

**Eleventh meeting of the Adaptation Committee
Bonn, Germany, 7-10 March 2017**

**Draft information paper on experiences of countries in accessing the readiness
programme for adaptation of the Green Climate Fund**

Recommended action by the Adaptation Committee

The Adaptation Committee (AC), at its 11th meeting, will be invited to consider this information paper and possible next steps.

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Summary

1. The Adaptation Committee (AC) agreed to engage continuously with the GCF to understand its policies and programmatic priorities as they relate to adaptation and as they evolve. In this context the AC included in its workplan the development of an information paper, in collaboration with the LEG, the SCF and the GCF, on experiences of countries in accessing the GCF readiness and preparatory support programme (readiness programme) for adaptation, including for the process to formulate and implement national adaptation plans (NAPs).
2. The draft paper was developed by drawing primarily on the results of surveys and interviews conducted by the AC in 2016 and early 2017 with: (i) countries that have accessed the GCF readiness programme and have moved into implementing their proposal activities (4 countries), ii) countries that have accessed the GCF readiness programme for the formulation of their NAPs although they have not started implementation (2 countries), and (iii) delivery partners appointed by National Designated Authorities (NDAs) or focal points to assist countries in implementing their readiness activities (4 delivery partners).
3. In exploring the challenges, lessons learned and good practices related to countries' accessing the GCF readiness programme, several aspects have been considered, including: access to information and communication, establishment of the NDA and the country coordination mechanism, development of the proposal to the GCF, and its implementation.

Challenges

4. Some countries find accessing information on the GCF readiness programme challenging. In some instances, the GCF website is considered difficult to navigate as it offers no information on ways to access the GCF and the GCF readiness programme for NAPs. In addition, the Readiness Guidebook, which is available on the GCF website, was considered to be a useful document but was criticized for its lack of updates on recent changes in access procedures.
5. In communicating with the GCF, countries and delivery partners mentioned the frequent turnover of the GCF secretariat staff and the associated difficulty to fully comprehend roles and responsibilities of staff. In addition, they reported that the GCF would not always share information with all stakeholders (for e.g. information would be shared with the NDA but not with the delivery partner), leading to inconsistent guidance provided to countries by the GCF secretariat and delivery partners.
6. Given the lack of clear guidance on how to identify an effective NDA, some countries selected NDAs or focal points that do not have a good grasp of climate change adaptation and mitigation issues. There are also NDAs and focal points that face challenges in establishing an effective country coordination mechanism, and some also struggle to adequately manage competition for readiness funding between different bilateral and multilateral agencies.
7. Countries encountered various challenges from the development of the proposal until its submission. Some faced technical issues, including for non-Anglophone countries the language barrier. Others mentioned the lack of clear guidance for developing readiness proposals for the formulation of NAPs. Some countries faced challenges in understanding and meeting the GCF requirements, in particular given the various changes to the procedures and templates that have been introduced. Other countries noticed the capacity gaps of their NDAs and direct access accredited entities to effectively lead and coordinate the development of project proposals, including, for example, the formulation of a national strategic engagement framework with the GCF.
8. During the implementation phase, the biggest challenges reported relate to the coordination and consolidation of input from various stakeholders, while ensuring cost-effectiveness. The lack of capacity of executing entities at the country level is seen as another challenge.
9. In addition, some countries complained about the time elapsed between the approval of the proposal and the actual funding disbursement. One consequence is that some activities are

discontinued in the absence of timely disbursement, which is particularly disruptive for those countries which intended to implement their readiness proposal within 12 months or less. A country also mentioned the limited country-ownership in regards to funds allocation when the readiness is channelled through multilateral or regional implementing entities.

Lessons learned and initial evaluation of impacts

10. Despite the challenges encountered, countries concurred to say that the readiness activities had strengthened their capacity to better access and deploy international funding, including for adaptation activities. It has contributed in improving understanding of GCF procedures and there are initial signals of strengthened capacity of countries to achieve the paradigm shift that is part of the access criteria of the GCF. In some countries, the readiness activities also contributed to building stronger ties with the private sector for adaptation activities. Countries and delivery partners shared several lessons learned, as follows.

11. In regards to information and communication, lessons include the need to keep all relevant actors up-to-date on the latest development under the readiness programme, and to undertake more outreach to inform country stakeholders on the opportunities of the readiness programme, in particular on possible synergies between the readiness and the process to formulate and implement NAPs.

