

CLIMATE TECHNOLOGY CENTRE & NETWORK



# CTCN

Introduction to the Linkages with Financial Mechanism

*CTCN*



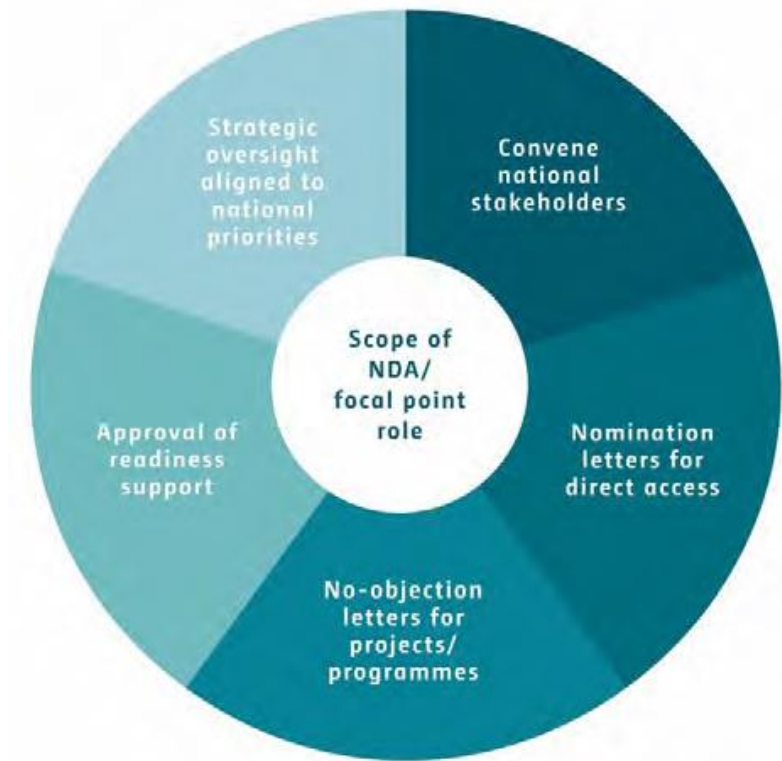
# CTCN – GCF : The Success Story – so far

- COP and GCF Board decisions/ guidance – encouraging countries to work with CTCN to utilize their Readiness Funds – both part of the Climate convention
- GCF Readiness **Completed** or near completion : 6 countries - Tonga, Ghana, Myanmar, Palestine, Mauritius ; Bahamas
- **Approved in 2019** – 16 Readiness proposals ; 13 in Africa, 2 in West Asia and 1 in South East Asia – Selection of implementing partners near completion.
- **In the pipeline for 2020** - 10-12+ countries in Asia, Africa and Latin America ; can SUPPORT MORE
- **Why CTCN - preferred:**
  - Quick Implementation – Implementation starts within 12-16 weeks after approval
  - Dedicated GCF comments addressal system in the CTCN through dedicated experts.
  - Value for money through international institutions (implementing partner) within the CTC Network members
  - Capacity building of local institutions through mandatory engagement of local institutions by implementing partners

# The Road Ahead – GCF 2.0

## Guiding principles of the Readiness Strategy 2019 –2021

- Build readiness support based on identified needs
- Increase flexibility for NDAs to address particular gaps
- Move from basic (NDA strengthening) to more sophisticated support (strategic frameworks, pipeline)
- Tap economies of scale (regional; multiple-year requests)
- Increase transparency and efficiency of entire grant cycle



## Summary of Readiness Programme support to date

**USD 1 million**

cap per country per year  
(B.08/11)

- NDA and DAE capacity strengthening
- Country Programmes and GCF engagement
- Access to climate finance

**USD 3 million**

cap per country (B.11/04)

