



NDA TOOLKIT FOR  
ST. VINCENT &  
THE GRENADINES

GUIDELINES FOR  
ENGAGING WITH THE  
GREEN CLIMATE FUND



GREEN  
CLIMATE  
FUND



Caribbean Community  
Climate Change Centre



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**Deliverable:**

NDA Toolkit for St. Vincent and the Grenadines describing the guidelines for engagement with the GCF

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**Project:**

NDA Toolkit & No-Objection Procedure and the Establishment of a Monitoring, Reporting and Verification System (MRVS) - St. Vincent and the Grenadines

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**Report Prepared by:**

Climate Analytics Inc.  
33 Irving Place, Suite 2011  
New York, NY 10003, USA  
[www.climateanalytics.org](http://www.climateanalytics.org)

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**Report Approved by:**

National Designated Authority for the GCF, St. Vincent and the Grenadines

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## ACRONYMS

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AE	Accredited Entity
AMA	Accreditation Master Agreement
CARICOM	Caribbean Community
CCCCC	Caribbean Community Climate Change Centre
CDB	Caribbean Development Bank
CDM	Clean Development Mechanism
CIF	Climate Investment Funds of the World Bank
COP	Conference of Parties
CSO	Civil Society Organisation
DAE	Direct Access Entity
DP	Delivery Partner
EDA	Enhanced Direct Access
EE	Executing Entity
EMF	Environmental Management Framework
EPD	Economic Planning Division
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESS	Environmental and Social Safeguards
FMCA	Financial Management Capacity Assessment
FP	Funding Proposal
GCF	Green Climate Fund
GCF-RP	Green Climate Fund Readiness Programme
GoSVG	Government of St. Vincent and the Grenadines
GEF	Global Environment Facility
GHG	Greenhouse Gas
IRM	Independent Redress Mechanism
IRMF	Integrated Results Management Framework
ITAP	Independent Technical Advisory Panel
M&E	Monitoring and Evaluation
MFEPIT	Ministry of Finance, Economic Planning, and Information Technology
NESDP	National Economic and Social Development Plan
NAP	National Adaptation Plan
NDA	National Designated Authority
NDC	Nationally Determined Contribution
NGO	Non-Governmental Organization
NTACCC	National Technical Advisory Committee on Climate Change
OAS	Online Accreditation System
PMF	Performance Measurement Framework
PPF	Project Preparation Facility
PPP	Public Private Partnership
PSF	Private Sector Facility

PSIPMU	Public Sector Investment Programme Management Unit
REDD	Reducing Emissions from Deforestation and Forest Degradation
REDD+	Reducing Emissions from Deforestation and Forest Degradation (+ foster conservation, sustainable management of forests, and enhancement of forest carbon stocks)
RMF	Results Management Framework
SAP	Simplified Approval Process
SDU	Sustainable Development Unit
SDG	Sustainable Development Goal
SIDS	Small Island Developing States
SPCR	Strategic Program for Climate Resilience
SVG	St. Vincent and the Grenadines
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
WFP	World Food Programme
WMO	World Meteorological Organization



## GLOSSARY OF TERMS

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**ACCREDITATION MASTER AGREEMENT:** A formal agreement between an accredited entity and the GCF that stipulates the assignment of responsibilities and procedures for the implementation of GCF climate finance projects by the accredited entity.

**ACCREDITED ENTITY (AE):** An entity that is accredited by the GCF Board in accordance with the Governing Instrument and relevant Board Decisions to act as an intermediary between the GCF and recipient governments in the development and implementation of projects.

**ADAPTATION:** Adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities. Adaptation focus areas include: increased resilience of health, food and water systems; infrastructure; ecosystems; and enhanced livelihoods of vulnerable people, communities and regions.

**CONCEPT NOTE:** A document that provides essential information about a project idea to seek feedback on whether the concept is aligned with the objectives, policies and investment criteria of the GCF. The concept note is not mandatory but strongly encouraged to promote early technical dialogue with the GCF Secretariat, engage work with the Project Preparation Facility (PPF) towards the development of a full proposal, and to allow for a faster review process. The concept note template can be downloaded from the GCF website.

**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 that meet the financial management capacities requirements of the GCF. Readiness Delivery Partners that are not AEs must pass the Financial Management Capacity Assessment (FMCA) to be approved for managing Readiness support to countries.

**DIRECT ACCESS:** Direct access allows for fund transfer directly to recipient countries via sub-national, national or regional AEs. One of the goals of incorporating direct access into the design of the GCF is to increase country ownership. The accreditation of national entity is therefore an essential component for the success of the GCF direct access design component.

**DIRECT ACCESS ENTITIES (DAEs):** 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.

**ENHANCED DIRECT ACCESS:** The term 'enhanced direct access' was introduced to the GCF to characterise a stronger devolution of decision-making, where both funding decisions and management take place at the national level.

**ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS):** The ESMS of the entity is the framework of policies/systems/structures, which aims to minimize the environmental and social risks associated with the performance standards. The ESMS is comprised of a set of management processes and procedures, which help the national entities to identify, analyse, control and reduce the adverse environmental and social impacts of activities under projects/programmes. It can take various forms depending on the needs and structure of the institution.

**ENVIRONMENTAL AND SOCIAL SAFEGUARDS:** A set of criteria that aims to address key environmental and social risks in the implementation of activities to be funded by the GCF.

**EXECUTING ENTITY (EE):** An entity through which accredited entities channel GCF proceeds for the purposes of a funded activity or part thereof; and/or any entity that accredited entities work with to execute, carry out or implement funded activities, or any part thereof. An accredited entity may carry out the functions of an executing entity, though it is preferable if local and national actors execute projects/programmes.

**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.

**FOCAL POINT:** An individual or authority designated by a developing country party to the United Nations Framework Convention on Climate Change (UNFCCC) to fulfil all functions of a National Designated Authority (NDA) on a temporary basis, until it has designated an NDA.

**FUNDING PROPOSAL:** A document that is submitted by entities who want to get access to GCF resources for climate change projects and programmes. Full Funding Proposals can be submitted to the GCF at any time or as a response to a Request for Proposals (RFP) issued by the GCF. Funding Proposals that are submitted to GCF are subject to a review process, culminating in a decision by the GCF Board as to whether to approve and finance the project. A no-objection letter from an NDA is required before the GCF will review a funding proposal.

**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.

**GREEN CLIMATE FUND:** The Green Climate Fund (GCF) is a global fund created to support the efforts of developing countries to respond to the challenge of climate change. GCF helps developing countries limit or reduce their greenhouse gas (GHG) emissions and adapt to climate change. It seeks to promote a paradigm shift to low-emission and climate-resilient development, taking into account the needs of nations that are particularly vulnerable to climate change impacts.

**INDICATOR:** A measurable characteristic or variable (quantitative or qualitative) which helps to describe an existing situation and to track changes or trends – i.e., progress – over time.