12. In drawing lessons from the NDA establishment and country coordination mechanism the importance of having a NDA/focal point that has leverage over mitigation and adaptation activities was highlighted, as well as the challenge of creating another coordination mechanism and engaging relevant stakeholders in readiness work.

13. In regards to the development of readiness proposals, it was recognized that existing inter-ministerial committees and similar country arrangements are suitable for coordinating the GCF proposal development, especially when good relationships have been built between different national institutions and stakeholders during national processes like the national adaptation programme of action (NAPA) or the NAP. In case NDAs or accredited entities face technical or capacity-related challenges, it is useful to bring together senior experts from line ministries, development partners and consultants to technically review and respond to the comments of the GCF on the country's readiness proposal. In addition, close communication between the GCF, the delivery partners and the recipient countries is essential to respond to countries' needs in a timely manner, particularly if requirements, procedures and templates are changing along the way.

14. Effective implementation of the readiness proposal would depend on the capacity of the NDA as it influences the country coordination and stakeholder engagement. Initial experiences also show that synergies between readiness and NAP-related activities can be enhanced if both are supported by the same delivery partners.

15. Preliminary recommendations associated to these lessons have been developed. They can be found in the boxes 1,2,3 and 4 on pages 8, 9, 11, and 12.

16. The possible next steps for the consideration of the AC are elaborated in paras 53-55 on pages 14 and 15.

1. Introduction

1. The Adaptation Committee (AC) as part of its 2016-2018 workplan, aims to provide guidance to Parties on ways to enhance support, including finance as it relates to access, institutional arrangements and enabling environments, including for the process to formulate and implement national adaptation plans (NAPs).¹ In addition, COP 21 requested the Least Developed Countries Expert Group (LEG) and the AC to consider how they can provide more information on accessing funding from the Green Climate Fund (GCF) for the process to formulate and implement NAPs and to include such information, as appropriate, in their reports (decision 4/CP.21, paragraph 10).

2. The AC included in its workplan the development of an information paper, in collaboration with the LEG, the Standing Committee on Finance (SCF), and the GCF, on experiences of countries in accessing the GCF readiness programme, including for the process to formulate and implement NAPs. At its ninth meeting (AC9) the AC decided that this paper would also contribute to the AC's response to the COP mandate referred to in paragraph 1. It further decided to treat the paper as an evolving product, given the early stage of countries accessing the readiness programme and the additional experiences that needed to be captured during its further evolution. This is the first draft of the paper which will be further elaborated as more countries share their experience in accessing the GCF readiness programme.

2. Scope, methodology and structure

3. Climate Finance Readiness is understood as reflecting a country's capacity to (1) plan for, (2) access, and (3) deliver climate finance, as well as (4) monitor and report on expenditures.² Adaptation-related activities may include those linked to the process to formulate and implement NAPs. This paper covers the experiences of countries that are currently carrying out adaptation-related readiness activities or have included such activities in their proposals to the GCF readiness programme. The experiences are related to information and communication on the programme, the establishment of National Designated Authorities (NDAs) or focal points, the proposal development and the implementation phase. In addition, initial impacts of the programme in the countries as well as their further needs are shared.

4. The AC captured the experience of countries via a questionnaire that served to interview and survey countries that have accessed the GCF readiness programme as well as organizations that have provided support to such countries as delivery partners. The countries were selected according to whether they had implemented adaptation-related readiness activities for at least 6 months and the organizations according to whether they had supported any country in implementing adaptation-related readiness activities. The AC conducted personal interviews³ with representatives of three countries. These were conducted on the basis of the questionnaire and served to facilitate direct information sharing. The three countries were selected according to the availability of the UNFCCC focal point or his/her representative during the forty-fourth session of the Subsidiary Bodies of the UNFCCC. Since two of these countries did not respond to the invitation to validate the transcript of the interviews, only the information provided by one country was considered in drafting this paper.

5. A survey was also sent electronically to eight countries and eight organizations in December 2016. Responses were received from four countries, including the country mentioned in para 5, and four organizations between December 2016 and February 2017.

6. An adapted version of the questionnaire was used to conduct telephone interviews with those countries that had applied for readiness support for the formulation of their NAPs, had their proposal approved by the GCF, but not yet received the funding. As the GCF Board had only recently decided on

¹ See the annex of the report of the AC to the COP contained in document FCCC/SB/2015/2.

