GCF CAPACITY BUILDING FOR AFRICA MEMBER STATES

GCF Operations

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Abuja – Nigeria

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Part I: The GCF Architecture
Part II: GCF funding allocation
Part III: GCF engagement Opportunities
Part IV: GCF proposal cycle
Part V: Key take homes
Part I
The GCF Architecture
The GCF Architecture

Basic Facts on the Fund

<table>
<thead>
<tr>
<th>NAME</th>
<th>GREEN CLIMATE FUND</th>
</tr>
</thead>
<tbody>
<tr>
<td>TYPE</td>
<td>Financial Mechanism of the Convention - UNFCCC</td>
</tr>
<tr>
<td>ESTABLISHED</td>
<td>11 December 2010 in Cancun, Mexico</td>
</tr>
<tr>
<td>STAKEHOLDERS</td>
<td>194 Countries</td>
</tr>
<tr>
<td></td>
<td>Signatories to the UNFCCC</td>
</tr>
<tr>
<td>GOVERNANCE</td>
<td>Board + Secretariat + Independent Accountability Units</td>
</tr>
<tr>
<td></td>
<td>Equal Board members from developing and developed countries</td>
</tr>
<tr>
<td>MANDATE</td>
<td>To promote low-emission and climate-resilient development in developing countries</td>
</tr>
<tr>
<td>HEADQUARTERS</td>
<td>Songdo, Republic of Korea</td>
</tr>
</tbody>
</table>
The GCF Architecture

Key Features

- Country ownership through NDAs and focal points
- Balance between adaptation and mitigation
- Equal voice for developed and developing countries
- Diversity of accredited entities
- Diversity of financial instruments
- Dedicated Private Sector Facility (PSF)
- Largest dedicated climate fund globally
GCF Architecture

The board

COP to UNFCCC

Secretariat

Trustee

Independent accountability units
ITAP, STAP

Managing financial assets of the fund

Funding request

Financial statements

Funding decisions

Benefits/Country programs

NDAs

NIEs
GCF Architecture

The Board

- 24 members with equal representation from developed and developing countries
- Representation from developing countries includes regional UN groupings, SIDS and LDC
- 2 CSO and 2 Private sector representatives acts as observers
- Decisions made by consensus, 1/3 of the members make a quorum
- 2 chairs for the board
- Decisions without a Board meeting may occur on an extraordinary basis when, in the judgement of both Co-Chairs,
## GCF Architecture

### The NDAs

<table>
<thead>
<tr>
<th>Function</th>
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<tbody>
<tr>
<td>Recommend to the board funding proposal</td>
</tr>
<tr>
<td>To be consulted on proposals before submission</td>
</tr>
<tr>
<td>Facilitate the communication and nomination of entities to the fund</td>
</tr>
<tr>
<td>Implement the no objection procedure</td>
</tr>
<tr>
<td>Is the focal point for fund communications</td>
</tr>
<tr>
<td>Ensure consistency of funding proposals from national, subnational, regional and international intermediaries and implementing entities with national plans and strategies</td>
</tr>
</tbody>
</table>
GCF Architecture

The NIAs

- Have access to the fund’s resources
- Stringent accreditation procedure
- Direct access (national, subnational and regional entities)
- International access (global bodies and multilateral development banks)
- Project development has to be consultative
- Ensure country ownership
The Independent Entities

Independent Technical Advisory Panel (ITAP)- evaluates concept notes based on six agreed investment criteria agreed on by the Board at its 11th meeting in Zambia

Secretariat Technical Advisory Panel (STAP)- carries out necessary and appropriate due diligence assessment.
Part II

GCF funding allocation
The Paris Agreement calls on developed nations to give $100 billion annually to developing countries by 2020 to help these poorer countries combat climate change and foster greener economies.

