
Readiness and Preparatory Support Guidebook

Accessing the Readiness and Preparatory Support Programme
of the Green Climate Fund: an introduction and how-to guide



GREEN
CLIMATE
FUND

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Green Climate Fund

Songdo International Business District

175 Art Center-daero

Yeonsu-gu, Incheon 22004

Republic of Korea

+82.32.458.6039

countries@gcfund.org

greenclimate.fund

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Contents

Essential Terms

Part I	The GCF Readiness and Preparatory Support Programme	4
Part II	Requesting Support Under the Readiness Programme: Process Overview	5
Part III	Completing the Readiness Proposal Template	8
	1. Summary	8
	2. Background	11
	3. Logical Framework with Implementation Schedule	12
	4. Additional Information	14
	5. Budget, Procurement, Implementation and Disbursement	16
	6. Implementation Arrangements and Other Information	22
Part IV	Monitoring and Reporting of Readiness Grants	24
Part V	Deviation from the Original Plan	31
Part VI	Feedback & Learning	34

Annex 1	Readiness Logical Framework (exclusive of adaptation planning) - Outcomes, Outputs, and Baselines/Targets	30
Annex 2	Adaptation Planning Logical Framework - Indicative Outcomes and Outputs	38
Annex 3	Adaptation Planning Review Criteria and Good Practices	41
Annex 4	Social Inclusion and Gender Considerations for Readiness including Adaptation Planning	48
Annex 5	Indicative list of activities that can be supported by the Readiness and Preparatory Support Programme	50
Annex 6	Eligible costs to help establish an NDA or focal point and deliver on the GCF's requirements	54
Annex 7	Guidelines for submitting Bank Account Certification letter	58
Annex 8	Template for a Theory of Change diagram	60

Essential Terms

Accredited Entities (AE)

Institutions or organizations accredited to the GCF to carry out a range of activities, particularly developing and submitting project/programme funding proposals and overseeing the management and implementation of projects and programmes. National Designated Authorities (NDA) can request an AE to serve as their Readiness Delivery Partner for a specific Readiness proposal. However, Readiness proposals can also be implemented by other non-AE Readiness Delivery Partners (see definition of Readiness Delivery Partner below).

Adaptation Planning

The identification of adaptation priorities and development of strategies and programmes to address these priorities in a continuous, dynamic and iterative process. The GCF support for adaptation planning processes may have a national, sub-national and/or sectoral focus, and could contribute to an integrated national vision for climate resilience.

Country Programme

A GCF Country Programme is a living document that presents a country's climate change priorities with the GCF, including a pipeline of projects that the country would like to develop. It provides an action plan that details how projects and programmes are to be developed, the type of entity to partner with, and the readiness and project preparation support required.

Direct Access Entities (DAE)

Institutions that apply for accreditation through the direct access modality. They are regional, national, and sub-national institutions that are required to provide evidence of a nomination from an NDA or Focal Point with their application documents. Entities that are accredited under the direct access modality, or wish to be accredited, may be eligible to receive support under the Readiness Programme at the request of its NDA or Focal Point.

Environmental and Social Safeguards (ESS)

A set of criteria that aims to address key environmental and social risks in the implementation of activities to be funded by the GCF. The GCF has adopted a comprehensive environmental and social management system, which can be found in Annex X of **GCF/B.19/43**.

Financial Management Capacity Assessment (FMCA)

An assessment conducted for organizations who are not AEs, but are selected by NDAs to serve as their Delivery Partner for a Readiness proposal to the GCF. Click **here** to download the template.

Fiduciary Standards

Refers to the basic and specialized fiduciary requirements of the GCF that AEs and Readiness Delivery Partners need to comply with depending on the nature of the activities funded by the GCF. The GCF's initial fiduciary standards are set out in Annex II of **GCF/B.07/11**.

Gender Policy

The GCF's **Gender Policy** aims to ensure that the GCF will contribute to gender equality through a gender-sensitive approach and will, in turn, achieve greater and more sustainable climate change results. The gender policy is applied to all the GCF's activities, whether implemented by international, regional, national or sub-national, public or private entities or institutions that access GCF's resources.

Indigenous Peoples Policy

The GCF-wide **Indigenous Peoples Policy** ensures that activities of the GCF are developed and implemented in such a way that fosters full respect, promotion, and safeguarding of indigenous peoples so that they benefit from the GCF activities and projects in a culturally appropriate manner; and do not suffer harm or adverse effects from the design and implementation of the GCF-financed activities.

National Adaptation Plan (NAP)

The United Nations Framework Convention on Climate Change (UNFCCC) established the national adaptation plan (NAP) process to facilitate adaptation planning in least developed countries (LDCs) and other developing countries.

National Designated Authorities (NDA) or Focal Points

The NDAs are government institutions that serve as the interface between each country and the GCF. They provide broad strategic oversight of the GCF's activities in the country and communicate the country's priorities for financing low-emission and climate-resilient development. Further information on guidelines for NDAs or Focal Points is available in Annex XIII of **GCF/B.08/45**. A directory of NDAs is available on **Country Profiles** page of the GCF website.

National Designated Entity (NDE)

NDEs are countries' focal points for the UNFCCC Technology Mechanism, including its operative arm which is the Climate Technology Centre and Network (CTCN).

Readiness Delivery Partners

Institutions selected by the NDA or Focal Point to implement activities approved under the Readiness and Preparatory Support Programme. Readiness Delivery Partners provide services such as: development of readiness request proposals; implementation and supervision; fiduciary management; progress reporting; and project completion and evaluation. Readiness Delivery Partners may be AEs or other institutions who meet the financial management capacities requirements of the GCF. Readiness Delivery Partners who are not AEs must accomplish the FMCA template to be approved for managing Readiness support to countries.

The GCF Readiness and Preparatory Support Programme

The GCF Readiness and Preparatory Support Programme (the Readiness Programme) is designed to support countries' engagement with the GCF, the building of a pipeline of climate change projects, and enhance country ownership. Resources may be provided in the form of grants or technical assistance.

All developing country parties to the UNFCCC can access the Readiness Programme. The GCF aims for a floor of 50 per cent of the Readiness Support allocation to particularly vulnerable countries, including least developed countries (LDCs), small island developing States (SIDS), and African States.

The Readiness Programme provides:

Up to USD 1 million per country per year. Of this amount, NDAs or Focal Points may request up to **USD 300,000 per year** to help establish or strengthen a NDA or Focal Point to deliver on the GCF's requirements. For an overview of eligible costs, please refer to **Annex 6** of this guidebook.

Up to USD 3 million per country for the formulation of National Adaptation Plans (NAPs) and/or other adaptation planning processes.

It is important to note that within these specific funding caps, countries may submit multiple proposals over multiple years, to best meet the needs of the country over time.

Requesting Support Under the Readiness Programme: Process Overview

This section provides a step-by-step overview of the process to access the Readiness Programme.

1. Submit a Readiness Proposal

- The **Readiness Proposal** template and **Readiness Budget and Procurement Plan** template should be completed by the NDA or Focal Point with support from their Delivery Partner where relevant.
- The completed template should be submitted to countries@gcfund.org, copying both the Readiness Delivery Partner and the relevant GCF Country Dialogue Specialist and Regional Advisor. Please refer to the **Country Profiles** page of the GCF website for the indication of the relevant GCF Country Dialogue Specialist and Regional Advisor.
- If the Delivery Partner is not accredited to the GCF, the **Financial Management Capacity Assessment (FMCA)** questionnaire should be completed, preferably prior to the submission of the Readiness Proposal.

2. Review of the Readiness Proposal

- The GCF Secretariat will review the request, planned activities, and the proposed budget. It will also review the FMCA where applicable.

- In the process of its review, the GCF Secretariat may request the NDA or focal point to provide additional information and may also propose revisions.
- The final Readiness Proposal will then be submitted by the NDA or Focal Point to the GCF Secretariat.

3. Legal arrangements and first disbursement

- Following approval, legal arrangements are concluded in the form of a **Grant Agreement** with the grant recipient which includes and incorporates the **Standard Conditions**.
- To make the grant agreement effective, a **legal opinion** on the agreement will be obtained by the GCF Secretariat. The grant recipient must also submit a **Letter of Authorization** to confirm that authorized/designated officers may submit **Requests for Disbursements** under the grant agreement. This letter must be accompanied by passport copies of the Authorized Signatories.
- A Bank Account Certification letter must be submitted directly by the beneficiary bank where the GCF grant will be transferred. See **Annex 7** of this guidebook.
- Alternatively, approved proposals may also be covered under executed **Readiness Framework Agreements** with Delivery Partners.
- The GCF Secretariat will notify the NDA or focal point and the grant recipient (if not the NDA or focal point) on the effectiveness of the legal arrangements.
- When the legal arrangements come into force and effect, the GCF Secretariat releases the first tranche of funding. Readiness resources are sent to the bank account of the signing party of the Grant Agreement.

