



Peer Convening: Expand Access to Global Climate Funds in Asia Pacific

September 2019
Event Report

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INTRODUCTION

Inadequate access to climate financing is a chief constraint to achieving Paris Climate Agreement goals. As such, gaining access to financing for climate action is one of the most frequently requested areas of support among NDC Partnership countries. The NDC Partnership's Work Program has therefore prioritized climate finance as one of four focus areas for experience exchange and peer learning.

In 2019, the NDC Partnership has organized a series of climate finance peer exchanges, including a convening on national climate funds held during Africa Climate Week (March, Accra), and forthcoming convenings on global climate funds access (September, Asia Pacific Climate in Bangkok), and private sector engagement in the energy sector in Francophone Africa (October, Morocco). These convenings support efforts to respond to country demand for increased access to climate financing.

This peer exchange brought together country representatives from the Asia Pacific region to share best practices between countries successful with direct access accreditation, project development and programming, and exploring cross-fund complementarities and those who are currently going through the accreditation and project development process. It built off the Adaptation Fund's two-day Accreditation workshop to be held earlier in Asia Pacific Climate Week in order to show where complementarity and coherence exists among funds. It was shaped by expressed country interests, successful country experiences in climate funds access, and lessons/insights from climate funds on supporting country readiness to apply for and use climate funds. The meeting was a closed-door session to enable participants to engage in open, frank discussions about challenges and free flowing ideas on possible solutions.

The objectives of the workshop were to:

1. Increase countries' understanding of the requirements, key processes, and effective ways for accessing, receiving and using climate funds and sharing these experiences with one another;
2. Increase the climate funds understanding of the main challenges faced by countries through the sharing of country challenges;
3. Identify ways to address these challenges and outline key follow up steps;
4. Strengthen the climate finance network among interested countries and institutions in the Asia Pacific region to support increased access to climate financing.

Setting the Scene: Linking to national climate policy and NDCs

Following welcoming remarks from the NDC Partnership, the workshop began with two presentations by both the Green Climate Fund (GCF) and the Adaptation Fund, which sought to set the scene by outlining the importance of linking climate fund outcomes strategically to national climate priorities, including NDCs, and discuss key priorities and bottlenecks for country programming across funds. The presentations recognized the need to strategically match country climate policy and NDC priorities with direct accredited entities (DAEs), to showcase country ownership in the accreditation and project development process, and also highlighted cross-fund complementarities and synergies that accredited entities could look to capitalize on.

Expanding Access to Global Climate Funds in the Asia Pacific: by Bolormaa Enkbaht, Associate Professional of the Green Climate Fund

Ms. Enkbaht began by identifying the priorities of the GCF for the Asia Pacific region, and stressing the importance of aligning GCF country programming with national priorities and NDCs. She gave a brief history of the GCF implementation from its establishment at COP16 in 2010, and an overview of fund programming to date. In discussing the latter, Ms. Enkbaht emphasized the need to clearly align national priorities and NDCs with GCF Country Programme for the development of successful funding proposals.



A profile was shared of the GCF's regional portfolio in Asia Pacific, with 24 completed country programmes, Ms. Enkbaht highlighted challenges to accessing the fund and different GCF mechanisms for addressing them. Challenges included capacity gaps facing nationally designated authorities (NDAs) and accredited entities, a lack of climate specific data for proposal development, difficulties in structuring proposals and project pipelines and stimulating private sector engagement.

An overview of the various services on offer from the GCF for proposal development support and capacity building was given, including the Readiness Programme and the GCF Project Preparation Facility. Moreover, Ms. Enkbaht highlighted how the GCF is working collaboratively with institutions and programmes, such as the NDC Partnership and the UNDP NDC Support Programme, to support the NDC revision process through their readiness programme and technical assistance support.

Finally, Ms. Enkbaht gave a brief preview of the GCF and Asia Pacific Funding Proposal Portfolio, which consists of 44 approved projects, which represent USD1.6 billion in GCF approved funding.

Adaptation Fund – GCF Complementarity, Farayi Madziwa, Readiness Coordinator of the Adaptation Fund

Following the Adaptation Fund accreditation workshop which participants attended earlier in the week, Mr. Madziwa gave a summary of the complementary aspects between the AF and GCF in order to highlight the way in which the funds complement each other and work together. A summary of complementarities and synergies are summarized in table 1 below.