- National adaptation plans (NAP) / adaptation planning processes

# Revised GCF- Readiness Preparatory Support programme (RPSP) Strategy



Initial Readiness Programme Strategy	Readiness Programme Strategy 2019-2021
NDA capacity to engage with GCF	Capacity building for climate finance coordination (10%)
Direct access entity capacity	
Country programming process	<b>Strategic frameworks for low-emission investment (20%)</b>
Formulation of national adaptation plans/ adaptation planning processes	Strengthened adaptation planning (50%)
Climate finance accessed	<b>Paradigm-shifting pipeline development (15%)</b>
	Knowledge sharing and learning (5%)

- **National readiness needs assessment**
- **Multiple-year strategic readiness implementation request**
- Revised logical framework
- Monitoring & results framework (portfolio and grant levels)

# Readiness needs assessments

## Needs assessments should:

- Be conducted/overseen by NDA
- Establish a baseline to inform a strategic approach to readiness
- Incorporate needs identified through previous processes
- Consider other climate change capacity development processes

## Core elements of a needs assessment:

- Institutions and governance
- Policy environment
- Pipeline status and development
- Information, data and knowledge

# Multi-year strategic readiness implementation request

## What is it?

- Proposal for strategic support requesting >\$1m up to \$3m for max 36 months
- Addresses specific identified **readiness needs** for a given country
- **Sequences** support for **multiple work areas** and stakeholders
- Contains indicative work plans and **budgets** for each 12-month **period**
- Provides robust monitoring and evaluation, including **terminal evaluation** for grants with implementation periods of **more** than 24 months



## Who can apply?

- All developing countries may submit these proposals, provided that the NDA: Has a finalized Country Programme that contains an analysis of the country's readiness needs

**OR**

- Has undertaken a readiness needs assessment and developed a work plan to address those needs

# Multi-year strategic readiness implementation request – Cont.

## How to implement?

- On an annual basis, NDA submits subsequent 12-month work plans and budgets for GCF approval
- Work plans include: updated Log-frame, budget and procurement plan, risk mitigation strategy and lessons learned from implementation
- Milestones must be achieved to unlock approval for subsequent annual work plans
- Submit documents 90 days before the end of the 12-month period, with evidence that 70% of disbursed funds have been expended and/or committed

- Annual readiness cap remains in place –Secretariat can only commit up to \$1m per year
- Countries may submit and implement both multi-year and traditional proposals provided they adhere to \$1m annual cap per country
- Timely and quality reporting is essential to approval of subsequent tranches of funding
- Proposals may focus on activities under objectives 1, 2, 4 and 5 –NAP/adaptation planning is not included

# Readiness Programme submission deadlines for 2020 annual caps



- 31 December 2019
- 31 March 2020
- 30 June 2020
- 31 August 2020 – CTCN can accept this challenge if the countries put up a request in the next 1-2 weeks

All proposals must be approved by 31 December 2020 to count against 2020 annual caps

**YOU MISS DEADLINE – YOU LOOSE YEARLY ALLOCATION**



# NOW THE GEF

# Piloting innovative financing for climate adaptation technologies in medium-sized cities - GEF

- Objective : To increase the resilience of the cities by adopting climate change adaptation solutions through improved capital expenditure planning and innovative private financing mechanisms.

Main Components	Related Activities
Municipal Financing toolkit for climate change Adaptation	<ul style="list-style-type: none"><li>The financing toolkit for medium-size cities is developed and disseminated. It includes tools to assess CCA technologies in urban planning and innovative financing</li><li>Municipal planners are trained in the municipal financing toolkit</li><li>High potential climate resilience financing solutions are mapped out and prioritized</li><li>Knowledge Products are developed and disseminated among NDEs</li></ul>

Main Components	Related Activities
Piloting of the Toolkit Developed	<ul style="list-style-type: none"><li>• Adaptation technology financing plans for 3 medium-sized cities are developed</li><li>• Investment projects are prioritized based on their adaptation impact, attractiveness to private sector and their financing options</li><li>• Adaptation technology financing plans are presented to selected members of the financial community</li><li>• Regional workshops are organized to present the toolkits and city case studies to their respective region</li></ul>