4. Implementation, monitoring, and reporting

- Readiness activities are implemented according to the specifications of the agreed work plan (including deliverables and timeline) and budget.

- A financial management system should be maintained, with separate accounts (i.e. bank account or ledger) and records for Readiness Support.
- The grant recipient reports to GCF, utilizing the **Interim Progress Report** template on an agreed schedule, against the work plan, budget, and agreed targets; and proposes potential revisions or adaptations, as required, to future implementation plans. More information can be found in **Part 4** of this guidebook.
- Financial statements should be prepared in accordance with consistently applied accounting standards, audited on an annual basis by reputable independent auditors, and furnished to the GCF Secretariat in accordance with the reporting requirements set in the proposal and/or grant agreement.
- Reports submitted to the GCF Secretariat will be disclosed on the GCF website in accordance with the GCF interim disclosure policy.

5. Completion and grant closure

- Towards the end of the readiness grant implementation period, the grant recipient will prepare the **Completion Report** and submit it to the GCF Secretariat along with a final audit report.
- When an extension and/or restructuring of the plan is required, a set of procedures must be followed. Please refer to the **Part 5** of this guidebook for further information.

Completing the Readiness Proposal Template

This section provides information on completing the Readiness Proposal template.

The resources of the GCF must be managed according to the GCF's Environmental and Social Safeguards System, Indigenous Peoples Policy, and Gender Policy. Information contained within these three documents are to be consulted when completing the Readiness Proposal template.

1. SUMMARY

Please describe how this grant will deliver on the country's readiness needs and build on institutions, processes or existing work already underway in the country.

1. SUMMARY	
Country submitting the proposal	Country name: Name of institution representing NDA or Focal Point: Name of contact person: Contact person's position: Telephone number: Email: Full office address: Additional email addresses that need to be copied on correspondences:

- **Country submitting the proposal**

Please include the name of the NDA or Focal Point, full name, the position, contact details, full office address, and additional email addresses that need to be copied on correspondences.

Date of initial submission	Click or tap to enter a date.		
Last date of resubmission	Click or tap to enter a date. (Please update for each resubmission.)	Version number	V.##
Which institution will implement the Readiness and Preparatory Support project?	<input type="checkbox"/> National designated authority <input type="checkbox"/> Accredited entity <input type="checkbox"/> Delivery partner Please provide contact information if the implementing partner is not the NDA/focal point Name of institution: Name of official: Position: Telephone number: Email: Full office address: Additional email addresses that need to be copied on correspondences:		
Title of the Readiness support proposal	Please indicate the project title; ideally this should reference the country where the project/programme will be implemented.		

- **Date of initial submission**

Please insert the date the proposal was first submitted to the GCF.

- **Last date of resubmission**

If the proposal has been revised, indicate the date when it was last sent to the GCF.

- **Version number**

Indicate the number of times the proposal has been revised.

- **Which institution will implement the Readiness and Preparatory Support project?**

Please identify if the implementing organization is an NDA, AE or a Delivery Partner. Please insert the name of the institution, the name of the official and their position, contact details, and full office address.

- **Title of the Readiness Proposal**

Please insert the title of the proposal. An ideal title should reference the country where the project/programme will be implemented.

- **Type of Readiness support sought**

Please identify what kind of support is sought by ticking one of the boxes in the template.

Type of Readiness support sought	Please select the relevant GCF Readiness activity area below (click on the box): <input type="checkbox"/> I. Country capacity for engagement with GCF <input type="checkbox"/> II. Country programming process <input type="checkbox"/> III. Direct access to climate finance <input type="checkbox"/> IV. Climate finance accessed <input type="checkbox"/> V. Formulation of national adaptation planning and/or other adaptation planning processes		
Brief summary of the request	Please include a brief description of the current status of needs in the country and the general readiness context (including non GCF initiatives); specific readiness challenge in the context of climate change; solution/outcome identified. Please also explain how GCF Readiness support activities will advance this solution in the context of climate change; how it will add value to national processes and how this change will be visible over time. (200 words maximum)		
Total requested amount and currency	Choose Currency Type the amount	Anticipated duration	Specify duration in multiples of six months
Has the country received or is expecting to receive other Readiness and Preparatory Support funding allocations (including adaptation planning) from GCF or other donors?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please describe the scope of work and the scope of support provided or expected to be provided by the GCF and/or other institutions (100 words).		

- **Brief summary of the request**

Please include a brief description of the general readiness context; specific readiness challenge; solution and outcome identified; how GCF Readiness support activities will

advance this solution; and, how this change will be visible over time. Please limit to maximum of 200 words.

- **Total requested amount and currency**

Please provide the total requested amount in US dollars (US\$) or in Euros (€) only.

- **Anticipated duration**

Please indicate the specified duration in multiples of six months.

- **Has the country received or is expecting to receive other Readiness and Preparatory Support funding allocations (including adaptation planning) from the GCF or other donors?**

If yes, please describe the scope of work and the scope of support provided or expected to be provided by the GCF and/or other institutions. Please limit to maximum of 200 words.

2. BACKGROUND

Please explain how this grant will help deliver on the country’s readiness needs and build on institutions, processes or existing work already underway in the country. Information on the country’s baseline situation regarding GCF Readiness and/or Adaptation Planning support may be included, as well as how the support will help the country deliver the proposed outcomes, in a complimentary manner with other sources of international climate finance.

2. BACKGROUND

Please explain how this grant will help deliver on the country’s readiness needs and build on institutions, processes or existing work already underway in the country. Specify the country’s current situation in the context of climate change, existing capacities that the proposal will build on and the key barriers or gaps that will be addressed through the different outcomes. Please also describe past and ongoing efforts undertaken by public and/or private sectors, and other complementary GCF grants or funding proposals. Please refer to the Guidebook for more specific information on completing this section.

If applicable, please summarise all other relevant readiness and/or adaptation planning support that has been requested, received or is pending from GCF and/or other institutions. Please also include a description of the baseline, scope of work, and how activities described in those proposals will complement those articulated in this proposal. Please limit this section to a maximum of 300 words. All relevant documents should be attached to the proposal.

3. LOGICAL FRAMEWORK WITH IMPLEMENTATION SCHEDULE

Requests for GCF Readiness support should closely match the needs and gaps identified through relevant national documents. To help countries prioritize needs and focus on the most strategic areas of development, a logical framework is included in the GCF Readiness Proposal template. The logical framework is an opportunity for NDAs and their partners to understand their level of readiness, gaps, and priorities for the future.

Outcomes		Baseline ¹	Targets	Activities ² (brief description and deliverables)	Anticipated duration: Specify duration in multiples of six months																								
					Monthly implementation plan of activities ³																								
					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
Outcome 1: [Example] Country capacity strengthened	Sub-Outcome 1.1: [Example] NDA/focal point lead effective coordination mechanism			Activity 1.1.1: [Example] Develop operational guidelines/manuals for the functioning of the NDA, including a procedure to establish an effective coordination mechanism ⁴	X																								
				Deliverable 1.1.1: [Example] Operational manual defining and describing NDA's roles and function																									
				Activity 1.1.2: Deliverable 1.1.2:																									
	Sub-Outcome 1.2:			Activity 1.2.1:																									
	Sub-Outcome 1.3:			Deliverable 1.3.1:																									
Outcome 2	Sub-Outcome 2.1:			Activity 2.1.1:																									
	Sub-Outcome 2.2:			Deliverable 2.2.2:																									
Outcome 3	Sub-Outcome 3.1:			Activity 3.1.1:																									
				Deliverable 3.1.1:																									

¹ For baselines rated at 1 or 2, please shortly elaborate on current baselines on which the proposed activities can be built on, processes that are in place that the current Readiness proposal can strengthen, or any gaps that the proposed activities would fill in. If more space is needed, please elaborate this in Section 2.
² Please include tangible and specific deliverables for each activity proposed, and the timeframe (month number) in which it will be delivered to GCF. Please note that during implementation all deliverables should be included within the implementation reports for GCF consideration.
³ If the duration of the proposal is longer than 24 months, please change the monthly columns to indicate 2 or 3 months each (e.g. change month "1" to month "1-2" or "1-3").

This logical framework and implementation schedule of the proposal template includes the following elements:

- **Outcomes**

Refers to key results to be achieved in order to access GCF finance, deliver and implement GCF projects and programmes, as well as monitor, report and verify finance flows. Please select relevant outcomes from **Annex 1** of the guidebook for GCF Readiness or from **Annex 2** for Adaptation Planning.