Mr. Madziwa highlighted case studies from Senegal, Colombia, Pakistan, Antigua and Barbuda to demonstrate the fast track accreditation process, where accreditation from one fund allows the accredited entity to apply for fast-track accreditation to the other fund. The presentation ended with an open question to the participants to gather views on further synergies between AF and GCF.

Table 1: Identifying AF-GCF Synergies

Issue areas	Common AE needs	Possible solutions
Project appraisal and development	<ul style="list-style-type: none"> Appraisal criteria Policy development 	<ul style="list-style-type: none"> Harmonised project development guidelines Readiness – project link NAP implementation Entity work programmes
Project cycle/M&E	<ul style="list-style-type: none"> Integrated M&E policy Simplified/harmonized timeframes 	<ul style="list-style-type: none"> Harmonised indicators M&E procedure gap analysis Alignment of project cycles
Compliance/management	<ul style="list-style-type: none"> Project oversight Legal Procurement/travel/HR policy support 	<ul style="list-style-type: none"> Common gap assessment Compliance policy alignment Joint training
Accreditation	<ul style="list-style-type: none"> Re-accreditation Accreditation upgrade ESS, Gender policy 	<ul style="list-style-type: none"> Fast-tracking Lessons learned/guidebook

Panel: Country Successes and Best Practices

Following the presentations from the GCF and AF, a panel of country successes and best practices was invited to give insights into concrete examples of lessons learned across four pillars: the importance of NDAs, readiness funding, project and pipeline development, and regional coordination.

Mr. Syamphone Sengchandala of Lao PDR presented the success factors behind the convening power of its NDA to allow direct accredited entities to take advantage of the climate funds. Laos emphasized the importance of constant communication and coordination between the NDA and relevant agencies, and the need for the NDA to stay up-to-date and raise continued awareness of GCF policies, guidelines and decisions. He also stressed the importance of government ownership of projects and the inclusion of national line ministries. Moreover, the NDA in Lao PDR has set up a GEF and GCF committee, which seeks to take advantage of cross-fund complementarities.

Ms. Bui Hong Phuong shared lessons learned from Vietnam in successfully accessing readiness funding for the strengthening of its NDA. She attributed success factors to strong support and coordination from relevant government ministries, building the internal capacity of government staff, and strong coordination between the NDA and GCF. She highlighted that accessing readiness funding was often a time-consuming process, and



cited difficulties in navigating the funds' different requirements and procedures.

Dr. Batjargal Zamba of Mongolia discussed experiences in proposal and pipeline development, and the challenges Mongolia faced in successfully accessing GCF funding. He emphasized the value of awareness and capacity building workshops among concerned sectors and agencies, to communicate the added value of pursuing GCF funding, as well as solution-based workshops to engage policy developers and civil society members to help prioritize projects. He also stressed the need to build a strong climate rationale for funding proposals which rely on the science and evidence base, and the importance of reducing uncertainties around risk attribution with sophisticated modelling.

Amelia Caucau of the Pacific Community (SPC) gave a regional perspective on accessing climate funds in the context of the diverse small island states. Her presentation underlined the importance of coordination at the national and regional levels and illustrated how this can facilitate both the accreditation process and access to finance. She highlighted the burden that small, under-resourced government agencies often bear in complying with complex reporting processes and underscored the importance of coherence through the mapping of different initiatives across sectors and states.

World Café

The world café session was designed to provide a platform for continued discussion regarding lessons learned following on from the above panel session on Country Successes and Best Practices. Each panelist from the previous session was assigned to lead groups of 6-8 members as a moderator, and facilitate deepened and more engaged conversation around their panel topic and the lessons they identified. Topics included:

- the role of NDAs,
- accessing readiness funding,
- project and pipeline development,
- regional coordination



Four discussions of 20 minutes each took place on each topic, where participants were encouraged to:

- Identify additional key lessons from other country experiences
- Discuss if these lessons could be applied in their institutional context
- Discuss and brainstorm what resources they would need to implement this lesson and what stakeholders they would need to work with to make this happen.

NDC Partnership Support Unit staff were at hand to assist the discussion as note-takers and facilitators, and these discussions and their outcomes were captured on four separate posters, which you will find in Annex 1. At the end of this session, key lessons learned and actionable next steps were identified and prioritized. Each table moderator presented these outcomes in plenary, and they are summarized in section 2 Lessons Learned and Next Steps of this report.

