**CONCEPT NOTE**

**Community of practice for direct access to climate finance**

**Direct Access Entities (DAE) meeting: Governance of the Community of Practice and road map**

**5-7 June 2019, Durban, South Africa**

**Financing by**

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***Context***

Direct access has become widely recognised as a good practice in the architecture of climate finance. It allows developing countries to access climate finance and manage all aspects of the project cycle, from design through implementation and monitoring, directly through accredited national institutions, using their own procedures and systems. This has several advantages for developing countries – it provides an opportunity to access international climate finance through the institutions that are often best placed to respond to the most pressing needs and deliver climate-compatible development results that are tailored to the local context. At the same time, it provides an opportunity to strengthen the capacity of national institutions, and to build a pool of climate finance experts to scale up their operations with time and experience.

To date, the AF has 29 accredited DAEs (all national) while the GCF has 39 (28 national and 11 regional). Among the DAEs, some have already developed projects which have been approved for funding, while others are still in the process. However, both accreditation and development of projects for the AF and the GCF are complex processes which pose a number of challenges for these institutions and countries. While some institutions in developing countries have successfully surmounted the hurdles to access the Fund, others are still lagging behind for inadequate technical capacities. In going through the processes, there is also a great deal of learning which enriches the experience and capacities of the accredited institution.

***The Community of Practice for Direct Access Entities (CPDAE)***

It is from these experiences that the idea of establishing a community of practice to facilitate the exchange of experiences among DAEs and to enable mutual learning was born. In October 2016, a workshop was organised on this topic in Nairobi by WRI and NEMA with the support of Africa Climate Change Fund (ACCF) and other partners. A second workshop was later organised by WRI, CSE, NEMA and ACCF on the side of the CoP22 in Marrakech to broaden the exchange to include other DAEs and institutions providing readiness support to help developing countries access climate finance. At this meeting, a committee was set up to elaborate a concept note on the community of practice and propose a way forward. A draft concept note was developed and shared with participants at the GCF’s Direct Access Week in Songdo, Korea in April 2017 where the idea received broad support from DAEs, the GCF Secretariat, and several readiness partners who expressed interest in supporting the initiative. Workshops were also organized on the topic in the margin of COP 23 in Bonn and COP 24 in Katowice. Over time, the community has evolved to include DAEs from the globe, regardless of the funding mechanisms they are accredited with.

In parallel, the Adaptation Fund since May 2014 has organised a series of workshops on direct access (Climate Finance Readiness Workshops and webinars), out of which a community of practice of national institutions accredited to the AF has emerged. This community has, among other things, discussed the establishment of an online platform that would provide an avenue for knowledge sharing, collaboration and peer support to increase the effectiveness of adaptation projects and programmes implemented through direct access.

The Community of Practice for Direct Access Entities (CPDAE) is the combined result of these two parallel initiatives. The Community is governed directly by DAEs, with secretarial and financial assistance from partner institutions (including the Africa Climate Change Fund, the World Resources Institute and the Adaptation Fund). Community members have expressed interest in, among other things:

1. Development of an online platform for experience sharing. This platform will be composed of various groups which will allow DAEs to have a private space for communication and sharing of material among themselves, while also providing a space for public exchange.
2. Development of a capacity building and training of trainers programmes with training modules in several languages on the themes relevant to DAEs, with a focus on direct access (through accreditation), project development, and monitoring and evaluation of projects. These programs would support the capacity within DAEs themselves, as well as the development of a roster of certified experts to support national institutions with the accreditation and project development process.
3. Sharing of knowledge through different actions: regional or sub-regional forums, global workshops, south-south cooperation projects, annual meetings, virtual meetings. These actions will allow both for a direct exchange of experiences among NIE, and the development of a true community of practitioners.
4. Support for bilateral cooperation between DAEs, or between DAEs and future accredited entities. The aim is to enable DAEs to work directly in partnership with each other, or with national institutions that are in the process of applying for accreditation, to share experiences, collaborate on capacity building initiatives and funding proposals.

Some progress has been made since previous Community discussions to turn these ideas into action. To further expand and refine the above ideas, it is proposed that DAEs hold a three-day meeting from 5-7 June 2019 in Durban, South Africa.

***Meeting objectives***

The objectives of the DAEs meeting are as follows:

* Validate and finalize the Governance framework of the Community of Practice (Organization and functioning, membership, partnering with similar initiatives).

* Develop a strategy to operationalise the COP with an action plan addressing DAEs challenges and expectations: set targets, draft a strategy and develop an action plan

***Meeting deliverables***

The meeting is expected to achieve the following deliverables, which will be further refined and finalized after the meeting in close consultation with the AF, GCF and ACCF.

1. An action plan outlining proposed activities, responsible parties who will implement, indicators of success and resources needed.
2. An updated charter for the CPDAE.
3. A report of the meeting submitted to the funders of the meeting.
4. A de-briefing meeting held between the elected CoP committee members and the funders of the meeting after meeting closure on day 2 of the workshop.

***Participants***

All direct access entities to the AF and entities accredited to both AF and GCF are invited to the meeting.

***Financing***

This DAEs meeting is receiving financial support from the AF, GCF and the ACCF (AfDB)

***Observers***

* AF, GCF and ACCF Secretariat to provide inputs if needed

***Methodology of the workshop***

* The workshop will use a very interactive approach, with plenaries and groups sessions (see agenda).
* There will be a daily reporting and a general report of the meeting.