- **Sub-outcomes**

A sub-outcome statement highlights what a project or programme intends to achieve in the short-term from activities. Examples of a sub-outcome statement in the context of the Readiness Programme/adaptation planning process could include gap analysis and needs assessments of the enabling environment for the Readiness Programme/adaptation planning process conducted and/or updated.

- **Baseline and Targets**

The country's current capacities in regard to achieving the chosen outcomes and progress that the country intends to make with the Readiness support. Please refer to **Annex 1** for GCF's Readiness baselines. For Adaptation Planning proposals, please include a brief description for the baseline and target.

- **Activities**

Specific activities to be undertaken to achieve the outcomes. **Annex 5** of this guidebook provides an indicative list of activities. Additional activities can be proposed as specifically relevant to adaptation planning.

- **Deliverables**

Indicate at least one specific deliverable output for each activity (e.g. technical assessment, recommendations, workshop report, communication materials, etc.), and the month (in

number format) in which it will be delivered to the GCF. For example:

- Activity: develop operational guidelines/manuals for the functioning of the NDA, including a procedure to establish an effective coordination mechanism
 - Deliverable: manual for NDA operations completed two months after first disbursement
- **Anticipated Duration and Implementation Schedule**

For each activity, please indicate the time frame by shading the relevant cells under “Monthly Implementation Plan of Activities” part of the table. Please also include the deliverable of each activity as the last row of the activity and indicate the month in which the deliverable will be submitted to the GCF by inserting “X” in a relevant cell. For projects where the duration is longer than 36 months, please modify the Gantt chart accordingly (e.g. each column can represent three months and the chart can be reorganized).

4. ADDITIONAL INFORMATION

(ONLY REQUIRED FOR ADAPTATION PLANNING PROPOSALS)

4. ADDITIONAL INFORMATION (ONLY FOR ADAPTATION PLANNING SUPPORT)

This section is only to be completed when seeking support for formulation of national adaptation plans and/or other adaptation planning processes. Please see Part 3 Section 4 in the Readiness Guidebook.

This section is only relevant for Adaptation Planning support grants. Please provide the additional information, in no more than 500 words, on how the proposed activities will:

- Address specific anticipated climate impacts and vulnerabilities, in time, through improved planning and engagement;
- Complement other adaptation planning activities that are completed, underway, or foreseen, including:
 - NAPAs, NAPs, and/or other national adaptation plans;
 - Relevant sub-national adaptation plans; and/or
 - Relevant sector-specific adaptation plans.
- Integrate adaptation planning activities with other relevant national, sub-national and sector-specific planning processes;
- Enable inclusive and gender responsive stakeholder engagement mechanisms and inter-institutional arrangements across relevant levels of government and sectors, including with women-led groups, indigenous peoples' organizations, minority communities, and private sector actors;
- Contribute towards:
 - Reducing vulnerability to impacts of climate change, including by building adaptive capacity and resilience;
 - Facilitating the integration of climate change adaptation into relevant new and existing policies, programmes and activities, in particular development planning processes and strategies within all relevant sectors and at different levels, as appropriate¹;

1 Agreed COP objectives of the national adaptation plan process (Decision 5/CP.17, paragraph 1)

- Integrating adaptation planning activities into specific or broader resilience planning to increase awareness and information on climate change adaptation across government and non-government actors, complementing other relevant new and existing communication strategies, at all levels.

Please include a theory of change (ToC) diagram, which helps articulate, understand and track the multiple pathways and linkages between outcomes, outputs, and activities by identifying the desired long-term goals with preconditions and/or interventions that are necessary for change to occur in achieving the desired goal. Moreover, a ToC diagram should stipulate assumptions of the proposal and potential risks that have been identified. Please see **Annex 8** for a template of the ToC diagram.

5. BUDGET, PROCUREMENT, IMPLEMENTATION, AND DISBURSEMENT

5.1 Budget plan (in a separate Excel sheet, click [here](#) to download)

5.1 Budget Plan

Please add rows for Outcomes, Outputs and Cost Categories as required. Additional budget categories may be added by manually typing them on the Budget Category sheet.

Outcomes	Budget Categories <small>choose from the drop-down list</small>	Detailed Budget (in US\$)			Total Budget (per budget category)	Total Budget (per sub-outcome)	Total Budget (per outcome)	Disbursement Plan					
		Unit	# of Unit	Unit Cost				6m	12m	18m	24m	30m	36m
Example: 1. Country capacity strengthened	Consultant - Individual - International	WDay	30	600.00	18,000.00	53,000.00	53,000.00						
	Consultant - Individual - Local	WDay	20	300.00	6,000.00								
	IT Equipment	Laptop	3	1,500.00	4,500.00								
	Consultant - Individual - International	WDay	30	600.00	18,000.00								
	Travel - Local	Trip	16	300.00	4,800.00								
	Travel - International	Trip	10	500.00	5,000.00								
1.2 Sub-outcome					-								
1.3 Sub-outcome					-								
2. Outcome	2.1 Sub-outcome				-								
	2.2 Sub-outcome				-								
3. Outcome	3.1 Sub-outcome				-								
	3.2 Sub-outcome				-								
Total Outcome Budget							53,000.00	-	-	-	-	-	-
Project Management Cost (PMC) Up to 7.5% of Total Activity Budget	Consultant - Individual - Local	Month	2	300.00	1,800.00	2,500.00	Percentage of PMC requested: 5%						
	Local Fee	Lumpsum		900.00	1,000.00								

Breakdown (per budget category)	Total (per budget category)
Audio Visual & Printing	-
Audit Fee	-
Consultant - Individual - International	33,000.00
Consultant - Individual - Local	6,000.00
Professional Services - Companies/Firm	-
IT Equipment	-
Office Supplies	4,500.00
Travel - International	-
Travel - Local	5,000.00
Workshop/Training	4,300.00
0	-
0	-
0	-
0	-
Total Outcome Budget	53,000.00

Total Outcome Budget		53,000.00
Project Management Cost (PMC)	5% requested	2,500.00
Contingency	1% requested	530.00
<hr/>		
Sub-Total (Total Outcome Budget + Contingency + PMC)		56,030.00
Delivery Partner Fee (DP) - Up to 8.5% of the Sub-Total		4,762.55
<hr/>		
Total Project Budget (Total Activity Budget + Contingency + PMC + DP)		\$ 60,793.00

- Outcomes and sub-outcomes should be the same as those identified in the Logical Framework in Section 3 of the Readiness Proposal template.
- Cost per sub-outcomes must be provided and broken down by these budget categories:

Local Consultant – Individual	Workshop/Training
International Consultant – Individual	Travel – Local
Contractual Services – Companies/firm	Travel - International
Office Supplies	Audio visual & Printing
IT equipment	Audit Fee

- Please add rows for outcomes, outputs, and budget categories as required. Moreover, please provide sufficient breakdown of costs to effectively evaluate the value for money, with particular detail for activities valued over USD 50,000. Each budget line requires the cost breakdown, example as follows:
 - Consultancy: Itemize each national and international consultants and other personnel by unit and unit cost by monthly or daily rates.
 - Equipment: Provide unit /quantity and unit cost for equipment to be purchased.
 - Travel (local and international): Estimate number of trips and cost per trip.
 - Workshop/training: estimate number of participants per workshop/training, number of days and cost per workshop/training.
- Disbursement Plan (m refers to months): For 6m, this is the initial period that encompasses the start date of activities as per the Readiness Grant Agreement. Additional months may be added in multiples of six.
- In addition to the cost per activity, the budget plan may include:
 - **Contingency**
Up to 5 per cent of total activity budget (excluding PMC and Delivery Partner fee).

The contingency budget must be used for any unforeseen programme (output level) cost, such as FX gain and loss, courier service etc., which is unrelated to implementation/service fee. Any use of contingency budget must be reported in the financial report and must be agreed by the GCF Secretariat in writing (email is sufficient) in advance, and NDAs/Delivery Partners should provide justifications that are acceptable to the GCF. Moreover, any unspent contingency budget cannot be reprogrammed into additional activities or purchase of additional equipment.

- **Project management costs (PMC)**

These are the direct administrative costs incurred to execute a project. They should cover only incremental costs incurred due to the GCF contribution. In most cases, these costs are directly related to the support of a dedicated project management unit (PMU) which manages the day to day execution related activities of the project. The general principles of PMC include:

- The percentage of PMC financed by GCF should not be more than the percentage share of the overall budget financed by GCF.
- PMC budget threshold is up to 7.5 percent² of total activity budget;
- PMC exceeding 7.5 percent for the Readiness (including adaptation planning) proposals, up to USD 3 million, will require detailed documentation and justification supporting the entire PMC budget; and
- The PMC should be shown as a separate component in the project budget. A detailed breakdown of PMC should be provided.
- Indicative list of eligible costs under PMC:
 - Project staff and consultants such as project manager, project assistant,

2 Please refer to page 5 and Annex III of B.19/29.

- procurement personnel, and finance and admin personnel;
- Other direct cost such as office equipment, mission related travel cost for PMU, project management systems and information technology, office supply, and audit cost.