² <www.gcfreadinessprogramme.org/what-climate-finance-readiness>.

³ Via telephone in December 2016.

the possibility for countries to receive additional readiness support for the process to formulate and implement NAPs and/or other adaptation planning processes⁴ only two countries had submitted NAP-related proposals until the date of the interviews and had not started implementation. However, the AC considered that it was important to capture this early experience as several other countries have expressed interest for such kind of support.⁵

7. In addition to the surveys and interviews, information on the readiness programme, including on changes to access procedures and on the progress made by countries, was received via direct communication with the GCF secretariat as well as from relevant GCF documents.

8. Section 3 of the paper provides a short overview of the GCF readiness programme, including its current status. Section 4 synthesizes experiences of countries in accessing the GCF readiness programme. Section 5 proposes next steps that the AC may take to facilitate such access.

3. Overview and status of the GCF readiness programme⁶

9. The GCF provides resources for readiness and preparatory activities through a dedicated and cross-cutting programme that particularly targets the most vulnerable developing countries.⁷ The aim of the programme is to enhance country ownership of their climate change activity/proposal and access to the GCF and to continuously strengthen a country's engagement with the Fund. It supports the preparation and strengthening of, for example, low-emission development strategies or plans, Nationally Appropriate Mitigation Actions (NAMAs), formulation of NAPs or National Adaptation Programmes of Action (NAPAs), and in-country institutional strengthening, including the strengthening of capacities for country coordination and to meet fiduciary principles and standards and environmental and social safeguards.⁸ The programme has been operational for least developed countries since 2014. In June 2016 an additional activity area was established under the programme through which any developing countries may access additional resources for the formulation of national adaptation plans and/or other national adaptation planning processes.⁹

10. Resources from the readiness programme are provided in the form of grants or technical assistance. An individual country may access up to USD 1 million of readiness funds per calendar year and up to a total of USD 3 million for the formulation of NAPs and/or other national adaptation planning processes. The funds can be accessed directly by a country's NDA or focal point or by another qualified institution that the country chooses as its delivery partner. Delivery partners may be international (e.g. United Nations Development Programme (UNDP), United Nations Environment (former UNEP), Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) and the Food and Agricultural Organization with which the GCF has concluded framework arrangements for readiness and preparatory support), regional (e.g. Regional development banks, Secretariat of the Pacific Community (SPC), Caribbean Community Climate Change Centre (CCCCC)), Centre de Suivi Ecologique) national or sub-national.

11. As of November 2016, the GCF has approved 74 readiness and preparatory support requests, covering 61 countries and totalling USD 21.9 million. Of the 74 requests, 38, covering 32 countries, have received disbursements and are under implementation. The majority of the requests applies for support

⁴ Decision B.13/09 (June 2016).

⁵ The transcripts of both, personal and telephone interviews, were subsequently shared with the UNFCCC focal point and national designated authority of the respective country for review and validation.

⁶ More detailed information on the readiness programme and its status is available at the GCF website at <www.greenclimate.fund/funding/readiness-support>.

⁷ Under the GCF, vulnerable countries include LDCs, Small Island Developing States (SIDS) and African State. A minimum of

50% of country readiness funding is targeted at supporting these countries.

⁸ Governing Instrument for the Green Climate Fund.

⁹ Following this addition, the GCF secretariat has revised the readiness proposal template as well as the readiness and preparatory support guidebook. Both documents provide an overview and detailed guidance on the readiness proposal process and are available at <www.greenclimate.fund/funding/readiness-support/fine-print>.

for strengthening NDAs including country programming (72 per cent of the approved requests and 16 per cent of disbursements), followed by requests for support to direct access entities (23 per cent of the approved requests and 11 per cent of the disbursements) and for pipeline development (1.5 per cent of the approved requests and 0,7 per cent of the disbursements). Two requests (1.5 per cent) for support for the formulation of NAPs and/or other adaptation planning processes have been approved whereby implementation of the activities has not commenced.¹⁰ Of the 74 approved requests, 32 specifically refer to adaptation, e.g. developing a country programme by building on existing adaptation activities. However, even if requests have not mentioned adaptation activities directly, they may indirectly benefit adaptation efforts in the country, for example, by strengthening the NDA's coordination capacity.