# AND THE ADAPTATION FUND



# Adaptation Fund Technology Aggregator Programme

- 5-year programme at a glance:
  - (Objective) **Strengthen the ability of countries and communities** to test, evaluate, roll out and scale up **innovative adaptation practices, products and technologies**
  - Implement **25 micro-grants projects (TAs)** (up to USD 250,000 per a project)
    - 15 projects to implement hardware (promising adaptation innovations and technologies)
    - 10 projects to implement software (technical and/or financial systems for adaptation enabling environment)
  - Apply same operation and management process of CTCN TAs
  - **Eligibility** : Only those countries which do not have NIEs can apply (under discussion)

# Adaptation Fund Technology Aggregator Programme (cont.)

- Application of **physical tools, processes, knowledge and skills** with the aim of building resilience and adapting to climate change in developing countries
  - ① a new, existing or improved technology, ② a hard or soft technology ③ a scalable technology

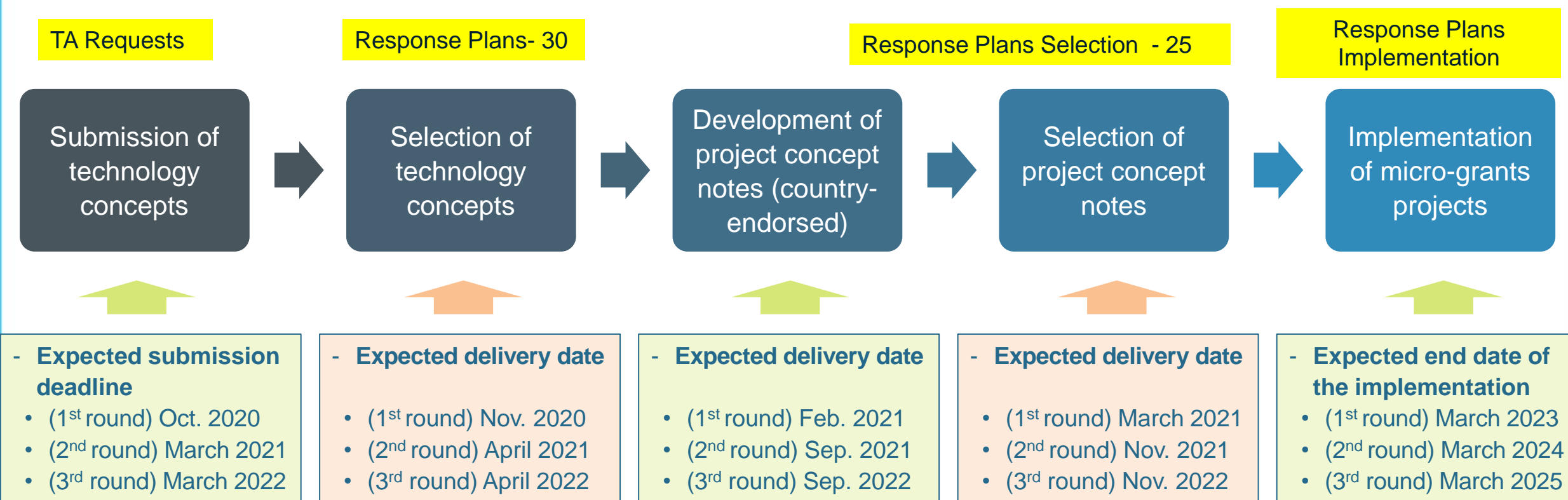
< Example sectors for the micro-grants projects (TAs) in the programme >



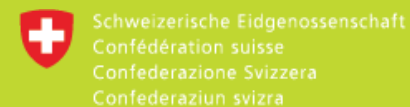
\* More information on each sector can be found from the CTCN and the Adaptation Fund websites.

# Adaptation Fund Technology Aggregator Programme (cont.)

- Draft timeline of the programme



## Supported by



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