- Indicative list of ineligible costs under PMC:
 - Cost of salaries and benefits of seconded staff from the EEs, unless pre-approved by GCF;
 - Cost of salaries and fees for the DP staff or consultants, unless these have been pre-approved by GCF;
 - Any budget costs indicated as contingent costs;
 - Costs under general classifications such as miscellaneous/unspecified;
 - Monitoring of project indicators and periodic monitoring reports (these are budgeted under the measurement and evaluation budget and is a separate line of the project costs).

- **Delivery Partner (DP) fee**
Up to 8.5 per cent.³ This should be calculated on the total budget (i.e. Total Activity + PMC + Contingency).
 - Purpose and intended use: The use of DP fee by the Delivery Partner will be subject to reporting and certification. It is intended that fees are used to support the implementation of GCF projects and other eligible GCF-related activities.

 - Economies of Scale: Delivery Partners managing more than five GCF projects or readiness projects, respectively, are expected to explore synergies in the management of projects in their GCF portfolio, which should result in cost savings across the portfolio of projects under management, which is to be reflected in the fee request.

³ Please refer to Annex II of B.19/29.

- Indicative list of eligible costs under DP fee:
 - Project implementation and supervision
 - Project reporting and evaluation

5.2 Procurement plan (in a separate Excel sheet, click [here](#) to download)

5.2 Procurement Plan

For goods, services, and consultancies to be procured, please list the items, descriptions in relation to the activities in Section 3, estimated cost, procurement method, relevant threshold, and the estimated dates. Please include the procurement plan for at least the first tranche of disbursement requested below and provide a full procurement plan for the entire duration of the implementation period if available at this stage.

Item	Item Description	Estimated Cost (US\$)	Procurement Method	Thresholds (Min-Max monetary value for which indicated procurement method must be used)	Estimated Start Date	Projected Contracting Date
Goods and Non-Consulting Services						
Example - Office Equipment	Ref laptop, # of printer	5,000.00	e.g. Open tender	\$5,000 - \$10,000		
			e.g. Shopping			
			e.g. Direct Procurement			
Sub-Total (US\$)		\$	5,000.00			
Consultancy Services						
Example - International Consultant	Climate Change Specialist	40,000.00	Open tender	\$20,000 - \$50,000		
Example - Local Consultant	Project Coordinator	25,000.00	Open tender	\$20,000 - \$50,001		
Sub-Total (US\$)		\$	65,000.00			

- The section on the procurement plan must be completed in accordance with the procurement policies and procedures of the organization implementing the readiness project. It may cover the full amount requested or at least for the first tranche of disbursement to be requested. Where the procurement plan only covers the first tranche of disbursement, a procurement plan for the remaining disbursement must be submitted along with the disbursement request for subsequent tranches.
- The GCF prefers that the delivery partner selects local and/or regional consultants where possible, over international consultants, and proper justification must be provided if/when international consultants are required.

5.3 Disbursement schedule

5.3 Disbursement schedule

Please specify the proposed schedule for requesting disbursements from the GCF. For periodicity, specify whether it's quarterly, bi-annually or annually only.

Please choose one option among the two below and delete the one that does not apply to you. Please fill in information under brackets:

Readiness Proposal that falls within a Framework Agreement with the GCF

Disbursements will be made in accordance to [Clause xx] "Disbursement of Grants" and [Clause xx] "Use of Grant Proceeds by the Delivery Partner" of the Framework Readiness and Preparatory Support Grant Agreement entered into between GCF and [Delivery partner name] on Click or tap to enter a date. The Delivery Partner is entitled to submit [number] request(s) for disbursement each year.

Readiness Proposal that requires a bilateral Grant Agreement to be signed with the GCF (please add more disbursement as needed)

- The first disbursement *amounting* [Choose Currency] [Type the amount] will be transferred upon approval of the readiness request and effectiveness of the Grant Agreement;
- The second disbursement *amounting* [Choose Currency] [Type the amount] will be transferred upon submission of an interim progress report [and audited financial report]⁴, in form and substance acceptable to the Fund, [including an audited expenditure statement]; and
- The third disbursement *amounting* [Choose Currency] [Type the amount] will be made upon submission of a completion report and financial report, in form and substance acceptable to the Fund, including an audited expenditure statement.

Please include an indicative disbursement table showing the expected amounts to be requested and keep to multiples of USD 5,000.

- The disbursement schedule should be clearly described and whenever feasible matched with the anticipated outcomes or outputs in the proposal. The GCF will consider making multiple disbursements in order to mitigate implementation risks and to ensure that activities identified in the proposal are being properly implemented. A clear timeline of submission of reports should be linked to disbursement schedules.
- If the Delivery Partner has a Readiness Framework Agreement with the GCF, please refer to the relevant clause of the Agreement in the disbursement schedule text. A sample is provided in the template.

6. IMPLEMENTATION ARRANGEMENTS AND OTHER INFORMATION

This section should lay out the implementation arrangements by explaining the roles and responsibilities of the Delivery Partner, the grant recipient and the any other parties involved in the implementation of the Readiness Support. The Delivery Partner should also provide a monitoring plan by providing a clear set of milestones to enable effective monitoring of the readiness grant.

6.1 Implementation Map

It aims to provide an at-a-glance overview of the key actors in the implementation of the readiness grant to enhance transparency as well as accountability. Please provide a visual representation or a diagram that maps the organizations involved in the project (grant recipient, delivery partners, executing entities if applicable, and other actors), the legal relationships between them, their different roles and responsibilities, and the flow of funds/information within the project.

6.2 Risks, Monitoring, and Other Relevant Information

Please use this section to describe the potential risks, as well as the Monitoring plan.

6.2 Risks, monitoring and evaluation (M&E), and other relevant information

Please include a set of identified risks and mitigation actions for each, monitoring plan, and any other relevant information you wish to bring to the attention of the GCF Secretariat but has not been included in the sections above.

- Please provide potential risks that have been identified so far and corresponding mitigation measures in this section.

- Please describe the monitoring plan for the Readiness Proposal. Through this plan, progress towards achieving results should be properly and systematically monitored. Please indicate how the monitoring will be conducted in a few sentences.
- Please provide a brief summary of cooperation to date between the Delivery Partner with the NDA/Focal point.
- If the Delivery Partner for a Readiness Proposal is an AE, please also include the following statement:

“To avoid any possible conflicts of interest deriving from the Delivery Partner’s role as an Accredited Entity, the prioritization of investments and projects in the context of this readiness grant, will be made through a broad consultation process with relevant stakeholders, including other potential implementing entities for [country name]. The final validation of these priorities will be carried out through the countries’ own relevant coordination mechanism and institutional arrangements, with the participation of other government agencies, as well as representatives from civil society and private sector as the NDA deems relevant, to ensure chosen priorities are fully aligned with national plans and strategies and adequately includes inputs from consulted stakeholders.”

Monitoring and Reporting of Readiness Grants

Reporting of Readiness Grants

Once the first disbursement of funds is made and the activities enter into implementation phase, the NDA with the support of their Delivery Partner, are required to report to the GCF Secretariat on the progress made at the end of the reporting period. Please note the following points regarding the reporting of Readiness grants:

- Readiness activities are implemented according to the specifications of the agreed work plan (including deliverables and timeline) and budget.
- A financial management system should be maintained, with separate accounts (i.e. bank account or ledger) and records for Readiness Support.
- The grant recipient reports to the GCF, utilizing the **Interim Progress Report** template on an agreed schedule, against the work plan, budget, and agreed targets; and proposes potential revisions or adaptations, as required, to future implementation plans.
- Financial statements should be prepared in accordance with consistently applied accounting standards, audited on an annual basis by reputable independent auditors, and furnished to the GCF Secretariat in accordance with the reporting requirements set in the proposal and/or grant agreement.

- Reports submitted to the GCF Secretariat will be disclosed on the GCF website in accordance with the GCF Interim Information Disclosure Policy.
- The GCF is able to request, audit and verify documents / reports and data related to the project execution upon request to the extent defined in the Grant Agreement or Framework Readiness and Preparatory Support Grant Agreement.
- Towards the end of the readiness grant implementation period, the grant recipient will prepare the **Completion Report** and submit it to the GCF Secretariat.

The Progress Report template and the Completion Report template are available **online**, and self-explanatory instructions are provided in the templates.