- USD 10.3 billion in pledges
- USD 9.9 billion in signed contributions
- 50/50 split between adaptation & mitigation
- Geographical balance
- 50% of adaptation resources for SIDS, LDCs and African States
- Readiness Support (~ USD 50 million)
- Project Preparation (~ USD 40 million)
GCF funding allocation
GCF funding allocation

• Through accredited organizations- National or regional Implementing entities accredited by the GCF Board as per the recommendation of NDAs. Accreditation involves scale – micro, small, medium, large scale – for up to 50 million US$. It’s a very tough process to get accredited. Africa has seven accredited institutions. The regional ones are AfDB, DBSA and IUCN. Globally, there are 13 institutions

• Direct access:

• Indirect access
GCF funding allocation

With a focus on...
- Impacts
- Paradigm-shift potential
- Crosscutting adaptation-mitigation benefits
- Sustainable development co-benefits
Part III

GCF engagement Opportunities
GCF engagements windows

Readiness opportunities- USD 1M cap per country per year

- NDA strengthening
- Support for direct access entities
- Strategic frameworks, including country programmes

GCF Project activities

Project implementation and impacts

None GCF funds for GCF activities
Grants and donor funds to support GCF preparedness including research and capacity building
What does these Acronyms mean in GCF
NDA
IE
ITAP
STAP

Explain the functions of each of the bodies listed below
NDA
IE
GCF Board
ITAP
STAP

List 3 main windows for engaging with the GCF
Part IV

GCF proposal cycle
GCF project cycle

1. Country/Regional programme submissions
2. Proposal call/Spontaneous proposals
3. Concept note development
4. Submission of full proposals
5. Proposal evaluation and recommendations
6. Project implementation and monitoring
GCF proposal
Step 1 – Programme submission

- National designated authority (NDA) or focal point submit Country and/or regional work programme to Secretariat. (voluntary).

- Readiness support from Fund for countries upon request.

- NDA informs Secretariat of preferred accredited implementing entities (IEs)/intermediaries that will implement programmes and projects under the work programme.

- Compilation of country work programmes
GCF proposal
Step 2 – Concept note evaluation

- NDAs, NIEs and intermediaries submit concept notes to the Secretariat, assessed and approved subject to established criteria.

- Regular calls for funding proposals published on the Fund’s website, based on the board’s decision

- The IE or intermediary submits the concept note to the Secretariat (Board needs to decide on provision of proposal development funds and on process for provision).
GCF proposal
Step 2 – Concept note evaluation

Concept notes evaluated by an independent Technical Advisory Panel (ITAP) based on six agreed investment criteria agreed on by the Board at its 11th meeting in Zambia:

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Decision</th>
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<tr>
<td>Impact of the funding proposal</td>
<td>✓ Approved</td>
</tr>
<tr>
<td>Paradigm shift potential- innovation</td>
<td>✓ Approved with correction</td>
</tr>
<tr>
<td>Sustainable development potential</td>
<td></td>
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<tr>
<td>Needs of the recipient</td>
<td></td>
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<td>Coherence with country policies</td>
<td></td>
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<td>Efficiency and effectiveness</td>
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Decision is communicated to the GCF board
GCF proposal
Step 3 – Submission of Funding Proposal

- GCF Board in consultation with the NDA or focal point makes decisions on the concept note.

- Board seeks No-objection by the NDA or focal point, in line with the Fund’s transparent no-objection procedures to be agreed by the Board.

- IEs invited to submit full proposal to the Secretariat in line with the transparent no-objection procedure.
Secretariat Technical Advisory Panel (STAP) carries out necessary and appropriate second-level due diligence assessment.

- Each activity-specific criteria (as contained in the investment framework).

- Compliance with Fund interim environmental and social safeguards, gender policy, financial policies and any other policies promulgated by the Board.

STAP submits recommendations on the above criteria to the GCF Board.
The Board takes a decision to:

- Approve the funding proposal; or
- Provide an approval that is conditional on modifications to project or programme design or subject to availability of funding; or
- Reject the funding proposal.

The decision and next steps is communicated to the IE or intermediary and the NDA or focal point of the decision.

Rejected proposals can be appealed or resubmitted.
GCF proposal
Step 6 – Implementation and contracting

- Execution of actions/activities
- Internal monitoring and reporting on key results based areas
- Independent monitoring and reporting on key results areas based on established standards e.g. Voluntary Carbon Standard or Climate Community and Biodiversity Alliance
- Execution of exit strategy
- Final project reporting
Take home messages

GCF has more than one windows for accessing funds- explore which window suits you

GCF process is engaging and rigorous- requires commitment, patience and learning

GCF process is a mix between political and technical capabilities – know your part

Knowledge on GCF is not just about accessing GCF funding – it is also a professional obligation!