12. In addition to the 74 approved readiness requests, the GCF has received 65 requests which were under review as of November 2016. Furthermore, twenty countries have expressed interest for support for the formulation of NAPs and/or other adaptation planning processes. Overall, demand for readiness support is increasing.¹¹

4. Experiences of countries in accessing the GCF readiness programme

13. The following sections present experiences of countries in accessing the GCF readiness programme as collected through surveys and interviews with countries and delivery partners. Experiences have been retrieved with regard to information and communication by and with the GCF, the establishment of NDAs/focal points and country coordination mechanisms, the proposal development and the implementation phase. Under each category, initial lessons and recommendations, as shared by countries and organizations, are summarized. The recommendations are predominantly directed towards the GCF, but also towards national stakeholders and delivery partners. Meanwhile, the GCF may have taken action with regard to some of the aspects contained in the recommendations as some of the country experiences date back several months. The section closes with a summary of initial impacts of the readiness programme as well as further needs of countries with regard to future access to the GCF.

4.1. Information and communication

14. The main sources that countries used to obtain information on the readiness programme, in the order of importance, were the GCF secretariat; GCF briefings, e.g. at the margins of UNFCCC events; GCF website; GCF regional events; accredited entities; regional advisors and other organizations, e.g. delivery partners. In addition, several countries stated that representation at GCF Board Meetings and active participation in the UNFCCC process constituted important information channels. The Readiness Guidebook, a how-to guide for accessing the GCF readiness programme available at the GCF website,¹² was appreciated as a very useful document.

15. In terms of communication by and with the GCF, the staff of the GCF secretariat as well as regional advisors were described as being very accessible and responsive to countries' needs. In many cases, communication was referred to as straightforward and effective. Specifically regarding communication on NAPs, countries appreciated efforts by the GCF to inform them on ways in which the readiness programme can support NAPs and/or other adaptation planning processes after the Board had taken the respective decision in June 2016.¹³

4.1.1. Challenges

16. While some countries described access to, and quality of, information on the readiness programme as reliable and easy to access, others rated the process of obtaining information as somewhat or very

¹⁰ Progress and outlook report of the Readiness and Preparatory Support Programme. GCF/B.15/Inf.08. Available at <bit.ly/2mhol3J>.

¹¹ Ibid.

¹² See <www.greenclimate.fund/funding/readiness-support/fine-print>.

¹³ Decision B.13/09 (June 2016).

challenging. One reason brought forward by those facing challenges was that the information was available in English only which provided a barrier particularly for non-Anglophone countries. Another reason was the high frequency in which the readiness templates and application process were revised and changed, particularly during 2015–2016, which made it difficult for countries to stay up-to-date on the latest requirements. In this regard, countries that were able to use direct information channels through active involvement in the UNFCCC process or representation on the GCF Board, faced fewer difficulties in maintaining an overview on latest GCF decisions and procedures. Overall, due to the early stage of readiness work at the country level and cases in which readiness work have been initiated without multi-sectoral dialogues, delivery partners noticed that many countries and/or sectoral stakeholders remain unaware of the opportunities provided by the readiness programme.

17. With regard to individual sources of information on the readiness programme, the website was criticized by some countries and organizations for being difficult to navigate, making it challenging to find information and documents. The Readiness Guidebook, however useful, was said to lack regular updates, for example, with regard to web links and recent changes in access procedures.

18. In terms of communicating with the GCF, countries and delivery partners noted that the staff of the GCF secretariat had changed rather frequently and that the distribution of roles and responsibilities within the secretariat as well as between the secretariat and the regional advisors had not always been clear. This had led to confusion by countries. In some cases, it had also resulted in an unstable flow of information or even diverging information provided to countries and delivery partners. It was noted that information e.g. on changes in the GCF proposal process, was sometimes shared only with the NDAs and not with delivery partners, leading to inconsistent guidance provided to countries by the GCF secretariat and delivery partners.

19. The guidance on NAPs, which was mainly provided face- to-face, was described as being incomplete and inconsistent and it was criticized that neither did the GCF website offer a distinct space where the process of receiving readiness support for NAPs would be explained nor did it offer a respective proposal template. Questions remained, for example, regarding the possible nature of a NAP readiness proposal (e.g. cross-sector versus sector-specific) as well as on the types of activities that could be funded under a NAP readiness proposal versus a full GCF adaptation proposal. Consequently, synergies between the GCF readiness programme and the NAP process have not been fully explored and delivery partners noticed that many country stakeholders remain unaware of such links.