**INVESTMENT CRITERIA:** Six investment criteria adopted by the GCF Board, namely impact potential; paradigm shift potential; sustainable development potential; needs of the recipient; country ownership; and efficiency and effectiveness. There are coverage areas, activity-specific sub-criteria, and indicative assessment factors that provide further elaboration.

**MITIGATION:** In the context of climate change, a human intervention to reduce the sources or enhance the sinks of greenhouse gases. Examples include using fossil fuels more efficiently for industrial processes or electricity generation, switching to solar energy or wind power, improving the insulation of buildings, and expanding forests and other 'sinks' to remove greater amounts of carbon dioxide from the atmosphere. The focus areas for mitigation include: low emission transport, low emission energy access and power generation at all scales; reduced emissions from buildings, cities, industries and appliances; and sustainable land and forest management (including REDD+ implementation) for mitigation.

**NATIONAL DESIGNATED AUTHORITY (NDA):** The core interface and main point of communication between a country and the GCF. The NDA seeks to ensure that activities supported by the GCF align with

strategic national objectives and priorities, and help advance ambitious action on adaptation and mitigation in line with national needs. Among the various roles and responsibilities of the NDA, a key function is to provide letters of no-objection to accompany project proposal submission and letters of nomination for direct access entities to start their accreditation process.

**PARADIGM SHIFT:** In the context of climate change, a fundamental shift towards low-carbon and climate-resilient sustainable development, in accordance with the GCF agreed results areas and consistent with a country-driven approach. It should be noted that this is not an official definition from the GCF and that the terms ‘paradigm shift’ and ‘transformational change’ are often used interchangeably.

**PARIS AGREEMENT:** At the twenty-first session of the UNFCCC Conference of the Parties (COP 21) in Paris, on 12 December 2015, Parties to the UNFCCC reached a landmark agreement to combat climate change and to accelerate and intensify the actions and investments needed for a sustainable low carbon future. The Paris Agreement builds upon the Convention and – for the first time – brings all nations into a common cause to undertake ambitious efforts to combat climate change and adapt to its effects, with enhanced support to assist developing countries to do so. As such, it charts a new course in the global climate effort.

**PERFORMANCE MEASUREMENT FRAMEWORK:** A set of indicators established by the GCF to measure progress towards intended results based on the paradigm-shift objective, Fund level impacts and project/programme outcomes as outlined in the GCF’s mitigation and adaptation logic models.

**PRIVATE SECTOR FACILITY (PSF):** GCF has a PSF, with the primary mission to engage both the local and global private sector to support climate change mitigation and adaptation projects in developing countries. The PSF aims to change the current paradigm by de-risking the delivery of private capital and scaling up private sector investment flows for low carbon and climate resilient development.

**PROJECT:** A set of activities with a collective objective(s) and concrete outcomes and outputs that are narrowly defined in scope, space and time; contributing to the recipient country’s priorities, and that are measurable, monitorable and verifiable.

**PROJECT PREPARATION FACILITY (PPF):** The PPF is a financial support window of the GCF that provides support to Accredited Entities (AEs) in developing and preparing projects and programmes for submission to the GCF. It is especially targeted at supporting direct access entities, and micro-to-small size category projects.

**PROGRAMME:** A set of interlinked individual sub-projects or phases, unified by an overarching vision, common objectives and contribution to strategic goals, which will deliver sustained climate results and impact in the GCF result areas efficiently, effectively and at scale.

**RESULTS MANAGEMENT FRAMEWORK:** A life-cycle approach to results management through measurements to improve decision-making, transparency and accountability. The approach is in line with improving the way the GCF functions by achieving outcomes through implementing performance measurement, learning and adapting, in addition to reporting performance.

**REQUEST FOR PROPOSALS (RFPs):** On occasion, the GCF Board may call for RfPs to guide the development of the GCF portfolio in specific areas in accordance with the initial strategic plan. RfPs have specific eligibility standards. Entities that are not yet accredited by the GCF can submit proposals to the GCF as a response to RfPs.

**SIMPLIFIED APPROVAL PROCESS (SAP):** A process for small-scale low risk proposals, which allots less time and effort from both the entity and GCF to go from project conception to implementation.

**SMALL ISLANDS DEVELOPING STATES (SIDS):** A distinct group of developing countries facing specific social, economic and environmental vulnerabilities. The specific social, economic and environmental vulnerabilities of SIDS were formally recognized as a distinct grouping at the United Nations Conference on Environment and Development (UNCED) in June 1992.

**UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE (UNFCCC):** The UNFCCC is a “Rio Convention”, one of three adopted at the “Rio Earth Summit” in 1992. The UNFCCC entered into force on 21 March 1994. Today, it has near-universal membership. The 197 countries that have ratified the Convention are called Parties to the Convention. Preventing “dangerous” human interference with the climate system is the ultimate aim of the UNFCCC.

# AUDIENCE FOR THE TOOLKIT

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This Toolkit is intended for five main categories of individuals:

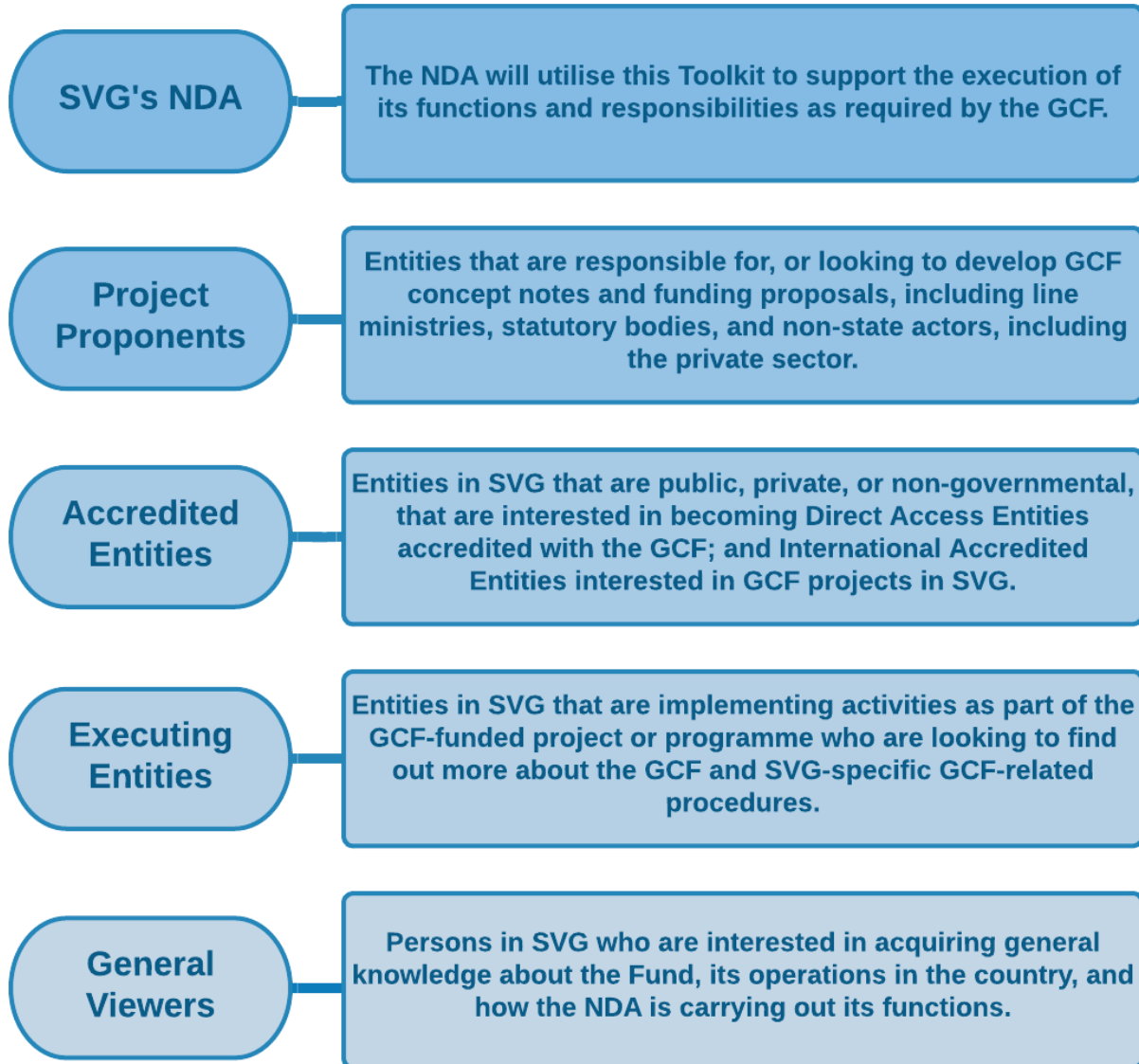


Figure 1: SVG Toolkit Audience

# 1. INTRODUCTION

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## 1.1. Purpose and Scope of the Toolkit

The intention of this Toolkit is to provide St. Vincent and the Grenadines' (SVG) National Designated Authority (NDA) and relevant stakeholders, including project proponents, accredited entities, and direct access accreditation seekers, with information regarding the Green Climate Fund (GCF) and the role of SVG's NDA. Specifically, the Toolkit dives into the requirements pertaining to the activities that the NDA is mandated to carry out in its relationship with the GCF.

The GCF's Readiness and Preparatory Support Programme (hereinafter referred to as GCF Readiness) was established to assist in building the capacity of developing countries to access the resources of the GCF by preparing countries to plan for, access, manage, disburse and monitor climate financing. This document is a deliverable of SVG's GCF Readiness Programme titled "[NDA Toolkit & No-Objection Procedure, and the Establishment of a Monitoring, Reporting, and Verification System \(MRVS\) – St. Vincent and the Grenadines](#)".

Access to international financing is critical to contributing to the objectives of the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, and achieving the climate change and sustainable development objectives of St. Vincent and the Grenadines. The GCF is the largest fund in existence solely dedicated to climate change, but like other small island developing states (SIDS), St. Vincent and the Grenadines is still facing specific challenges and constraints in accessing available resources. St. Vincent and the Grenadines is disproportionately vulnerable to climate change impacts and other external shocks, and faces significant capacity constraints, all of which hinders the islands' ability to respond adequately to challenges posed by climate change.

As the GCF matures, policies and requirements are being reviewed and updated and in light of this, users of these guidelines should note that several policies may also evolve after the finalisation of this Toolkit. It is therefore the responsibility of the NDA to keep abreast of the latest developments at the GCF as decided by the Board and operationalized by the Secretariat. In addition, the NDA should ensure that these updates are periodically reflected within this Toolkit and disseminated to stakeholders. The most up-to-date information regarding the GCF and its policies can be found on the Fund's website: [www.greenclimate.fund](http://www.greenclimate.fund).

## 1.2. St. Vincent and the Grenadines' Climate Priorities

St. Vincent and the Grenadines' current climate change priorities are anchored around its National Economic and Social Development Plan 2013-2025 and [Nationally Determined Contribution](#) (NDC) to the Paris Agreement, under the UNFCCC. St. Vincent and the Grenadines' submitted its [first NDC](#) in 2015 which aims to achieve an economy-wide reduction in emissions by 22% by 2025 compared to its business as usual (BAU) scenario. In absolute terms, this is equivalent to a reduction of 89.54 Gg CO<sub>2</sub>e. The sectors covered by the NDC are Energy (including domestic transport); Industrial Processes and Product Use (IPPU); Agriculture, Land Use, Land Use Change, and Forestry (LULUCF); and Waste. In line with its Paris Agreement commitments, the Government of St. Vincent and the Grenadines (GoSVG) is currently in the process of finalizing their second NDC for approval by Cabinet and submission to the UNFCCC.

The National Economic and Social Development Plan (NESDP) for 2013 - 2025 serves as the key national guiding pillar for climate change action. The NESDP aims to continue developing and strengthening national institutions, and improve technical and administrative capacities to deal with identified threats, and capitalize on identified opportunities. This is to be done through five (5) strategic goals, each with specific objectives to facilitate the balanced, comprehensive, and sustainable development of the country.

Climate change is explicitly addressed in Strategic Goal 4, which seeks to improve physical infrastructure, preserve the environment and build resilience to climate change. Objectives relevant to climate change include reducing dependence on imported fuels; conservation of natural resources through effective utilization and management; improving water supply safety and sustainability; and enhancing national capacities to prepare for, respond to, and mitigate disasters. These, and other objectives, are highlighted in Figure 2.



Figure 2: Objectives of Strategic Goal 4 of the NESDP

These, and other objectives, are highlighted in Figure 2.

In addition to the commitments outlined in the NDC and NESDP, the country's climate change priorities are informed by other policy documents, such as the [National Climate Change Policy](#), the [National Adaptation Plan](#), the National Climate Change Strategy and Implementation Plan.

The National Climate Change Policy serves as the core pillar guiding climate change activities in St. Vincent and the Grenadines. It aims to facilitate the achievement of low-carbon, resilient development using an integrated, cross-sectoral and inclusive approach to climate change adaptation and mitigation. The objectives of the Policy are:

- i. To strengthen governance and institutional mechanisms to enable a bottom-up approach and effective coordination and implementation of climate change policies and plans across all levels of society, sectors, and islands within St. Vincent and the Grenadines;
- ii. To build adaptive capacity and resilience, especially among the most vulnerable populations, drawing on local knowledge and practices to effectively address the impacts of climate change and related disasters;

- iii. To reduce greenhouse gas emissions through enhanced energy efficiency, renewable energy, and use of carbon sinks;
- iv. To enhance technical and institutional capacity for research and data collection, management and sharing to inform climate change-related decision-making, and catalyse technology change and innovation for adaptation and mitigation;
- v. To adopt an ecosystem-based approach in addressing climate change to ensure the conservation and sustainable use of biodiversity and natural resources that are critical to human well-being, livelihoods, and development in St. Vincent and the Grenadines;
- vi. To mainstream climate change adaptation and mitigation into key national development plans and budgets; and
- vii. To mobilize adequate climate financing to support effective and timely adaptation and mitigation measures.