Climate Finance Explorer

The NDC Partnership Support Unit then presented its Climate Finance Explorer, which is a searchable database of international public climate finance options that presents data in a standardized and user-friendly way to help increase transparency and access to climate finance. The Climate Finance Explorer includes international climate funds, Multilateral Development Banks, bilateral country support, among others. Each entry represents a single fund or facility of a fund with its own unique eligibility or access requirements.

The data is filterable by climate funding opportunities that provide direct or in-kind support for (1) project or program implementation, (2) scoping and project preparation, (3) creating enabling environments and building institutional capacity, and/or (4) complying with UNFCCC requirements. It includes several types of financial instruments, including grants, concessional loans, guarantees, market-rate loans, equity, and insurance. The Explorer also lets users easily compare funds against each other.

The NDC Partnership stressed that this is an open and free resource available to all interested stakeholders and encouraged participants to try it for themselves and provide feedback.

LESSONS LEARNED AND NEXT STEPS

The importance of NDAs

Given the mandate of NDAs, they play an outsized role in facilitating access to climate finance to the global climate funds. Using the experience of Lao PDR in implementing institutional arrangements to set up a strong NDA, the NDC Partnership explored three key lessons learned on the importance of NDAs for accessing climate finance and developing strong project proposals. Key lessons that emerged from the discussions of Lao PDR's experience among other country stakeholders are captured in the table below. Some lessons emerged directly from Lao PDR's experience, while others were contributed by other country participants.

Table 2: Lessons Learned for NDAs

Lesson learned	Actions for next steps
The NDA plays an important role in facilitating and promoting coherence amongst the global climate fund country programmes and national action plans. Inclusion and ensuring approval from the relevant line ministries is crucial.	The establishment of in-country coordination mechanisms can help align national climate priorities with funding proposals.
As the main interlocutor between accredited entities and the funds, it is essential the NDA stays up to date on information, guidance, and processes emerging from board decisions to communicate to	Vertical communication mechanisms between the fund, the NDA and the relevant ministries and accredited entities can be established to ease the flow of information.

the relevant entities and to assess and identify opportunities and implications for the country	
NDA's can facilitate better coordination among accredited entities and government agencies for formulating strong concept notes and proposals, in line with national priorities (see lesson 1)	Given the burden on NDAs to sort through and approve a wide array of concept notes and proposals, putting in place a no objection mechanism early on can act as a de-facto clearing house that could assist NDAs in putting forward more country driven/led projects to the GCF.

Accessing readiness funding

First accessing readiness funding can play an important role in building national capacity and can act as a stepping-stone on the way to proposal development and project approval. Using the experience of Vietnam in successfully accessing readiness funding for strengthening their NDA, three key lessons learned for developing readiness proposals as a means increase to access to climate finance were explored. Key lessons that emerged from the discussions of Lao PDR's experience among other country stakeholders are captured in the table below. Some lessons emerged directly from Lao PDR's experience, while others were contributed by other country participants.

Table 3: Lessons Learned for Accessing Readiness Funding

Lesson learned	Actions for next steps
Creating a strong readiness proposal requires close collaboration across relevant ministries, agencies and accredited entities	To ensure enhanced coordination between key stakeholders, 1) policy frameworks and 2) institutional arrangements for supporting coordination must be developed
Building internal capacity for proposal development can enhance access to readiness funding and lead to the development of stronger project proposals.	International /external experts are often needed to build capacity and share best practices on GCF criteria, reviewing concept notes, and proposals. Processes should be put in place so this expertise is actively transferred to national governmental staff, and doesn't leave with the consultant.
Where possible, collaborating with an experienced national or international accredited entity or delivery partner can shorten the timeframe for readiness approval and help access readiness support.	Mapping of experienced delivery partners in-country or from international implementing entities

Proposal and pipeline development

At the heart of the global climate funds are ambitious, transformative projects and programmes that support a paradigm shift to low-emission and climate-resilient pathways. While the GCF offers readiness support for building the capacity of NDAs and accredited entities, and also has a technical assistance roster and Project Preparation Facility that offers support for strengthening concept notes and provides resources for proposal development, structuring proposals and developing project pipelines still remains a challenge.

Mongolia, however, represents a success story, given the country has had multiple successful DAE proposals approved by the GCF board. Using the experience of Mongolia in developing strong project proposals, the NDC Partnership explored three key lessons learned for developing successful project proposals as a means increase to access to climate finance. The lessons which emerged from the discussions of Mongolia’s experience are captured in the table below. Some lessons emerged directly from Mongolia’s experience, while others were contributed by other country participants.