Box 1. Initial lessons and recommendations regarding information and communication**Lessons**

- Keeping countries, delivery partners and other stakeholders up-to-date on latest developments under the readiness programme is essential, particularly in times of frequent changes in procedures and staff;
- More outreach is required to inform country stakeholders on the opportunities of the readiness programme, particularly on possible synergies between the readiness and NAP processes.

Recommendations*For the GCF*

- Clarify roles and responsibilities of and improve the coordination between staff at the GCF headquarters (e.g. Country Operational Dialogue specialists), regional advisors and delivery partners in order to establish clear lines of communication and provide consistent information to countries;
- Keep countries and delivery partners up-to-date on developments under the readiness programme, particularly on changes in access procedures and in roles and responsibilities of staff;
- Set agreed times for the updating and publication of GCF documents to provide better forward planning for capacity constrained countries;
- Provide readiness documents in French and potentially other languages and regularly update the Readiness Guidebook;
- Improve the navigability of the GCF readiness website.

For the GCF in collaboration with others (including the AC)

- Provide a clear description of the synergies between the readiness and NAP processes.

4.2. Establishment of NDAs/focal points and country coordination mechanisms

20. In most of the surveyed countries the NDA or focal point is hosted by the same institution that coordinates mitigation and adaptation activities in the country and often also hosts the UNFCCC focal point. In these countries, the identification of the NDA or focal point seems to have been straightforward.

21. The establishment of country coordination mechanisms has in most cases been based on existing inter-ministerial mechanisms. Readiness resources were referred to as very helpful in mobilizing additional human resources required and organize appropriate consultations, e.g. in the form of inception workshops, in order to involve additional stakeholders specifically for the engagement with the GCF.

4.2.1. Challenges

22. Given the lack of clear guidance on how to identify an effective NDA, some countries selected NDAs or focal points that did not have a good understanding of, nor leverage on, mitigation and adaptation activities and were therefore barely able to assume their role properly.

23. Some NDAs/focal points also faced challenges in establishing an effective country coordination mechanism. Challenges included the alignment of such a coordination mechanism with the multitude of existing coordination mechanisms at the country level and the creation of incentives for assuming active responsibility of readiness activities among them. Linked to this challenge were difficulties to organize a national institutional system for the prioritization and screening of GCF readiness proposals and priorities that could count on active participation by sectoral stakeholders.

Box 2. Initial lessons and recommendations regarding NDAs/focal points and country coordination mechanisms

Lessons

- The more leverage the NDA/focal point has over mitigation and adaptation activities in a given country, the more effectively it can assume its role;
- Creating yet another national coordination mechanism and ensuring active participation of sectoral stakeholders in readiness work is a challenge for many countries.

Recommendations

For the GCF

- Provide guidance on how to select an effective NDA/ focal point;
- As a first step, provide sufficient readiness resources for the mobilization of human resources and appropriate consultations for the required coordination processes that would support implementation of adaptation activities.

4.3. Proposal development

24. In most of the respondent countries the development of the readiness proposal followed their established national practices of preparation and approval with one institution taking the lead and various other institutions and stakeholders providing input. In some countries, the UNFCCC focal point played an active role in the process. Many countries used existing inter-ministerial committees and similar arrangements for the coordination of the proposal development. Countries valued the opportunity to use resources from the readiness programme or the project preparation facility to undertake a sound project identification and respective stakeholder consultations that would ensure alignment with national priorities. This opportunity particularly coalesces momentum for the NAP process of which stakeholder consultation and coordination represent inherent components.

25. In terms of technical support, two countries had worked with multilateral implementing entities (MIEs) and one with a regional implementing entity (RIE) as delivery partners. The other two worked with national implementing entities.

26. The time it took countries to turn the readiness request into a full readiness proposal ranged from one to seven months, whereas most countries needed fewer months. In most cases the GCF only required two months to review and approve the proposal which was appreciated by the respective countries. However, there were a few exceptions. In one case it took a country over twelve months to move from the first concept preparation to signing of an implementation agreement. In another case a country had submitted a second readiness proposal but not received a response from the GCF within three months. Some countries did not indicate the timeframe.