The National Climate Change Policy has explicit mitigation and adaptation objectives, and details various interventions to facilitate their achievement. For mitigation priorities, interventions include promotion of renewable energy and energy efficiency; enhancement of forests as carbon sinks; uptake of energy efficient maritime transportation; adoption of sustainable building and tourism practices; enabling of low-carbon transport systems; and introduction of sustainable waste management. Adaptation measures and interventions have also been detailed for 12 priority sectors. Cross-cutting interventions such as capacity-building, stakeholder engagement, information management, and intersectoral coordination are also addressed in the National Climate Change Policy.

All these interventions are explored in further detail in the National Climate Change Strategy and Implementation Plan. Aiming to operationalize the National Climate Change Plan, the document builds on existing information, institutions, and capacities for implementing climate resilient development and seeks to maximise impact given resource constraints. Several key institutional arrangements are proposed and expounded upon in this document, such as the National Technical Advisory Committee on Climate Change (NTACCC), which will also be leverage to support the NDA in meeting its responsibilities.

The National Adaptation Plan aims to mainstream climate change adaptation into development planning and implementation in St. Vincent and the Grenadines. The three key objectives of the Plan are to:

- i. Promote an enabling environment to facilitate the mainstreaming of climate change adaptation in the planning, budgeting, and implementation processes of the public and private sectors, civil society, and academia by strengthening the governance structures to enable adaptation and Disaster Risk Reduction (when they overlap), including for identification, implementation, monitoring and evaluation, and the communication of adaptation actions;
- ii. Improve the capacity for data and information collection, management, and sharing, as well as the determination of climatic risk, and access to technology and financing for adaptation; and
- iii. Implement adaptation actions towards increased resilience among the most vulnerable Vincentians.

Several strategic adaptation activities are explored in detail in the NAP for implementation between 2018 and 2023<sup>1</sup>. They broadly seek to address the main national needs identified in St. Vincent and the Grenadines, including increasing public awareness on climate change; building resilience to minimize damage to settlements and infrastructure; increasing beach and shoreline integrity, and protecting marine ecosystems; mitigating climate change impacts on agriculture and human health; and developing appropriate legislative and regulatory frameworks for proper environmental management and institutional systems for responding to and mitigating the effects of climate change.

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<sup>1</sup> The NAP is divided into two implementation phases, with the second phase lasting until 2030.



These documents, the National Climate Change Policy, the National Climate Change Strategy and Implementation Plan, the NAP, and the NESDP provide the foundation for St. Vincent and the Grenadines' climate change initiatives through at least 2025.

### 1.3. St. Vincent and the Grenadines' Climate Change Funding Needs

Financing is a significant constraint for SIDS, and specifically for the Caribbean region, especially considering the projected impacts of climate change, and the mitigation and adaptation needs relative to the limited fiscal space many Caribbean SIDS are facing. St. Vincent and the Grenadines has outlined its climate change funding needs through, inter alia:

1. St. Vincent and the Grenadines' National Adaptation Plan
2. St. Vincent and the Grenadines' National Climate Change Strategy and Implementation Plan
3. St. Vincent and the Grenadines' Nationally Determined Contribution
4. St. Vincent and the Grenadines' GCF Country Programme

Based on St. Vincent and the Grenadines' NAP, approximately USD 7.15 million are required to implement the strategic adaptation actions identified for the first phase (from 2018-2023). In addition, St. Vincent and the Grenadines' National Climate Change Strategy and Implementation Plan explores resource mobilization, with a broad analysis of the potential domestic, regional, and international sources of funding available for climate change actions. Potential funding sources explored in the Strategy and Implementation Plan are highlighted below in

Figure 3.

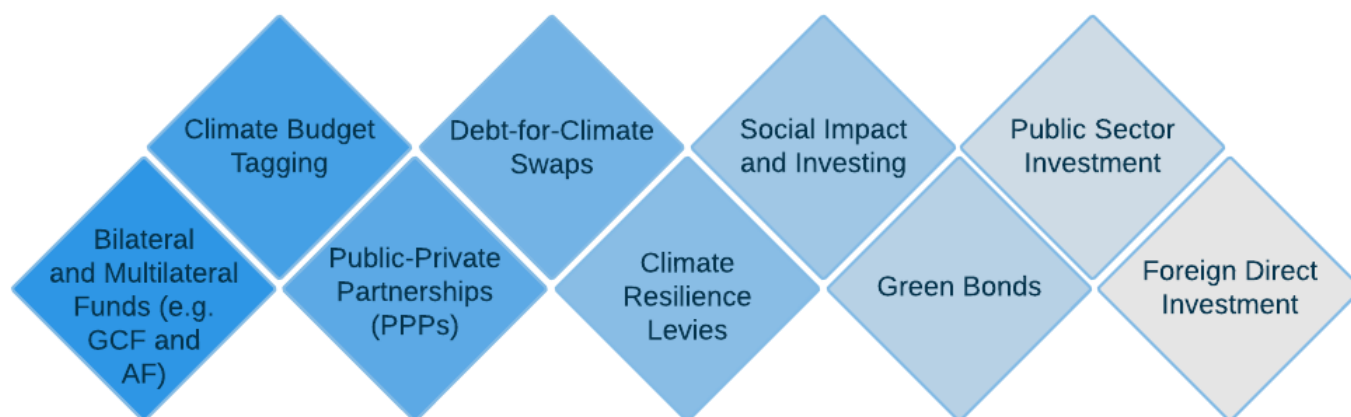


Figure 3: Sources for climate change action resource mobilization explored in the National Climate Change Strategy and Implementation Plan of St. Vincent and the Grenadines

## 2. THE GREEN CLIMATE FUND

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### 2.1. Overview

The GCF is the largest global fund dedicated to climate change. It was established in 2010 as an operating entity of the Financial Mechanism of the UNFCCC to support the efforts of developing countries to respond to the challenge of climate change. The GCF has the critical role of supporting the Paris Agreement's goal of keeping climate change well below 2 degrees Celsius above pre-industrial levels, and pursuing efforts to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels (PA Article 2.1).

#### The Green Climate Fund

The main goal of the GCF is to help developing countries limit or reduce their greenhouse gas (GHG) emissions and adapt to climate change, and to promote a paradigm shift to low-emission and climate-resilient development.

