Complementarity and Coherence between the Green Climate Fund & the Adaptation Fund

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Climate Finance Readiness Seminar for NIEs #5
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1. Engaging with GCF
2. Readiness Support to countries and entities
3. Climate finance: Creating complementarity & coherence
4. Identifying synergies between AF & GCF
5. Examples from the ground
6. Discussion
Engaging with GCF

1. Establish and maintain a National Designated Authority (NDA) or focal point
2. Strategic engagement through country programmes
3. Identify and seek accreditation of entities to access resources from the Fund
4. Develop projects and programmes to bring forward funding proposals through accredited entities
Principles of Country Programming

- Country owned – driven by national context, national processes and national stakeholders
- Coordination role of the NDA is key
- Multi sector stakeholder processes – including key development sectors, private sector and civil society
- Gender inclusive
Country programmes
- Country’s GCF priorities
- Led by NDA/focal point
- Stakeholder engagement

Entity work programmes
- Responds to country priorities
- Identifies regional or multi-country initiatives

Pipelines
- Projects/programmes developed for funding
- Aligned with country/entity programmes

Programming continuum
Areas of Strategic Impact

Size of project
- Micro: up to USD 10 million
- Small: up to USD 50 million
- Medium: up to USD 250 million
- Large: above USD 250 million
Accreditation to the GCF

- Entities seeking accreditation to the GCF in order to access its resources will be assessed against:
  - GCF’s initial [fiduciary principles and standards](#)
  - GCF’s interim [environmental and social safeguards (ESS)](#) (including GCF’s [Information Disclosure Policy](#) with requirements to disclose E&S reports for certain categories of E&S risk), and
  - GCF’s [gender policy](#).

- [Fees](#) for the accreditation application will be paid by the entity once the application is submitted

- Currently, GCF has [59 Accredited Entities](#) of which [32 are Direct Access Entities](#)
Readiness Support to countries and entities
GCF Readiness Support

1. NDA Strengthening
2. Strategic Frameworks
3. Support for Direct Access Entities
4. Adaptation Planning Processes

Process:
- Support discussed and requested through National Designated Authorities

Up to $1M per country per year
Up to $3M per country (not per year)
Entities that apply under the direct access modality can at any time request for and may be eligible to receive readiness and preparatory support to meet the GCF’s accreditation requirements.

Readiness support is available for:

- Awareness raising of accreditation processes and standards (e.g. fiduciary, environment and social safeguards, and gender)
- Institutional gap analyses and developing personalized capacity building plans to address identified gaps
- Building the capacity of accredited direct access entities, in areas such as ESS, the GCF gender policy and action plan, and monitoring, reporting and evaluation.
- Strengthen accredited direct access entities institutional capacities through structured trainings
- Support in developing their entity work programme
- Strengthen the capacities of sub-national institutions/executing entities.
Readiness support to direct access entities

$6.8 M for 41 entities

LATIN AMERICA & the CARIBBEAN
16 approved (USD 3.2M, 10 countries)
12 disbursed (USD 1.9M, 8 countries)

AFRICA
13 approved (USD 2.5M, 10 countries)
8 disbursed (USD 1M, 10 countries)

Eastern Europe
1 approved (USD 33K, 1 country)
1 disbursed (USD 13K, 1 country)

ASIA-PACIFIC
10 approved (USD 1.1 M, 8 countries)
9 disbursed (USD 347K, 7 countries)

$6.8 M for 41 entities
Support to direct access entities

Accreditation Gap Assessment and Action Plan

29 entities nominated by 33 countries
Readiness support to Direct Access Accredited Entities

LATIN AMERICA & the CARIBBEAN
- UCAR: Argentina
- Profonanpe: Peru

AFRICA
- EIF: Namibia
- SANBI: South Africa
- CSE: Senegal
- ADA: Morocco
- NEMA: NEMA

Approved: $2.5 million for 7 entities
Project Preparation Facility (PPF)

Aim: To support project and programme preparation

- Accredited entities (AEs), especially direct access accredited entities, can request support from the PPF
- Each request will be subject to a cap of **USD 1.5 million**
- Proposals developed with PPF resources should be submitted to the Board within **two years** after the PPF request was approved

Current status:

- Secretariat has approved 6 PPF requests from DAEs. 25 more are being processed from DAEs at the moment.
1. Pre-feasibility and feasibility studies, as well as project design;
2. Environmental, social and gender studies; including risk assessments;
3. Identification of programme/project-level indicators;
4. Pre-contract services, including the revision of tender documents;
5. Advisory services and/or other services to financially structure a proposed activities; and
6. Other project preparation activities, where necessary, provided that sufficient justification is available.

How to Apply?

- A PPF request should be submitted by an AE to ppf@gcfund.org
- Required documents:
  - PPF application form
  - No-objection letter for PPF
  - Project idea (Concept note, or Funding Proposal, or Annex of PPF application from)
Climate Finance: Complementarity between funds
The landscape of climate finance
Adaptation Fund mandated to pursue complementarity and coherence

- CMP10 (Lima 2014) requested the AF Board to consider options for developing operational linkages between the AF and bodies under the Convention (such as the GCF).