27. Regarding linkages between readiness proposals and NAPs or other national adaptation planning processes, these have so far only indirectly been created, except for the two countries that have requested readiness support specifically for the formulation of their NAPs. Countries in which the NDA also constitutes the NIE, as well as countries in which the NDA has strong leverage over adaptation

activities, stated that this constellation ensures strong synergies between readiness and adaptation activities and appropriate prioritization of adaptation needs. In addition, those departments of the NDAs and NIEs responsible for the coordination and implementation of adaptation activities would be enabled to play their roles more effectively as a result of the institutional capacity-building planned to be supported by the readiness programme.

28. The two countries with approved readiness funding for NAP formulation initiated the development of the GCF readiness proposal almost simultaneously with the launching of their respective NAP processes. This facilitated effective matching of both processes including the coordination of respective stakeholders

4.3.1. Challenges

29. Countries encountered various challenges during the proposal development until its submission, ranging from technical problems to difficulties in meeting the GCF requirements.

30. Technical issues included language barriers as in the case of accessing information on the readiness programme. Some non-English speaking countries faced difficulties in developing all proposal documents in English. One country even feared that proposals had been rejected due to inadequate translation.

31. Another important technical obstacle faced by those countries that developed readiness proposals for the formulation of NAPs was the absence of clear guidance regarding NAP-related proposals and a template. This left countries without certainty about, for example, the possible scope of a readiness proposal for NAP formulation as opposed to a full GCF project proposal on NAPs and whether readiness funding could be used to prepare NAP projects directed at other funding sources than the GCF.

32. In terms of the coordination of readiness proposals, some NDAs struggled to adequately manage competition for readiness funding between different bilateral and multilateral agencies.

33. Regarding the standardized packages of support offered by the GCF, although expediting the proposal process, some countries felt that they were provided quite top-down support leaving little room to seek support outside those packages if readiness funding was to be received in a timely manner. This was felt to be particularly counterproductive in case of NAP-related proposals as NAP-related outputs and activities need to be more flexible to accommodate the diverse adaptation planning processes in each country.

34. In terms of meeting the GCF requirements, some problems were created by the various changes that were introduced to the proposal procedures and templates by the GCF. This did not only present a challenge for countries to stay up-to-date on the latest requirements, but also required some countries to revise their proposals to meet the new requirements and demanded intensive consultations with the GCF. In general, some countries felt overwhelmed by the level of detail of the studies, assessments and analyses required for the proposal.

35. Some countries faced challenges in clearly understanding the GCF's requirements and in aligning them with national actualities and additional requirements of delivery partners. Providing all relevant information to meet the environmental, social and fiduciary standards of the GCF was not an easy task for some countries either, particularly if such information had to be collected from different ministries with varying degrees of willingness to cooperate. Other countries noticed deficits in the technical capacity of NDAs and NIEs to lead and coordinate the development of project proposals, including, for example, the formulation of a national strategic engagement framework with the GCF.

36. Still other challenges were faced by countries after the submission of the proposal and before the start of project implementation. The review of the different components of the readiness proposal (proposal, inception report, budget, procurement) by the GCF, including the respective consultations with the country, were described as cumbersome, particularly if GCF staff changed along the way. In many cases the GCF asked for several revisions of the proposal which required countries to go through

several rounds of internal coordination and approval. Deficits in the technical capacity of some NDAs and NIEs, as mentioned above, made it even more difficult for them to efficiently respond to the GCF's comments. Some countries were also unsure about the legal instruments (e.g. type of disbursement request, need for project document to be shared or not) that are required to be in place before being able to start implementation.

Box 3. Initial lessons and recommendations regarding the development of a proposal

Lessons

- Existing inter-ministerial committees and similar arrangements at the country level are in most cases appropriate for the coordination of the proposal development;
- Close communication between the GCF secretariat, regional advisors, the delivery partners and the recipient countries during the proposal development process is essential to facilitate the process and respond to countries' needs, particularly if requirements, procedures and templates are changing along the way;
- Simultaneous initiation of NAP formulation and GCF readiness proposal development can facilitate effective matching of both processes, including the coordination of respective stakeholders;
- Building good relationships between different national institutions and stakeholders beforehand, e.g. during national processes like the NAPA or the NAP, provides a good basis for times when intensive cooperation is needed, such as during the GCF proposal development;
- Drawing together senior experts from line ministries, development partners and consultants to technically review and respond to the comments of the GCF on readiness proposals can support NDAs/NIEs in cases where they would otherwise face technical and capacity-related challenges.