To date, the GCF has secured more than USD 10 billion in pledges, and continues to mobilize resources on an ongoing basis. The GCF has thus far<sup>2</sup> approved 190 projects, of which 169 projects have executed a Funded Activity Agreement with the necessary legal arrangements to get funds flowing. There are 42 International Access Accreditation Entities (AEs), 14 Regional Direct Access Entities (DAEs), and 57 National Direct Access Entities. As of 2021, 34 contributors have pledged a total of USD 9.9 billion equivalent for GFCs 2020-2023 programming period. The architecture of the GCF and its activities are aligned with the priorities of developing countries through the principle of country ownership – fundamentally grounded in through each country's NDA. The Fund is mandated to aim for a 50:50 balance in investments between mitigation and adaptation over time, and is the only multilateral fund operating this split aiming at correcting historical imbalances in climate financing. It also aims for a floor of 50% of the adaptation allocation for particularly vulnerable countries, including Least Developed Countries (LDCs), Small Island Developing States (SIDS), and African States.

While it is early in its engagement, SVG has already started to benefit from engagement with the GCF. As of August 2021, the country has three (3) Readiness support activities approved with a total value of USD 1.2 million and is currently engaged in one (1) regional project with the [GCF – FP020 “Sustainable Energy Facility for the Eastern Caribbean”](#). The multi-country project was approved in October 2016, and has an estimated timespan of 8 years. The total value of the project is USD 192.4 million, with SVG having received USD 16 million in GCF financing to date. More information on SVG's engagement with the GCF can be found at SVG's GCF Country Page: <https://www.greenclimate.fund/countries/saint-vincent-grenadines>.

While the Fund is mandated, as outlined above, to aim for the stated balances and allocations, projects and programmes are approved by the GCF Board on a rolling basis, dictating a first-come-first-served basis. In this already competitive context, SIDS have been placed in a category with much larger developing countries with greater capacity to access resources. Therefore, for a country to be successful in accessing resources, it is essential for the NDA to have adequate capacity to carry out its functions, and to also be proactive in their engagement with the Fund. These functions will be further outlined in the following sections of this Toolkit.

The NDA may also contact the Latin American and Caribbean Desk within the Secretariat's Headquarters (HQ) in Songdo, South Korea, and also reach out to technical experts at the Secretariat, especially to obtain advice on specific project-related issues. The Regional Advisor for the Caribbean should, however, preferably be the first point of contact.

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<sup>2</sup> Statistics are updated as of January 2022.

## 2.2. The Main Actors

To assist developing countries in accessing resources in an efficient manner, several key actors were defined by the Fund. The main actors in accessing the Fund’s resources are the NDA, Accredited Entities (AEs), and Executing Entities (EEs). The main functions of each of these entities are outlined in the table below, and further detailed information on how these actors engage in St. Vincent and the Grenadines are found in the subsequent sections in this Toolkit.

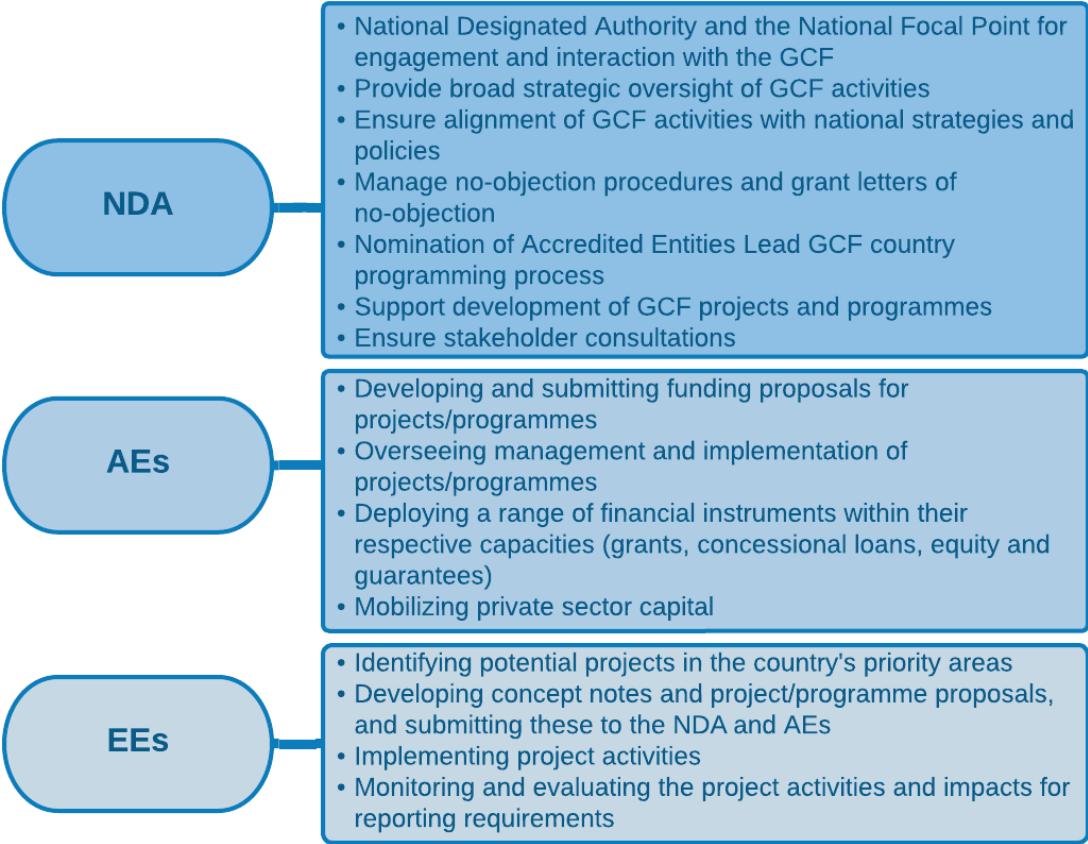


Figure 4: GCF-related roles and responsibilities of various actors in St. Vincent and the Grenadines

## 2.3. Strategic Areas Supported by the GCF

The Fund finances projects and programmes that are in line with its Integrated Results Management Framework (IRMF). The IRMF identifies eight strategic impacts to be achieved at the Fund level – with four focused on adaptation and mitigation each. These are outlined Figure 5. When developing a project or programme, one or several of these impact areas can apply.

The IRMF sets out the approach of the GCF to assessing how its investments deliver climate results and how its results contribute to the overall objectives of GCF to promote paradigm shift towards low-emission and climate-resilient pathways and make a significant contribution towards attaining UNFCCC and Paris

Agreement goals. AEs are responsible for developing plans with intended results and specific indicators for each intervention and are responsible for reporting to the GCF on these results. The GCF then aggregates all of this information to better understand how it's doing in terms of achieving results.

While it is not a development fund, the GCF actively promotes cross-cutting approaches between adaptation and mitigation wherever possible, and promotes environmental, social, economic, and development co-benefits supporting the achievement of the Sustainable Development Goals (SDGs). By building adaptation into actions undertaken within SIDS, resilience is automatically built into a project of programme activity. In addition, the GCF strongly supports projects and programme that take a gender-sensitive approach.