Table 4: Lessons Learned for Project and Proposal Development

Lesson learned	Actions for next steps
Raising awareness for sectors and agencies concerned, particularly, authorities in charge of finance and economic development, can help overcome bureaucratic structures that hamper or slow down proposal development	Using readiness funding to build the capacity of the NDA, including hosting awareness building workshops to onboard relevant stakeholders to GCF processes, can ease the proposal development process down the line, as sectors and agencies will understand the value add of accessing the climate funds
Readiness funds can be used to develop concept notes that accredited entities can respond to	NDAs can develop readiness proposals which includes concept notes as an explicit output (see also table 3)
Careful selection of an accredited entity by the NDA will facilitate proposal development and approval	The NDA can undertake a dedicated mapping of potential accredited entities which are well placed to respond to national priorities or more easily meet GCF accreditation and proposal requirements

Regional coordination

Regional accredited entities can support national governments in the accreditation and proposal development process. The Pacific Community (SPC) is a GCF regional access entity, and as such it has been able to use its deep knowledge of different country scenarios to facilitate readiness at the individual country level, assist in the identification and development of project proposals, and gain access to the GCF project preparation facility and technical assistance.

Using the experience of SPC in regional coordination for access to climate finance for the Pacific island countries, the NDC Partnership explored three key lessons learned for regional approaches as a means increase to access to climate finance. The lessons which emerged from the discussions of SPC’s experience are captured in the table below. Some lessons emerged directly from SPC’s experience, while others were contributed by other country participants.

Table 5: Regional Coordination for Enhanced Access

Lesson learned	Actions for next steps
Regional coordination can both lead to and benefit from South-South exchange for enhanced knowledge sharing experiences	To identify relevant success stories and participants, a regional stakeholder mapping for identification of key players and for further network building is a useful exercise

Understanding the unique needs and value add of each country within the regional context is key for successful coordination and proposal development	Conducting climate finance assessments at national level can help identify both country needs and strategic sources of funding that are in line with country priorities
Define the climate related issues and a theory of change to help articulate the climate rationale	Identifying government priorities, designing a design a problem tree to identify causality, and providing a workplan to address them can help articulate the climate rationale

WHAT'S NEXT

- Following the outcomes of the workshop, the NDC Partnership Support Unit will produce and publish an insight brief which will aim to expand upon the lessons learned and identify best practice examples for each. The insight brief will be made publicly available and distributed to the participants and the wider NDC Partnership community.
- The NDC Partnership Support Unit will explore developing a webinar, in partnership with the Green Climate Fund and the Adaptation Fund, to further disseminate the lessons learned that emerged from the peer to peer convening beyond the Asia Pacific Region, as many lessons captured here are applicable outside of the regional context.

ANNEX 1: WORLD CAFÉ POSTERS

Lessons learned and best practices for NDAs

LESSON LEARNED/BEST PRACTICE	WOULD LIKE TO IMPLEMENT AS NEXT STEP	WHAT RESOURCES DO YOU NEED TO TAKE THE NEXT STEP?	WHO DO YOU NEED TO CONNECT TO?
<p>Readiness projects should not just be considered as an NDA concern but must be owned by other ministries as well: before submitting any readiness or issuing the non-objection letter for projects a formal clearance from line ministries is requested</p>	<p>none</p>		
<p>There needs to be continuous communication with the GCF country focal point: advice, clarifications are requested very often – often weekly</p>	<p>Armenia Kyrgyzstan Narau Pakistan Georgia Bangladesh TBC Bank Myanmar Philippines</p>	<p>Set up a coordination mechanism</p>	<p>Accredited entities NDA National stakeholders</p>

<p>Coordination for complementarity and coherence: for instance, with the GEF, a GCF/GEF coordinated national dialogue has been organized in February and an action plan established</p>	<p>Malaysia Samoa Myanmar</p>	<p>Awareness raising</p>	<p>GCF</p>
<p>Awareness of GCF new policies, guidelines and decision: board decisions are assessed to identify opportunities and implications for Lao PDR</p>	<p>Nauru RMI Kyrgyzstan Cambodia Myanmar Samoa Malaysia</p>	<p>Regular communication between NDA and GCF Human resources in the country, capacity building trainings Readiness funding</p>	<p>GCF NDA</p>
<p>Coordination between NDAs and AEs even before proposal development.</p>	<p>Pakistan Georgia Bangladesh</p>	<p>Regular meetings Dedicated focal points Having a process to issue no-objection letters in place so serve as a clearing mechanism, while waiting for GCF country programme</p>	<p>NDAs AEs ministries</p>