Recommendations

For the GCF

- Provide countries with guidance documents and a readiness proposal template specifically for NAP and other adaptation planning processes – a discussion may be needed on whether standard templates with logframes, including activities and outputs, may be too rigid to accommodate the flexibility required for the NAP process;
- Make efforts to regularly respond to the submission of countries' readiness proposals within a reasonable time;
- Provide LDCs facilitated access to the GCF, given their limited capacity to develop comprehensive proposals.

For the GCF in collaboration with others (including the AC)

- Build capacity of NDAs for strong country coordination and stakeholder engagement;
- Ensure involvement of adaptation-specific partners at country level during the proposal development;
- Provide capacity development to countries to apply the GCF standardized support packages and allow for more flexibility regarding the application of the packages;
- Provide clarity on the legal instruments required to be in place before implementation.

4.4. Implementation

37. The average time originally planned by countries for the implementation of readiness activities were 1-2 years. At the time of the interviews and surveys, one country was close to the finalization of its readiness activities and most others had completed at least 6 months of implementation. One country had not yet commenced implementation contrary to the announcement in some GCF documents. The two countries that had completed readiness proposals for the formulation of their NAPs had also not started implementation.

38. As in the case of proposal development, coordination and stakeholder involvement mechanisms had mostly been built on structures and mechanisms already existing in countries with varying degrees of success. Many countries had organized an inception workshop or forum at the beginning of the implementation phase which brought together various stakeholders, including from government, civil society, development partners and the private sector. The experience with these workshops was very positive, particularly in terms of creating momentum for close collaboration on GCF readiness activities.

39. In terms of linking readiness and NAP-related activities, a delivery partner's experience demonstrated that greater synergies had been built when readiness and NAP activities were supported by the same delivery partner. Given the lack of specific GCF guidance on NAP activities under the readiness programme, countries used the technical material developed by the LEG and the AC to guide such work.

40. One country commented on the GCF's flexibility regarding the use of funds during the implementation stage. The country was granted the opportunity to re-allocate funds to an activity that had not been part of the original proposal but had been considered adequate and timely by both the country and the GCF considering changed circumstances.

41. Ensuring complementary and coherence between the GCF and other readiness support programmes was largely seen as the responsibility of the respective NDA and its capacity was deemed decisive of the effectiveness of the coordination. The Readiness Coordination Mechanism, which brings together partner agencies that are supporting different readiness programmes, has supported the coordination of these partners, their mutual updating on activities and avoidance of duplication of efforts.

4.4.1. Challenges

42. Coordinating country efforts, consolidating input from and achieving agreement among various stakeholders while also ensuring cost-effectiveness was seen as the most challenging and time-consuming part of the implementation phase. Experience was shared that sectoral ministries, institutions and agencies had not always been prominently represented at consultations and dialogues related to GCF procedures which created situations in which the needs of most vulnerable sectors were not properly addressed.

43. The lack of capacity in executing entities at the country level was seen as another challenge.

44. One country recognized the fact that when readiness funds are channelled through the multilateral or regional implementing entities, in cases where countries work with such delivery partners, leaves the governments without much responsibility on how funds are used and prevents them from demonstrating the credibility of their financial management systems.

45. Some countries criticized long time lags between funding requests and actual disbursements. The fact that activities needed to be discontinued while the disbursements had not arrived posed challenges particularly for countries that had planned only twelve months for the implementation process

Box 4. Initial lessons and recommendations regarding implementation**Lessons**

- The effectiveness of the country coordination and stakeholder engagement mechanism depends on the capacity of the NDA;
- Synergies between readiness and NAP-related activities can be enhanced if both are supported by the same delivery partner or if there is a close collaboration between their delivery partners.