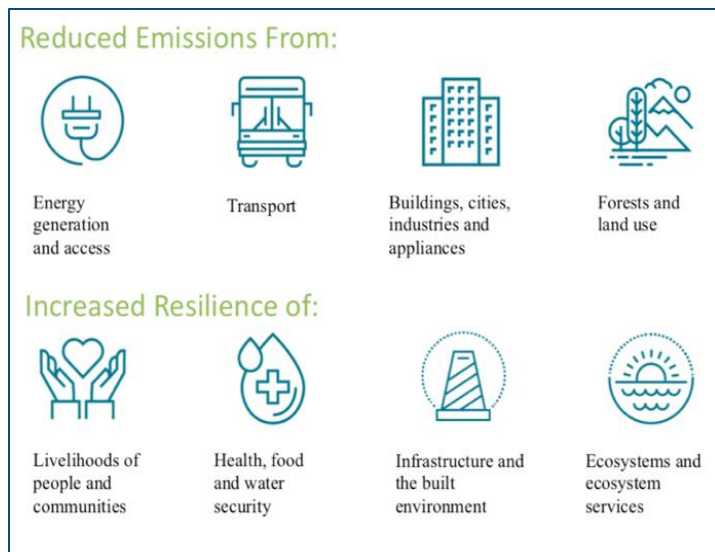


Figure 5: GCF Strategic Impact Areas (Source: GCF)

## 2.4. GCF Access Modalities

To allow for each country to maximise resources to fit their own needs, and to ensure that different types of entities can access resources, the GCF established three main modalities of access: (1) Direct Access; (2) Enhanced Direct Access; and (3) International Access.

**International Access** can include United Nations agencies, multilateral development banks, international financial institutions, and regional institutions. The Fund considers these intermediaries to have the wide reach and expertise to handle a variety of climate change issues, including ones that cross borders and thematic areas. International Access Entities do not need to be nominated by developing country NDAs / focal points. There are benefits to working with international access entities, for example the possibility to submit larger and higher-risk projects. However, it is essential for the NDA to ensure that all projects and programmes are country driven, and go through meaningful stakeholder consultations and nationally mandated procedures.

**Direct Access** is one of the Fund's distinctive and differentiating features, whereby developing countries access financial resources through national and regional entities. The Fund allows regional, national and sub-national organisations to receive funding directly, rather than only via intermediaries, to be able to support the cornerstone of the Fund's operations – country drivenness and ownership. This modality will help developing countries exercise ownership of climate finance, and allow for more comprehensive integration with national climate action plans. In addition, based on the Fund's accreditation strategy, the Fund's Board prioritises DAEs from SIDS and LDCs in the accreditation pipeline. In the Fund's [Work programme of the Secretariat for 2019 and administrative budget](#), the Fund outlines 'Support for DAE Accreditation, Upgrading and Accelerating Direct Access' (Section 2.5) as a highlight of the Secretariat/Fund's initiatives in key programmatic work areas in 2019. This is reiterated in the [2020 update](#) of the same document.

Even though DAEs comprise more than half of the Fund's total number of AEs and the Fund has a strategy to increase funding proposals from DAEs, to date fewer than half of the DAEs have a project approved with the Fund. The NDA's decision on which entities to nominate to the Fund should therefore be based on a



Figure 6: Key Advantages of Enhanced Direct Access

strategic assessment of whether the entity has the ability and capacity to have a strong engagement with the Fund, resulting in approved projects and programmes.

While several regional and national entities are in the GCF's accreditation pipeline, there are currently four (4) DAEs in the Caribbean, two are regional DAEs and two are national DAEs. To date, SVG has not formally nominated a national DAE to the GCF.

#### Regional DAEs:

1. Caribbean Development Bank (CDB)
2. Caribbean Community Climate Change Centre (CCCCC)

#### National DAEs:

1. Department of Environment of Antigua and Barbuda (DoE)
2. Protected Areas Conservation Trust of Belize (PACT)

Enhanced Direct Access<sup>3</sup> is an improved form of Direct Access whereby responsibilities have been devolved to the national or regional level, supporting the channelling of climate financing to homegrown organisations in developing countries. Acquiring Enhanced Direct Access (EDA) Accreditation with the GCF requires broader institutional capacities of the NDA and of the funding entities within the developing country. It differs from other GCF access windows because it allows for individual sub-projects to neither have to be presented in the funding proposal, nor subsequently submitted to GCF for approval. Instead, the decision-making for such sub-projects is devolved at the country level through preapproved selection criteria.

EDA is aimed at enhancing country ownership of projects and programmes through a dedicated access window for GCF's DAEs. It allows for an enhanced devolution of both funding decisions and project oversight and management to be made at the country or entity level.

## 2.5. Project Size

Funding from the Fund for projects/programmes falls into one of four categories for size of the projects. Different entities can be accredited for projects/programmes of maximum sizes of USD 10 million, USD 50 million, USD 250 million, and USD 500 million as outlined in Figure 8. These amounts include the total co-financing proposed for the project or programme. To be accredited for

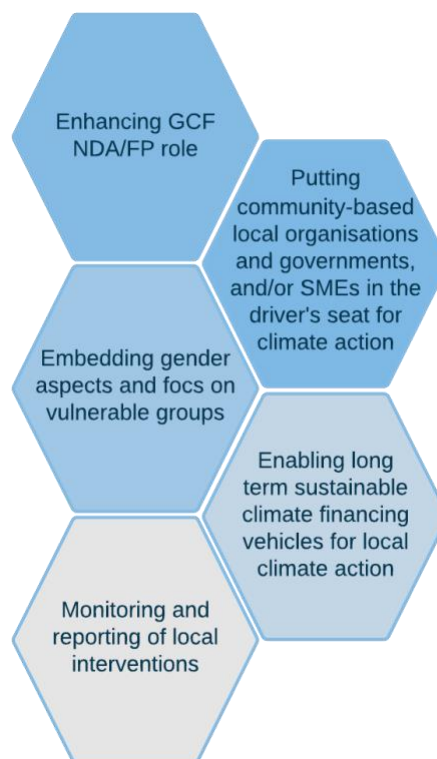


Figure 7: Features of Enhanced Direct Access Projects

<sup>3</sup> For further information on EDA: <https://www.greenclimate.fund/eda>

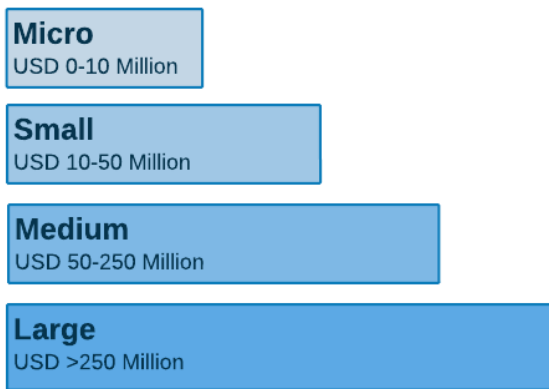


Figure 8: GCF Project Size Categories (Adapted from Green Climate Fund)

each of the categories, the entity is required to show that it has the capacity and previous experience to manage projects/programmes of similar size in the past.