  In 2015 the Board considered matters related to complementarity, including establishing an operational linkage between the AF and the GCF and decided to request:

  a) **The Chair and Vice-Chair**, based on decision B.24-25/9 and discussions at the twenty-fifth meeting of the Adaptation Fund Board, to initiate consultations with the Standing Committee on Finance and start a dialogue with the Green Climate Fund (GCF) Board, on potential linkages between the two funds and request the issue of complementarity between the two funds to be considered by the GCF Board at the earliest;

  b) {{}};

  c) **The secretariat** to discuss with the secretariat of the GCF concrete activities to initiate collaboration, including but not limited to the following areas:

     i. Readiness support, including by organizing joint activities such as workshops or seminars in regions;

     ii. Results Based Management;

     iii. Accreditation;

     iv. Project/programme identification; and

  d) {{}}.
The AFB decided to fast-track re-accreditation of implementing entities accredited with the GCF within a period of 4 years prior to the submission of the re-accreditation application to the Adaptation Fund.

As at today, 3 implementing entities have been re-accredited through fast-track reaccreditation process.
Complementarity framework foresees a pillar of action on arrangements with other funds.

At B.20, the Board asked the Co-Chairs to engage with AF to better understand options for collaboration and to report back to the Board at its twenty-first meeting.

While there has been progress, overlaps and opportunities to maximizing impact remain, requiring attention governance level of the climate funds.

Such options should expedite programming and delivery of climate finance for adaptation finance in a simplified manner, and should be informed by country and entity needs.
Working together – creating synergies

• GCF mandated to pursue “complementarity & coherence”
• GCF Board approved operational framework to focus cooperation with AF, GEF, and CIFs

**Enhance complementarity at the activity level:**
- Readiness & capacity building
- Accreditation
- Funding proposals
- Policies and procedures

**Promote coherence at the national programming level:**
- Project development and appraisal (pipeline)
- Entity work programmes
- NAP implementation
## Synergy: Examples from the ground

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<thead>
<tr>
<th>Accreditation: Fast-tracking</th>
<th>FP003 – CSE (Senegal):</th>
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<tbody>
<tr>
<td>• 38 AEs have been fast-tracked into GCF</td>
<td>“Increasing Resilience of Ecosystems and Communities through Restoration of the Productive Bases of Salinized Lands”</td>
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- CSE fast-track accreditation from the AF
- Project management experience under the AF was a key factor during GCF accreditation
- FP003 builds on AF implementation experience

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<th>FP018 – UNDP (Pakistan):</th>
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| “Scaling-up of Glacial Lake Outburst Flood Risk Reduction in Northern Pakistan” | • Builds on work previously financed by the AF (sequencing of support)  
• Applies the lessons learned from the UNDP/AF project to scale-up |
## Synergy: Examples from the ground

| FP056 – UNDP (Colombia): “Scaling Up Climate Resilient Water Management Practices for Vulnerable Communities in La Mojana” | • Scales up ongoing investment from AF (parallel support)  
• Applies best practices across multiple sectors: water supply adaptation, resilient agriculture production, wetland restoration, early warning systems and municipal level development planning |
| --- | --- |
| **Readiness: Antigua & Barbuda** | • Department of Environment to streamline operational functions of the NDA, including by conducting a baseline assessment for existing initiatives by GEF, AF, and GCF  
• Strengthening the operations for a national fund for adaptation and mitigation to access multiple sources |
Open floor for discussion

• What are some of the duplications you face when working with AF and GCF?
• What role do you see for potential synergies between the AF and GCF?
• What approaches have you applied to maximize synergies and avoid duplications when dealing with the funds?
• How can the GCF and AFB secretariats further support you?
Creating synergies: Between AF and GCF
## Pilot AF-GCF Entity Engagement

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<tr>
<th>Issue areas</th>
<th>Common DAE needs</th>
<th>Possible solutions</th>
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<td><strong>Project appraisal and development</strong></td>
<td>• Appraisal criteria</td>
<td>• Harmonised project development guidelines</td>
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<td>• Policy development</td>
<td>• Readiness – project link</td>
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<td>• NAP implementation</td>
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<td>• Entity work programmes</td>
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<td><strong>Project cycle/M&amp;E</strong></td>
<td>• Integrated M&amp;E policy</td>
<td>• Harmonised indicators</td>
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<td>• Simplified/harmonized timeframes</td>
<td>• M&amp;E procedure gap analysis</td>
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<td>• Alignment of project cycles</td>
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<td><strong>Compliance/management</strong></td>
<td>• Project oversight</td>
<td>• Common gap assessment</td>
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<td>• Legal</td>
<td>• Compliance policy alignment</td>
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<td>• Procurement/travel/HR policy</td>
<td>• Joint training</td>
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<td><strong>Accreditation</strong></td>
<td>• Re-accreditation</td>
<td>• Fast-tracking</td>
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<td>• Accreditation upgrade</td>
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<td>• ESS, Gender policy</td>
<td>• Lessons learned/guidebook</td>
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**Strengthening institutional capacity**