Recommendations*At the national level*

- Foster the integration of sector concerns into national climate change-related policies, strategies and plans through respective stakeholder consultations and capacity development activities;

For the GCF

- Explore opportunities to disburse readiness funds through national systems even in cases in which countries work with multilateral or regional implementing entities to give governments the chance to create confidence in their institutions;
- Increase the efficiency of disbursement processes to avoid discontinuation of readiness activities;

For the GCF in collaboration with others (including the AC)

- Ensure involvement of adaptation-specific partners at country level;
- Build capacity of executing entities for effective project implementation;
- Refer to LEG and AC technical work when developing and implementing NAP-related activities under the readiness programme.

4.5. Impact

46. Countries concurred that the readiness activities had strengthened their capacity to better access and deploy international funding, including for adaptation activities. The readiness activities contributed to moving GCF funding up on countries' agendas. As the requirements of GCF funding are expected to add substantial rigour to many aspects of adaptation planning and implementation, it is assumed that countries will strengthen institutions, technical aspects of vulnerability, risks and impacts, prioritization of adaptation actions, and multi-sectoral collaboration for the creation of synergies. Readiness activities have also improved national capacities as well as countries' understanding of the GCF process, requirements and general work mode which will be beneficial for future access to the fund. Examples for improved national capacities range from the development of country programmes and climate-smart projects and programmes to more specific capacities in, for example, internal auditing processes and knowledge and information management systems. Some countries saw these capacities also as being very relevant for the formulation and implementation of NAPs.

47. In some countries the readiness activities contributed to building stronger ties with the private sector in view of engaging it in adaptation activities. In this regard, the readiness inception workshops played an important role. In some countries they contributed to involving the private sector in climate-

related activities for the first time. In other countries it was still too early to evaluate improvements of private-sector engagement.

48. Initial signs were also noticed regarding a strengthened capacity of countries to achieve the paradigm shift that is part of the access criteria of the GCF. Strengthened NDAs and NIEs would better position countries to receive scaled-up climate finance for adaptation. Countries also mentioned that the readiness activities and GCF access criteria pushed them to be more strategic with regard to their national adaptation process. In some cases, participants of readiness inception workshops had requested countries to move away from single entity initiatives towards more transformative programmes.

4.6. Further needs

49. Countries confirmed that their expectations towards the GCF readiness programme had in general been met. However, most countries underlined the need for continuous support to build on the activities and achievements reached under the programme. In particular, institutional capacity building for NDAs/focal points, implementing and executing entities was highlighted as an area which required sustained support in view of a long-term engagement with the GCF. Related to that was the need for support in stakeholder engagement activities, particularly regarding civil society and the private sector, with real examples and south-south learning on how these groups have been engaged in other countries.

50. The need for close communication between the GCF secretariat, the countries and partners was emphasized again, particularly on potential changes to access criteria and other requirements. One country feared that the Environmental and Social Management Systems being developed by the GCF may further complicate the process of securing future access to the GCF by national direct access entities.

51. Besides the need for a NAP-specific readiness proposal template, the two countries that had requested readiness support for the formulation of their NAPs underlined that they needed further support to undertake comprehensive assessments in particular sectors or geographical areas. One country stated that it had already identified additional sources of support, as the maximum amount of funding available for each country's NAP formulation under the readiness programme was expected to be insufficient for the amount of required assessments. Both countries confirmed that they are intending to apply for further GCF funding for NAP implementation.

52. Further needs communicated by countries included the translation of GCF documents in all UN languages and training on the development of adaptation proposals for the GCF as well as on ways to better align NAPs and NDCs to make access to GCF funding more efficient.

5. Next steps

53. The AC may wish to:

- a) Continue collecting experiences from countries in accessing the readiness programme as more countries enter into or advance implementation of their activities, including with regard to the formulation of NAPs or other adaptation planning processes;
- b) Consider expanding the scope of the paper to cover GCF funding beyond the readiness programme;
- c) Further develop the paper and consider including case studies and best practice examples from countries.

54. The AC may also wish to continue using the findings of the paper to inform the preparation of the 2017 workshop *to advance the understanding and overcome challenges relating to the establishment of national implementing entities and accessing the GCF readiness programme for adaptation*, which is included in the AC workplan.

55. Reflecting on the evolving nature of some of the information provided in the paper, the AC may also wish to consider preparing a periodic adaptation finance bulletin in collaboration with the SCF, the GCF and others to inform on the policies and programmatic priorities of the GCF and other funds.
56. The AC, following consideration of a revised paper at AC12, may further wish to derive recommendations to the COP in response to decision 4/CP.21, paragraph 10.
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