It is essential for the NDA to know which project size the AEs it intends to work with are accredited for. This will help the NDA to strategically plan on how the country will engage with the Fund. For example, projects applying for Simplified Approval Process (SAP) are only within the Micro category of under USD 10 million.

## 2.6. GCF Financial Investments

Although the Fund has been mostly using traditional grants and concessional loans in its first years, the Fund's investments can be in the form of grants, loans, equity, or guarantees. This enables the Fund to match the project needs and adapt to specific investment contexts, including using its funding to overcome market barriers for private finance. In the process of approval and finalisation of projects and programmes with the Fund, the allocation of the total project amount to each of the investment types can be negotiated with the Fund's Secretariat.

**Grants** from the Fund are resources that are usually applied to support activities that are generally unfunded by the market, such as adaptation for vulnerable communities which typically do not have co-financing requirements, capacity building of institutions, and baseline data collection or feasibility studies. Grants from the GCF may also be utilized to account for additional investment costs that are necessary to make projects or programmes viable, and to make reduce the financial risk.

Grants can come in the form of reimbursable grants or non-reimbursable grants. The conditions of these are varying, subject to negotiation with the GCF Secretariat, and outlined in the conditions of each project or programmes' financing agreement.

**Concessional Loans** offer soft lending with low to no interest rates and conditions that include longer repayment and grace periods. Concessional loans also typically include a grant element, and this type of the Fund's investment provides for conditions that are more favourable than market terms.

**Equity** is utilized by the GCF to provide an investment into the project or asset to leverage debt, and allow for the possibility of better returns. This type of investment is typically utilized when a project has substantial risks, but also has a chance of success and returns to the holders of equity.

**Guarantees** from the GCF are commitments that mitigate investment risk in which a guarantor undertakes to fulfil the obligations of a borrower to a lender. This can cover the entire investment, or just a portion of it, which would be called a partial guarantee.

## 2.7. Opportunities for Engagement with the GCF

There are several avenues for accessing resources from the Fund, and the following sections outline the different options available to determine which are most appropriate based on the activity, programme, or programme, and why each of these is relevant to St. Vincent and the Grenadines.

**GCF Readiness and Preparatory Support Programme:** With country drivenness being the cornerstone of the GCF's work, the GCF provides support to build institutional capacities of the country's NDA to access funds and maximise their strategic engagement with the GCF. Building the 'readiness' of a country to access GCF resources should be done on an ongoing basis, and as a part of an iterative process to strengthen a country's engagement with the GCF.

The Readiness Programme is designed to support countries' engagement with the GCF by empowering developing countries to, inter alia:

- Develop strategic frameworks for engagement with the Fund;
- Enable their regional, national, and sub-national institutions to meet the accreditation standards of the GCF;
- Develop initial pipelines of programme and project proposals aligned with the objectives and investment criteria of the GCF; and
- Engage across government at various levels, and with civil society and private sector stakeholders.

Resources may be provided in the form of grants or technical assistance, and all developing countries that are Parties to the UNFCCC can access the GCF Readiness Programme. 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 an NDA or Focal Point to deliver on the GCF's requirements; and
- Up to USD 3 million per country for the formulation of National Adaptation Plans (NAPs) and/or other adaptation planning processes.

Countries may submit multiple proposals over multiple years to best meet the needs of the country over time. However, the amount that an individual country can access is capped at a maximum of USD 1 million per country, per year.

In response to the COVID-19 Pandemic, the GCF introduced GCF Readiness Support to Climate Resilient Recovery. The deadline for submission of expression of interest for this support modality was 28 February 2021, with St. Vincent and the Grenadines being one of the countries that leveraged this opportunity. Since then, the GCF has continued to provide additional flexibility and support tailored to COVID-19 recovery.<sup>4</sup>

**Concept Notes:** Project proponents may, on a voluntary basis, submit a concept note for feedback and recommendations from the GCF Secretariat in coordination and consultation with the NDA. Concept Notes provide basic information about a project or programme that an AE or project proponent is submitting to the GCF for funding approval.

The purpose of submitting concept notes is for the project proponent to have an opportunity to solicit feedback and guidance at an early stage to allow for strengthening and further development of the project/programme idea prior to submitting the full proposal for funding.

The GCF concept note template includes three main sections:

*Section A: Project/Programme Summary* – outlines essential information on the project or programme, including an overview on impact, rationale, and costing.

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<sup>4</sup> The sustained modalities of support offered by the GCF – and other climate funds – are highlighted in this [Green Climate Fund Statement from July 2021](#).

*Section B: Project/Programme Information* – further develops details of the project or programme that will assess the economic and technical aspects of the proposal, including context and baseline, and expected results aligned with GCF investment criteria.

*Section C: Indicative Financing / Cost Information* – includes documents that can be submitted along with the concept notes. This component is optional, but recommended, as it assists the Secretariat in their review.

The concept note may be submitted by the AE or the NDA, and while it is not a mandatory step in the process, it is strongly encouraged to receive feedback from the GCF Secretariat to ensure that the project is on the right track, to avoid waste of resources, and to facilitate a faster review process and the increased likelihood of approval.

Concept notes may also be submitted to the GCF when the Private Sector Facility (PSF) issues requests for proposals (RfPs) that fund and mobilize institutional investors and corporate funding to leverage GCF's funds with the private sector.

Prior to submitting a concept note, the project proponent must ensure that it has undertaken the following actions:

1. Inform the NDA about the proposed activity to be implemented in their country, and commence consultations with a view to confirming it is in accordance with the country's strategic framework and priorities; and
2. Inform the GCF Secretariat that the project proponent has commenced consultations with the NDA.

It is especially important to cover aspects of Gender, Environmental and Social Safeguards, and reporting mechanisms for the project/programme in the Concept Note. This Toolkit provides further detail on these components in Section The GCF Project Cycle).

**Project Preparation Facility:** The GCF's Project Preparation Facility (PPF) provides support to develop promising concept notes into full funding proposals. These requests for support from the PPF are developed by AEs, and approved by the GCF's Board based on the GCF's investment criteria, and the justification of the need for support for project preparation. The support from the PPF is usually in the form of grants, and is capped at USD 1.5 million per project, but are not to exceed 10% of the total project or programme costs for the GCF to finance.

*The following activities are supported by the PPF:*

- Pre-feasibility and feasibility studies, and project design;
- Environmental, social, and gender studies;
- Risk assessments;
- Identifying programme and project-level indicators;
- Pre-contract services, including revision of tender documents;
- Advisory services and/or other services to financially structure a proposed activity; and



- Other project preparation activities, where necessary.