Deviation from the Original Plan

Once a Readiness grant enters implementation, a revision or adjustment to the original plan might be warranted due to unforeseen events or change of circumstances.

Considering the legal requirements stipulated in the agreements as well as the GCF's internal policy and procedure, below is a guideline for NDAs and Delivery Partners on how to address some of the most common issues encountered during implementation of activities.

- **Extension**

The NDAs/Delivery Partners must submit a written request to the GCF Secretariat using the relevant template together with a justification for the extension including the need for continuing the activities and a demonstration that sufficient funds remaining to cover the extended period. The request must be received at least 60 days prior to the end of the implementation period.

- **Restructuring**

The NDAs/Delivery Partners must submit an official signed written request to the GCF Secretariat by providing a comparison between the original and requested revisions to the outcomes, outputs and activities with corresponding budget modification, together with a justification for the proposed changes. If the request is initiated by the Delivery Partner, the NDA should also provide written endorsement of the changes and adjustments by email or letter. A tabular summary of the changes proposed may be useful, for example in the form of a change-frame, showing summary descriptions and reasons for the proposed changes, and the effect on expected outputs and budget.

- **Budget issues**

During the project implementation, NDAs/Delivery Partners might encounter situations where changes from the initial budget plan or financing schedule might be warranted. Below is a set of guidelines that will be applied to the activities funded under the Readiness and Preparatory Support Programme that are under implementation.

EVENT	PROCEDURE
Unplanned/unsolicited activities and budget	<ul style="list-style-type: none"> • Any unplanned/unsolicited activities and budget must seek prior approval from the GCF Secretariat in writing. NDAs/Delivery Partners should provide justification that is acceptable to the GCF.
Budget reallocation	<ul style="list-style-type: none"> • Any reallocation of approved budget among the budget line items resulting in a variation of more than 10% must seek prior approval from the GCF secretariat in writing. This method may not be used to increase the project management costs.
Subsequent disbursement threshold	<ul style="list-style-type: none"> • For disbursements subsequent to the first disbursement, evidence should be provided in progress reports and/or financial reports that at least 70% of the total funds previously disbursed has been committed.

Retroactive financing	<ul style="list-style-type: none">• The GCF Proceeds shall not be used to finance any costs incurred prior to the effective date of the legal agreement between the NDAs/Delivery Partners and the GCF.
Use of contingency	<ul style="list-style-type: none">• Any use of contingency must be reported to and agreed by the GCF Secretariat in writing (email is sufficient) in advance, and NDAs/Delivery Partners should provide justifications that are acceptable to the GCF.

Feedback & Learning

This guidebook is a living document and will be updated to reflect feedback, lesson learned, as well as policy and operational changes. Please provide any comments or feedback on this document to countries@gcfund.org.

Key resources mentioned in this guidebook include:

- **Readiness and Preparatory Support Proposal** template (including adaptation planning)
- **Readiness and Preparatory Support Proposal Budget and Procurement Plan** template
- **Financial Management Capacity Assessment (FMCA)** questionnaire
- **Interim Progress Report** template
- **Completion Report** template

Annex 1: Readiness Logical Framework (exclusive of Adaptation Planning)

OUTCOMES, OUTPUTS, AND BASELINES/TARGETS

1	Institutional capacity and coordination mechanisms in place to govern and coordinate climate action and finance	
1.1	NDA inter-institutional coordination mechanism	Baseline/ Target
	NDA does not have an established coordination mechanism.	0
	NDA is in the process of establishing a coordination mechanism, meetings are conducted, but not regularly.	1
	NDA/Focal Point leads an effective coordination mechanism, allowing for an overview of all operational sectors and meets regularly.	2
1.2	NDA 'No Objection' procedure for funding proposals and PPF applications	
	No objection procedure is not established.	0
	Some elements of the no objection procedure exist however, it has not been fully implemented (e.g. not translated/disseminated into local languages).	1
	No objection procedure established, disseminated in local languages and implemented.	2

1.3 Bilateral agreements on privileges and immunities	
Discussions on the bilateral agreements have not been advanced.	0
Discussion on the bilateral agreements have been advanced and the execution is envisaged.	1
Bilateral agreements between the country and the GCF signed and ratified.	2
1.4 Monitoring and verification systems for climate finance flows	
Monitoring and verification of climate finance flows is not established.	0
Some sources of internal and external climate finance are being monitored, however further oversight mechanisms and streamlining of climate finance flows are required.	1
Monitoring and verification systems for all sources of internal and external climate finance established, streamlined and operational.	2
1.5 Effective coordination mechanism between NDA and National Designated Entity (NDE) for the UNFCCC Technology Mechanism and other climate finance focal points	
No coordination between the NDA, NDE and other climate finance focal points.	0
Communication initiated between NDA, NDE and other climate finance focal points to identify points of coordination.	1
Agreements reached on coordination between NDA, NDE and other climate finance focal points.	2

2 Country Programming process		
2.1	Country programme for climate finance developed across the climate finance landscape	Baseline/ Target
	No country programme developed.	0
	Development of country programme has started.	1
	Country programme developed.	2
2.2	Periodic participatory review and updating of the climate finance Country Programme	
	No process established for periodic participatory review and updating established.	0
	Process for periodic participatory review and updating are under development.	1
	Process for periodic participatory review and updating are established and are being implemented.	2
2.3	Stakeholder engagement consultative processes	
	Stakeholders are not engaged in decision making processes.	0
	Some stakeholders are being consulted on an ad-hoc basis, however a formal consultation process has not been established.	1
	Stakeholders engaged in consultative processes (governments, private sector, associations, civil society, academia and others).	2

2.4 Gender issues considered in climate finance programming	
Gender considerations are not mainstreamed in stakeholder consultations processes.	0
Gender equality measures are considered in parts of stakeholder consultation processes.	1
Stakeholder consultations conducted with equal representation of women.	2
2.5 Appropriate climate technology solutions identified and prioritised in accordance with national strategies and plans for climate adaptation and mitigation	
No appropriate climate technologies have been identified and prioritised	0
Some appropriate climate technologies have been identified in accordance with national strategies and plans	1
The most appropriate climate technology solutions have been identified and prioritised in accordance with national strategies and plans, based on a comprehensive analysis of technology options to address specific climate impacts.	2
2.6 Feasibility of selected climate technologies for mitigation and adaption assessed and incorporated into planning processes	
Feasibility of climate technologies has not been assessed.	0
Feasibility of some climate technologies has been assessed.	1
Feasibility of all prioritised climate technologies has been assessed and incorporated into planning processes.	2

3 Direct access to climate finance	
3.1 Direct access entities' nomination	Baseline/ Target
No direct access entities have been nominated for accreditation.	0
Process for identifying the direct access entities started, however no entities have been nominated.	1
Candidate sub-national, national or regional entity/ies for accreditation identified and nominated for accreditation.	2
3.2 Accreditation of direct access entities	
Nominated direct access entity has not applied for accreditation	0
Nominated direct access entity has submitted an application	1
Nominated direct access entity's application for accreditation submitted to the GCF and approved	2
3.3 Direct Access Entity's (DAE) Work Programme alignment with Country Programme	
No DAE-GCF Work Programme developed	0
Development of the DAE-GCF Work Programme has been initiated but is not fully aligned with the Country Programme.	1
DAE-GCF Work Programme developed and describes the project pipeline, related capacity building activities that are aligned with the Country Programme and defines the process for periodic updating.	2

3.4 Enhanced direct access (EDA) project development		
	No EDA funding proposals developed	0
	EDA funding proposals submitted	1
	EDA funding proposals approved	2
4 Climate finance strategies and project pipeline strengthened		
4.1	Climate finance strategy defines the potential use of a combination of funding options from public resources; tariffs, and international cooperation; financing instruments such as loans, bonds, equity and others; private investment; and or the blending of financial instruments.	Baseline/ Target
	No climate finance strategy exists.	0
	A range of financing strategies are being considered for individual projects, but no comprehensive strategy exists.	1
	A climate finance strategy has been developed and is being used to define efforts to access a range of financing instruments for prioritised climate action.	2
4.2	Alignment of Accredited Entity project pipeline development in alignment with Country Programmes	
	Accredited Entities (international and direct access) operating in the country are not involved in GCF Country Programme design.	0
	Ad-hoc dialogue on climate finance planning exists between NDA/FP and some Accredited Entities.	1
	Accredited Entities operating in the country engaged in a dialogue for climate finance planning with the NDA/FP, the GCF Secretariat, and other country stakeholders annually.	2

