified throughout the review of the Secretariat, and even after iTAP and/or Board consideration –for example at FFA negotiations-, all these changes should be considered and consulted with respective NDAs.
- In the case of Uruguay, the draft country programme specially considers all courses of action included in the social, environmental, and productive dimension of Uruguay's Climate Change National Policy (PNCC)¹. In the case of the knowledge dimension, we take into account processes that will enable to generate, obtain and systematize relevant, comprehensive, useful and accessible information for the population and decision-making institutions involved.
- As per Paragraph 23 of Uruguay's PNCC, the NDC² allows to implement such policy in five year cycles. Uruguay's NDC includes the main measures that contribute to attaining mitigation objectives (unconditional mitigation objectives and conditional to additional means of implementation) and the main measures of adaptation to the adverse effects of climate change. Moreover, a specific section presents the context and key measures relative to capacity building and knowledge creation on climate change, and a final section includes information to provide transparency and to improve the understanding of the climate change mitigation objectives, and to facilitate monitoring their progress. Several of the measures require implementation actions and financial support.
- To implement measures to contribute to the achievement of the conditional mitigation objectives set out in this NDC, the country requires additional and specific means of implementation including non-refundable and/or concessional public funding, technology transfer and capacity building. For this reason, a first criteria to engage with the GCF is to consider these conditional mitigation measures.

¹ http://www.mvotma.gub.uy/politica-planes-y-proyectos/politica-nacional-de-cambio-climatico/item/download/8718_05d1a18e92ebc64854d681e5961a01b8

² https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Uruguay%20First/Uruguay_First%20Nationally%20Determined%20Contribution.pdf

- In the case of adaptation, the main priorities, implementation and support needs, adaptation plans and measures to address the adverse effects of climate change, require means of implementation. Uruguay's adaptation priorities for the GCF consider all adaptation actions and measures which imply direct impact in the expected change in loss of lives, value of physical assets, livelihoods, and/or environmental or social losses. Particularly, all course of action derived from the three National Adaptation Plans (coastal, infrastructure and agriculture) are strategic to engage with the GCF.
 - The country has identified the paradigm shift potential as a requirement that has to be met by an NDC measure for it to be considered in the GCF Country Programme. The paradigm shift has been defined by the NDA as driving the development and diffusion (scaling up of the project results) of innovative solutions (technical, social, financial) for mitigation and adaptation in the framework of Uruguay's background and/or of global relevance.
 - Regarding the strategic programming Uruguay is in the view to continue promoting areas where lower numbers of projects have been implemented such as transportation, cattle and human health. In the case of Uruguay, throughout our consultations and in the framework of our policies we see the need to foster: transportation projects, including electric and hydrogen; cattle, milk and rice production in mitigation and adaptation; soil and ecosystem conservation; coastal, urban and infrastructure mitigation and adaptation, including resettlement of high risk housing and adaptation of middle risk housing; climate services and early warnings; and human health. Also we see essential that projects take into account vulnerable communities, human rights and gender approaches, that can support social equity, while attending climate change issues.
- b) For responding to Uruguay's needs on preparation and implementation of actions to address climate change, our recommendations are:**
- To prioritize the approval of at least one DAEs in each developing country.
 - To waive the track record needs regarding ESS and Gender policy implementation of DAEs to be accredited, in cases were such DAEs have already adopted such policies in alignment with GCF throughout Readiness Support, but since they just adopted such policies they still need time and projects to develop such track record and that situation should not slow their accreditation process. Implementing GCF funded projects could be an excellent approach to develop such track record and strengthen such policy's implementation.
 - To approval of a project-based accreditation modality for DAEs.
 - To organize regional meetings among national entities which are in the process of accreditation as DAEs for exchanging challenges and good practices.
 - To continue building capacities on climate rationale and climate finance among NDAs and DAEs for the development of strong transformational projects.
 - To facilitate capacity building or good practices exchange on blended finance among NDAs and DAEs



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- To build and showcase cases on Private Sector involvement in climate change solutions, particularly in adaptation, and in accessing the GCF. A much stronger engagement of the national private sector is needed to access the GCF and the Fund could be of great support in building capacities for this.

 - To increase and tailor Readiness support as a key for capacities development to access GCF.
 - To ensure transparency in the pipeline management, ensure a balanced distribution in grant equivalence among regions, and ensure access to all financial instruments to all developing countries, recognizing that in all developing countries there might be specific needs for grant based and highly concessional finance in key areas of mitigation and adaptation.
- c) **the possibility for the Fund to facilitate regional projects in relation to improvements of the Fund's overall operations, Uruguay's NDA considers fundamental:**
- To maintain a periodic structured dialogue between Latin American countries and with the GCF in order to enhance countries understanding of the GCF operations and therefore its access to the Fund, also including spaces to discuss regional priorities and funding proposal drafting and negotiations.
 - To promote the incorporation of regional offices and an increase in regional advisers/coordinators and more agile online exchanges by emails/teleconferences.
 - To promote regional readiness projects that includes the preparation of regional funding proposals.