Lessons learned and best practices for accessing readiness funding

LESSON LEARNED/BEST PRACTICE	WOULD LIKE TO IMPLEMENT AS NEXT STEP	WHAT RESOURCES DO YOU NEED TO TAKE THE NEXT STEP?	WHO DO YOU NEED TO CONNECT TO?
Strong support from the Vietnamese government and relevant ministries, and continuing collaboration with relevant ministries, agencies and accredited entities	Bangladesh Malaysia Kyrgyzstan Samoa Philippines	Vertical and horizontal approach Means of implementation- clear policies and legal frameworks Assessment on private sector engagement in climate projects	Technical assistance providers Connecting MoF and MoE Relevant line ministries
Educated and experienced staff- building internal capacity is important for proposal development when previous experience has been limited	Pakistan Philippines Myanmar TBC Bank Nauru Armenia Cambodia Malaysia Georgia	Best practice info on: capacity building, criteria, proposal development NDAs building capacity for reviewing concept notes/proposals International expertise	NDA
Close coordination between NDA and GCF is essential for developing successful readiness proposals	Philippines Myanmar Bangladesh RMI Malaysia Kyrgyzstan Pakistan	Support to NDA Coordination with DAEs and potential DAEs for readiness support Coordination between top down and bottom up	
Select appropriate deliver partner for proposal development	Philippines Pakistan Malaysia	Variety of options of delivery partners for future readiness proposals	GCF In country partners Donor countries

Lessons learned in project and pipeline development

LESSON LEARNED/BEST PRACTICE	WOULD LIKE TO IMPLEMENT AS NEXT STEP	WHAT RESOURCES DO YOU NEED TO TAKE THE NEXT STEP?	WHO DO YOU NEED TO CONNECT TO?
<p>Managing and convincing bureaucratic structures to develop and submit projects can present challenges.</p> <p>Awareness building workshops for sectors and agencies concerned, particularly, authorities in charge of finance and economic development.</p>	<p>Nauru Pakistan Malaysia</p>	<p>Build capacity of NDA Choosing the right accredited entity</p>	<p>GCF Donor countries Delivery partner</p>
<p>Participatory process at the development stage of the project are essential for both government support and public acceptance</p>	<p>Malaysia</p>	<p>Ownership by key ministries</p>	
<p>Projects should have innovative approaches to address climate change associated social and economic activities with turning points, including recognition of the development path of the country</p>	<p>Nauru Kyrgyzstan</p>	<p>Set up an effective coordination mechanism</p>	<p>Governmental organizations NDAs</p>

<p>Science base is a key for climate change projects, since climate change itself has multiple uncertainties. The risk attributed with those uncertainties can be minimized by solid scientific findings</p>			
<p>Build capacity in government agencies</p>	<p>Bangladesh Philippines Myanmar JS Bank</p>	<p>Readiness Project preparation facility</p>	<p>GCF Accredited entities</p>
<p>Align with national strategies and priorities</p>	<p>Pakistan TBC Bank Myanmar Philippines</p>	<p>Regular connection with NDAs</p>	<p>NDAs Accredited entities</p>
<p>Separating/ defining markets from economic development plans vs. climate rationale</p>	<p>Georgia Nauru Bangladesh Philippines</p>	<p>Project preparation facility</p>	

Regional Coordination for Enhanced Access

LESSON LEARNED/BEST PRACTICE	WOULD LIKE TO IMPLEMENT AS NEXT STEP	WHAT RESOURCES DO YOU NEED TO TAKE THE NEXT STEP?	WHO DO YOU NEED TO CONNECT TO?
Early on, design a problem tree to identify causality and define the climate related issues and a Theory of Change	TBC Bank SACEP	Conducting climate fund assessments at national levels Identify government priorities and provide workplan Translating national priorities to commercial solutions	Donors Regional NDA
Ensure full support from NDA/country and engagement of country NDA when liaising with the GCF/AF	SACEP Georgia	Clear guidelines coming from government Structured relationships and clear delegation of authority Dedicated focal points in NDA Stakeholder mapping	
Need to prioritize and focus efforts on a limited number of projects , taking them all the way to submission	Georgia		
Supporting member countries to access climate funding	Pakistan	South-south exchange Understand value add of each country in region	

Undertake stakeholder mapping and consultations	TBC Bank	Identification of key regional institutions	
DAEs can us RAE as a resource for accessing funding and building capacity			