4.3 Project Concept Notes development	
No concept notes developed or submitted to the GCF.	0
Initial project concepts developed with partial alignment to the Country Programme (Output 2.2).	1
Pipeline of project ideas identified, and priority project concept notes developed and submitted that are fully consistent with the Country Programme (Output 2.2).	2
4.4 Market preparation and business planning for deployment and scale-up of prioritised climate technology solutions	
No purposeful efforts have been made to catalyse investment in the deployment and scale-up of prioritised technology solutions.	0
Initial efforts have been made to catalyse investment in the deployment scale up of prioritised technology solutions, including market preparation and business planning.	1
A comprehensive strategy has been developed and is being implemented to catalyse investment in the deployment and scale-up of prioritised climate technology solution, including market preparation and business planning.	2
4.5 Private sector engagement	
No private sector engagement in the country.	0
Some private sector actors are engaged in consultative processes, however no structured dialogue established (e.g. some private sector events organized).	1
Private sector engagement is systematically part of the country consultative processes and structured dialogues with the NDA/FP, Accredited Entities and the GCF Secretariat.	2

4.6 Crowding-in private sector investments

No enabling environment exist for private sector investments.	0
Some private sector (e.g. only international) investments happening in the country, however no local private sector entities involved.	1
Enabling environment for crowding-in private sector finance at national, regional and international levels exists.	2

Annex 2: Adaptation Planning Logical Framework

INDICATIVE OUTCOMES AND OUTPUTS

Countries should identify their adaptation planning outcomes and outputs based on their specific needs, consistent with the objectives of the Readiness Programme. The table below provides indicative examples of outcomes that can be financed with GCF resources for the formulation of NAPs and/or other adaptation planning processes, which take into consideration NAP technical guidelines. The UNFCCC NAP technical guidelines are a useful reference to assist countries in their adaptation planning efforts. The GCF recognizes that the NAP technical guidelines are not intended to be prescriptive and countries may use them in accordance with their national context. It is also important to note that countries have and are undertaking different approaches to national adaptation planning, including through NAPAs, NAPs and other national undertakings, which can be built on and strengthened with GCF support as part of an ongoing process.

NDAAs have the flexibility to propose outcomes and outputs to be supported by the GCF other than those specified in the table below. Furthermore, whereas Annex I specifies baseline and target levels for each output to be supported by 'non-NAP' Readiness Funds, no specific baseline and target levels are specified vis-a-vis each Outcome for Readiness proposals focused on NAPs and/or other adaptation planning processes. Proposals for adaptation planning have the flexibility to briefly describe in text the current baseline and desired target to be reached for each outcome and output that is to be supported by the GCF.

1. Adaptation planning governance and coordination established

- 1.1 National mandate and strategy for adaptation planning processes developed.
- 1.2 Institutional arrangements to support adaptation planning processes in place.
- 1.3 Stakeholder engagement process (or processes) designed to ensure stakeholders engaged (governments, private sector, associations, civil society, academia and others).
- 1.4 Mechanism for regularly reviewing and updating adaptation plan in place.

2 Climate vulnerability and adaptation investment rationale strengthened

- 2.1 Information on climate change impacts and associated vulnerabilities analyzed, strengthened and shared at sub-national, national and/or sector levels.
- 2.2 Barriers to addressing climate change vulnerabilities to climate impacts identified and prioritised at sector, sub-national, and/or national levels.
- 2.3 Adaptation solutions for addressing prioritised barriers to addressing climate vulnerabilities identified and actions prioritised at sub-national, national and/or sectoral levels.
- 2.4 Methods and frameworks refined for the national context for analyzing impacts and vulnerabilities, and prioritizing adaptation solutions at sub-national, national and/or sectoral levels.

3 Adaptation knowledge management, information sharing, and communication

- 3.1 Systems developed for gathering, organizing and updating relevant data and information on adaptation.
- 3.2 Relevance, progress and outputs of adaptation planning communicated to stakeholders based on a developed adaptation strategy.
- 3.3 Climate information at appropriate scales and timeframe and in accessible formats for successful communication with key public and private sector actors.
- 3.4 Methods and frameworks established for producing and using socio-economic and environmental information for adaptation planning and investment.

4 Alignment of country's overall development policy and strategy

- 4.1 Adaptation actions/measures integrated into national, sectoral or sub-national development strategies, plans and budgets.
- 4.2 National, sectoral or sub-national adaptation strategies and/or plans produced, validated and/or published.
- 4.3 Implementation strategies for adaptation developed at national, sectoral and/or subnational levels.
- 4.4 Transparent mechanism established to help create an enabling environment for sectoral or sub-national actors to access adaptation finance established.

5 Adaptation finance strategy developed

- 5.1 Financing plans for prioritised adaptation actions (including blending and timing of different sources of public, private, domestic and international finance).
- 5.2 GCF country programme linked to adaptation finance action plan.
- 5.3 Concept notes developed for adaptation priorities developed.
- 5.4 Dialogue with potential financiers for adaptation priorities undertaken.

6 Monitoring, evaluation, and learning capacity and system developed

- 6.1 Monitoring and evaluation framework or system for the adaptation planning process and its effectiveness established.
- 6.2 Metrics / indicators and methods for monitoring the adaptation planning process and/or adaptation outcomes defined.
- 6.3 Options for systematically gathering lessons and integrating them into future iterations of the adaptation planning process identified.

Annex 3: Adaptation Planning Review Criteria and Good Practices

Review Criteria and an indicative set of good practices has been identified to support NDAs and their Delivery Partners in developing Readiness proposals to the GCF for the formulation of NAPs and/or other national adaptation planning processes. The review criteria and associated good practices are based on learning gained from proposals submitted to the GCF Readiness Programme for support to formulate NAPs and/or other adaptation planning processes, the UNFCCC NAP technical guidelines, and other experience.

The objective of GCF adaptation planning support is to contribute to: (i) Reducing vulnerability to impacts of climate change, including by building adaptive capacity and resilience; and (ii) Facilitating the integration of climate change adaptation, in a coherent manner, into relevant new and existing policies, programmes and activities, in particular development planning processes and strategies, within all relevant sectors and at different levels, as appropriate.⁵ GCF adaptation planning support aims to help countries catalyse the scale and range of financing instruments required by countries to adapt to climate change over time. Therefore, this support can be instrumental in producing and communicating the evidence required to focus and attract adaptation finance from different sources and sectors.

GCF Review Criteria	Examples of good practice
<p>1. Strategic focus of the proposal within a national vision</p>	<ul style="list-style-type: none"> • Articulating how the adaptation planning support will respond to and advance Nationally Determined Contributions (NDCs) and national development plans. • Articulating focus of the proposal based on specified gaps in information and planning, including based on NAP stocktaking and situational analysis where relevant. • Deepening sectoral, geographic, or impact-specific planning within the context of a broader national vision, to produce precise and implementation-ready planning. • Building on and strengthening current policy and institutional frameworks that will support implementation of adaptation programmes and projects. • Considering multiple adaptation planning proposals to the GCF over time for iterative phases of increasingly sectoral or local planning, potentially with different Delivery Partners to access most relevant and targeted technical expertise. More than one proposal for adaptation planning support through the GCF Readiness Programme may be submitted and be implemented at the same time. • Articulating Terms of Reference for a Delivery Partner to implement the GCF proposal, and selecting them based on the required expertise and qualities.
<p>2. Plan to address specific vulnerabilities and climate impacts</p>	<ul style="list-style-type: none"> • Designing activities to address specific climate impacts and vulnerabilities based on localised climate risk mapping and assessment.

- Conducting localised analysis of climate impacts as well as the vulnerability of specific economic activities and populations to these impacts.
 - Analysing the barriers to addressing identified vulnerabilities, and the actions needed to address these barriers.
 - Prioritising adaptation actions as well as explicit programmes and project ideas to address the specified impacts and vulnerabilities, including consideration of financial costs and climate impacts of different options.
 - Engaging private sector and public decision-makers, including at local levels, in planning based on accessible climate impact and vulnerability information.
-

3. Adaptation financing strategy

- Developing a strategy that defines high potential funding sources for specified areas of adaptation action, including private and public, domestic and international sources.
- Developing a prioritised pipeline of adaptation programmes and project ideas, as well as concepts notes for submission to GCF, drawing relevant prioritisation criteria as needed from existing methodologies. To avoid any possible conflict of interest deriving from the Delivery Partner's role as an Accredited Entity to the GCF, the prioritization of projects for GCF funding should be made through a broad consultation process with relevant stakeholders, under the leadership of the NDA.
- Considering a combination of funding options from taxes (public resources), tariffs (private payments), and transfers (international cooperation); as well as financing of up-front capital to be repaid over a period of time. Financing may make use of instruments such as loans, bonds, equity and others.

- Exploring blended finance options to use development finance or philanthropy to mobilize private financing for adaptation.
- Defining an adaptation planning sustainability strategy of how relevant adaptation planning activities will be sustained after the GCF funds are spent, including the updating of datasets, retention of knowledge, complementarity with existing web-based platforms, and actors trained through the process.

4. Theory of Change

- Illustrating how each outcome and their outputs and activities will achieve the stated objectives, ideally using a simple graphic.
- Articulating how the proposed adaptation planning process will address priorities identified in the NDC, as well as address or build from the GCF Country Programme, and result in development of specific programmes and projects which will seek support from the GCF and other sources.
- Defining how the adaptation planning support requested will contribute to strengthening enduring institutional capacities to implementation adaptation planning programmes and projects.

5. Avoidance of duplication of effort

- Starting where other NAP and/or other adaptation planning processes left off.
- Focussing any new assessments and methodologies (especially vulnerability and impact assessments) on critical information gaps and institutionalising these approaches.
- Prioritising the use of existing information to communicate and engage with private and public decision-makers at different levels.
- Articulating how new GCF funded projects/programmes will build on and link with previous, existing national and sub-national planning processes.

- Articulating how the funded activities will build on and further catalyse ongoing awareness building activities for adaptation and investment.
 - Describing if the country has already assessed capacity and information needs at the sub-national level.
-

6. Stakeholder engagement

- Defining a clear mechanism for stakeholder engagement and coordination throughout the iterative adaptation planning process, including a focus on private sector, sub-national governments and civil society organisations.
 - Communicating climate impact, risk and vulnerability information to key stakeholders, including the private sector, in compelling and easy to use formats.
 - Establishing and/or strengthening existing institutional arrangements to increase the effectiveness of local adaptation implementation, including reducing transaction costs and barriers for private sector investment.
 - Integration of stakeholder engagement processes within existing broader development planning and coordination mechanisms.
 - Integration of stakeholders through a new or existing broader structured communication strategy showcasing resilience building actions.
-

7. Gender considerations

- Building social dimensions, including differences based on gender, into proposed activities.
- Articulating how social dimensions, including differences based on gender, will be integrated into the proposed activities, including communication materials.

- Collecting and managing sex-disaggregated information to inform adaptation planning.
-

8. Private sector investment strategy

- Producing the evidence base that supports the business case for private investment in climate resilience.
 - Defining a sustainable finance sector investment strategy.
 - Communicating tailored climate information to attract private sector investment for adaptation, and raise awareness on resilience building.
 - Engaging with the finance sector to develop new financial products, blended finance approaches, and/or service markets that accelerate uptake of climate -smart technologies
 - Catalysing private-public partnerships for adaptation action.
-

9. Monitoring and evaluation

- Designing a results-based framework supported by quantitative indicators to track and monitor progress and evaluate performance against specified adaptation targets over time, across sectors and scales.
 - Establishing a mechanism for operationalising adaptation impact measures and evaluation across different sectors, agencies and levels of government.
 - Integrating adaptation planning measures and evaluation within existing mechanisms.
 - Defining a contingency plan for monitoring risks that can affect implementation of adaptation efforts.
 - Strengthening approaches to learning and iterative management-based adaptation measures and evaluation.
-

10. Coherence and complementarity with other Funds

- Indicating the financial support that has been received or is foreseen from other sources for the development of a NAP or other national adaptation planning processes, including but not limited to the Global Environment Facility (GEF) and Adaptation Fund, as well as GCF Readiness support provided by other funding sources.
 - Describing the nature of that support and how additional resources proposed to the GCF will be complementary to and build on other sources of funding.
 - Enhancing channels for communication between different Focal Points (NDAs and other respective Focal Points for the country under different climate Funds).
 - Coordinating the develop of GCF country programmes to utilize opportunities across the climate finance landscape as part of the process of engaging existing and prospective implementing entities to identify the practical steps that will enable implementation of the country's strategies with the GCF.
 - Identifying issues that may arise throughout the programming and planning process where enhanced coordination between NDAs and AEs can be beneficial to enhance the support to help the country realise a paradigm to low emission climate resilient development.
-

Annex 4: Social Inclusion and Gender Considerations for Readiness including Adaptation Planning

The GCF recognizes the importance of social and gender considerations for Readiness and Adaptation Planning Support, including the aspects below.

- **National Coordination**
Participation of gender-related mechanisms in national, sub-national and sectoral coordination efforts on readiness and adaptation planning.
- **Participatory**
Active engagement and empowerment of stakeholders at all levels, including sub-national authorities and local organizations.
- **Consideration of vulnerable groups, communities and eco-systems**
Provision for entry points of vulnerable groups, including women, to participate in adaptation planning processes.

- **Transparency**

Open and clear disclosure of information, plans, processes and actions. Timely, accurate, relevant and accessible information to enable different stakeholders to engage with relevant adaptation processes and actions for affected communities.

- **Gender sensitivity**

Recognition that women and men can experience the impacts of climate change differently, and they may have different needs and capacities for adaptation. Vulnerability risk assessments may consider gender and social inequalities, which may inform adaptation planning.

- **Local monitoring mechanisms**

Sub-national monitoring mechanisms can enable communities and local stakeholders to strengthen their ownership of and support to adaptation planning process, which can thereby strengthen the rigor of the plans and likelihood of successful implementation.

Annex 5: Indicative list of activities that can be supported by the Readiness and Preparatory Support Programme

Please note that these are indicative examples of activities that can be considered for Readiness funding. Countries are encouraged to formulate their activities based on their specific needs and that are consistent with the objective of the GCF Readiness Programme. This list will be expanded and refined over time, based on learning and experience captured.

Establishing and strengthening NDAs or Focal Points

- Enabling NDA coordination mechanisms with AEs to identify and prioritize national priorities for country programming
- Strengthening institutional capacities so that the NDA or focal point can effectively fulfil its role
- Developing national arrangements for the promotion, consideration and facilitation of funding proposals

- Funding for training of NDA or focal point staff members in areas relevant to the objectives of the GCF such as project and programme development, international procurement, accounting, oversight, planning and monitoring and evaluation processes
- Supporting the ongoing engagement of stakeholders at national and sub-national levels, including government, civil society and private sector actors
- Engaging in and holding dialogues with existing and prospective AEs
- Extracting lessons learned from other countries (including through exchange visits, workshops, etc.)
- Supporting the appropriate oversight of GCF activities at the national level
- Developing and disseminating informational and awareness-raising materials

Strategic frameworks, including the preparation of country programmes

- Developing a country programme that identifies strategic priorities for engagement with the GCF, disseminating information and engaging stakeholders in the country programme
- Identifying strategic investment priorities and taking stock of existing strategies, policies, and needs assessments, including intended nationally determined contributions, low-emission development strategies, nationally appropriate mitigation actions, national adaptation plans, and national adaptation programmes of action.
- Identifying programmes and projects that advance national priorities and align with the results management framework of the GCF, including support for ensuring an appropriate enabling environment for projects or programmes.
- Developing tools, methods and templates to scale up successful models through

programmatic approaches and across geographies.

- In the context of country programmes, formulating concept notes, drawing on intended nationally determined contributions and other climate strategies and plans.
- Activities that would crowd in private and capital market financing for the implementation of country programmes; including providing institutional support to enhance the efficiency of the procurement and tendering processes.
- Enabling private sector participation, including by supporting the preparation of preliminary studies, tender documents or advisory services for the establishment of public-private partnerships.

Support for accreditation and accredited Direct Access Entities

- Raising awareness of the GCF accreditation process, fiduciary standards and environmental and social safeguards (ESS)
- Understanding the roles of existing institutions and identifying potential AEs
- Conducting an institutional gap analysis of potential applicants against the fiduciary standards and ESS and Gender.
- Developing and implementing a personalized readiness and preparatory support plan that will support Direct Access Entities to address identified gaps to comply with the fiduciary standards and ESS and Gender (may include the development of new policies and procedures).
- Enabling lesson-learning from other institutions that have been through similar accreditation processes.

- Building the capacity of accredited direct access entities in relation to the GCF activities, 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 and strengthen the capacities of sub-national institutions/executing entities.

Formulation of national adaptation plans and/or other adaptation planning processes

Countries are encouraged to indicate specific activities of direct relevance to adaptation planning, based on the national context. Countries are further encouraged to refer to the adaptation planning indicative outcomes and outputs in annex III, as well as the adaptation planning review criteria and associated good practices in annex IV of this document.

Annex 6: Eligible costs to help establish a NDA or focal point and deliver on the GCF's requirements

(from decision B.08/45)

Parameters for NDA or focal point funding

- In recognition of their important role in strengthening country ownership and alignment with national priorities, NDAs or Focal Points may request direct support by the GCF of up to USD 300,000 to cover eligible costs for a calendar period.
- Applications for adaptation planning through the Readiness programme may be submitted year-round without an application deadline.
- NDAs or Focal Points must commit to using the GCF readiness support solely for the purpose described in the funding request and in accordance with the approved budget.
- NDAs or Focal Points applying for funding must submit the following documents to the Secretariat:

- An online funding request form which includes:
 - A detailed budget outlining the NDA or focal point activities to be supported; and,
 - A Logical Framework and Implementation Schedule including targets and milestones that describes how the proposed activities will contribute to strengthening the institutional capacity of the NDA or Focal Point and in-country coordination and consultation processes.
- One month after completion of year 1 of the funding period, the NDAs or Focal Points must submit a progress update describing (1) results achieved against intended targets; and, (2) expenditures incurred (broken down by cost category and performance area) including an analysis of any variance between budgeted and actual expenditures.

Eligible Costs for direct NDA or focal point funding

- **Human resources development**

Funding for human resources development will include cost for training NDA or focal point staff members in areas relevant to the objectives of the GCF such as project and programme development, international procurement, accounting, oversight, planning and monitoring and evaluation processes. This may include short-term or provisional assignments for external contractors to support NDAs or Focal Points in exercising their functions outlined in decision B.04/05 (e).

- **Technical assistance**

Technical assistance can be used for costs directly related to technical or management assistance to support core NDA or focal point functions including development of strategic priorities for engagement with the GCF, programme and project oversight and alignment with other national bodies' stakeholder engagement (such as civil society, academia and the private sector), dialogues with implementing entities and intermediaries.

- **Planning and administration**

This category includes the following costs:

- Organization of inter-ministerial coordination processes for GCF-related activities, in particular to assess consistency with national plans, as per decision B.04/05 (e);
- Travel-related costs for members or invited experts to attend NDA or focal point meetings; and
- Necessary information technology or other technical infrastructure.

Limitations: A maximum of three inter-ministerial meetings per year should be budgeted.

- **Other meeting expenses, training, workshops, consultations:**

This category includes:

- Training and workshop organization and facilitation; and,
- Consultations with non-governmental constituencies only (e.g. civil society, academia and the private sector) and processes to promote and improve the quality of stakeholder participation, including travel costs and per diems for civil society participation.

Limitations: An annual cap of USD 100,000 for stakeholder meetings

- **Communication materials:**

This category includes: printing, communication and IT costs associated with functions related to performing functions mentioned in decision B.04/05 (e).

Screening and review process

- In reviewing a request for direct NDA or focal point funding, the Secretariat will verify that the costs to be supported are eligible, reasonable and consistent with national operating costs. Applicants may be contacted by the Secretariat for clarifications.

- Funds will be approved for disbursement upon the submission of accurate and verifiable information provided by the NDA or focal point and upon signing of the NDA or Focal Point funding agreement by all parties.

Financial review and audit

- The NDA or Focal Point is requested to include in its proposal the arrangements for receipt and accounting of the funds in a transparent manner. The Secretariat and the NDA or Focal Point will consult to identify a suitable disbursement arrangement that:
 - Is accountable, transparent and verifiable; and,
 - Facilitates access to NDA or focal point funding.
- The GCF reserves the right to conduct an external/independent financial review, audit or evaluation or to take any other action that it deems necessary to ensure accountability in the use of funds.

Annex 7: Guidelines for submitting Bank Account Certification letter

Information on bank account details of the signing party of the Grant Agreement should directly be provided by the beneficiary’s bank (i.e. the bank receiving the funds) to the GCF in the form of an official letter confirming the bank account details referred to in the disbursement request, particularly the exact name of the account holder (i.e. organization requesting the disbursement) and full account details.

The letter must be sent by the beneficiary’s bank directly to the GCF (by email to **countries@gcfund.org** using the subject line “Bank Information Details – [Grant Agreement Reference]”).

The letter must be on the beneficiary bank’s official letterhead and include the following information:

- A letter reference number
- Contact information of the letter recipient as follows:

Green Climate Fund

Songdo Business District

175 Art center-daero

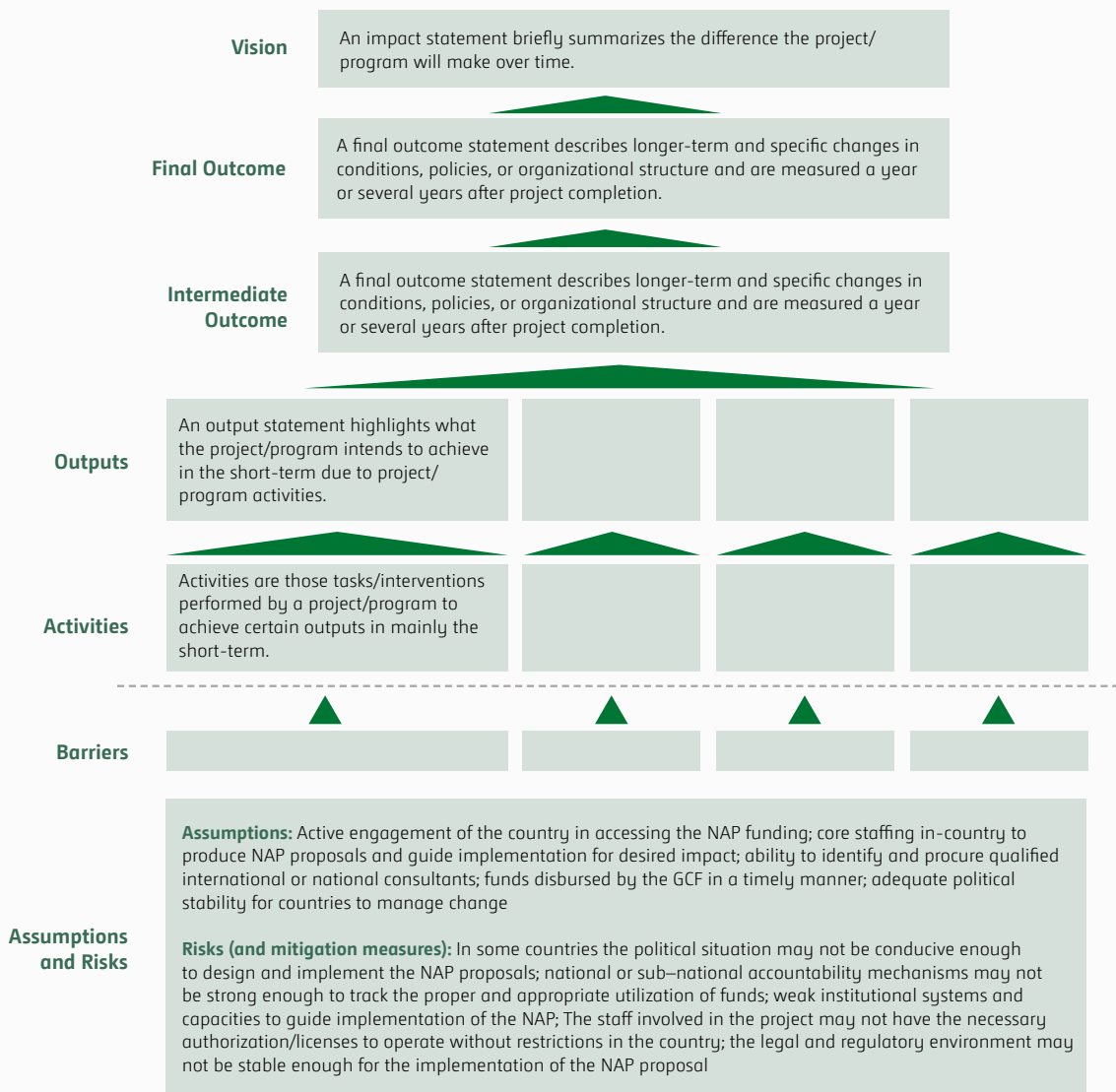
Yeonsu-gu, Incheon 22004

Republic of Korea

- Date and place of issue
- Reference line (Request for Disbursement - [Grant Agreement Reference])
- Full name of the account holder as it appears on the account
- Full account details (i.e. account number/IBAN/Bank name and address/SWIFT code/currency denomination)
- Notification of conformity between information in the Grant Agreement and bank account details
- Signature (and seal if applicable) with the name and title/position of the person signing the letter

In case the bank is not allowed to directly send this letter to the GCF, Delivery Partners can receive the letter on the GCF's behalf and send it to the GCF along with a confirmation letter from the Delivery Partner stating that the enclosed bank letter is a true copy of the original document received from the bank. This confirmation letter should also state which division/team of the Delivery Partner received this letter and be signed by the head of that particular team.

Annex 8: Template for a Theory of Change diagram





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