To submit an application to the PPF, the AE must have submitted a concept note to the Secretariat accompanied with a letter of no-objection signed by the NDA, which will ensure that the project or programme is aligned with national priorities, and has full country ownership. The full funding proposal developed through the PPF should be submitted to the GCF Board for approval within two (2) years of the approval of the PPF request. The application should be undertaken in three steps, as outlined in Figure 10.

The NDA can assist the AE in completing the PPF application, engaging stakeholders in the project/programme design for the provision of the letter of no-objection, and, where necessary, the creation of the Concept Note.

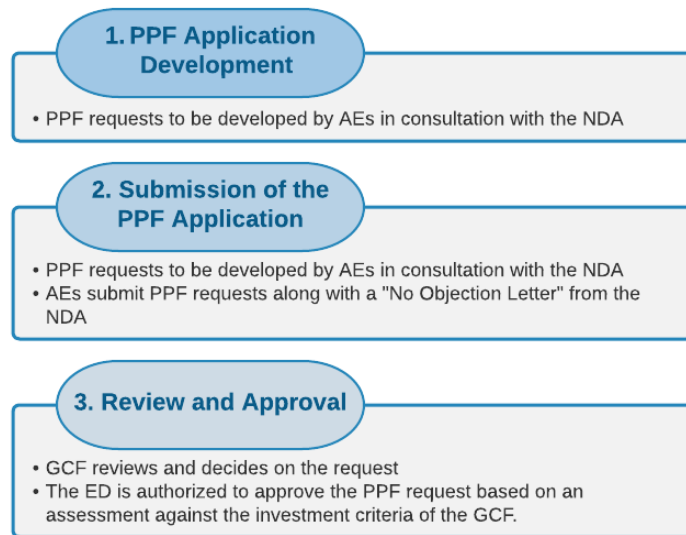


Figure 9: Main Steps for PPF Application

Once the project receives funding, the AE becomes responsible for its implementation. However, it remains important that the NDA also ensures that the AE reporting standards meet the requirements of the GCF. This is essential to ensure consistency between parties, and in the achievement of deliverables.

**Simplified Approval Process (SAP):** This process intends to reduce the time and effort needed in the preparation, review, approval, and disbursement procedures for proposals of certain activities—and small-scale activities in particular. The documentation to be provided is reduced, while the review and approval processes are streamlined. SAP was an initiative spearheaded by SIDS to allow for smaller developing countries to access resources in a more efficient manner, given the size and capacity of many SIDS. The SAP has three main eligibility criteria that are outlined in Figure 10. Further information on the Simplified Approval Process, including an SAP concept note template with an Environmental and Social Safeguard (ESS) checklist, is available on the Fund's website.

SAP funding is geared towards projects with no known Risk Factors, or Risk Factors that are well understood, small, and clearly addressable. This could include projects such as:

- Early warning and other monitoring systems;
- Household-level facilities such as rainwater harvesting and small-scale renewable energy;
- Small-scale rural and urban community-based projects such as

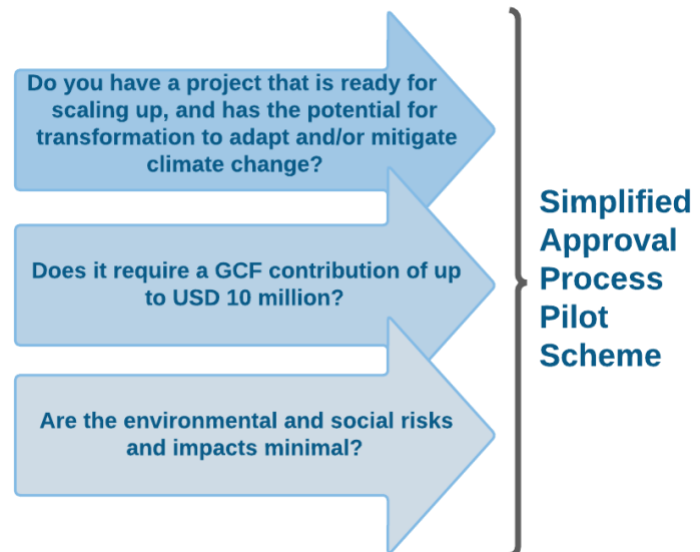


Figure 10: Eligibility Requirements for the SAP

- village water supply and drainage; and
- Climate-resilient agriculture.

**Projects and Programmes:** The final stage of accessing resources from the GCF is the provision of financing to climate resilient and low-emission projects/programmes that contribute to the achievement of at least one of the strategic areas outlined in the section above on Strategic Areas Supported by the GCF. Applications for funding are submitted through AEs with the endorsement of the NDA via the Letter of No-Objection. With no national AEs, St. Vincent and the Grenadines' NDA can work with regional and international AEs for the submission of proposals to the GCF for approval.

**The GCF's Private Sector Facility:** The GCF has placed significant emphasis upon the value of engaging the private sector to ensure that the GCF-related activities are maximized to provide for transformation solutions and catalyse private finance. Partnering with the private sector in the formulation and implementation of adaptation and mitigation strategies, and the development of viable projects and programmes, including Public-Private Partnerships (PPPs) is critical not only to leverage co-financing, but also for harvesting the diverse sustainable development co-benefits of GCF projects.

In light of the importance placed upon the private sector, the GCF established a Private Sector Facility (PSF), with a primary mission to engage both the local and global private sector to support climate change mitigation and adaptation projects in developing countries.

The PSD aims to change the current paradigm by de-risking the delivery of private capital, and scaling up private sector investment flows for low carbon and climate resilient development. It further aims to encourage institutional investors such as banks, pension companies, and insurance companies to co-invest alongside the GCF.

The PSF has thus far established two mechanisms for accessing finance: (i) [the mobilization of funding at scale programme](#); and (ii) the Micro-, Small-, and Medium-Sized Enterprises (MSME) Programme. Through these programmes, the PSF issues RfPs to AEs or potential AEs to support the private sector in mitigation and adaptation projects in developing countries under the umbrella of the programme.

The PSD uses a flexible range of financial instruments, including debt, equity, and guarantees. It can also combine these instruments with concessional funding to promote private sector investing in the GCF areas of core activity by:

- De-risking investments, including foreign exchange and investors' default;
- Bundling small projects into portfolios, providing scale, and making them attractive to institutional investors;
- Supporting capacity building amongst different groups and local institutions;
- Helping develop public-private partnerships for infrastructure resilience projects;
- Encouraging innovation, for example by overcoming scale projects and fragmentation within the supply chain; and
- Being active in the clean energy, climate resilience, and sustainability communities.

As the PSF is more informal than the conventional GCF approach, it can follow a variety of formats. Figure 11 provides a suggested workflow for helping the NDA to engage with the PSF.

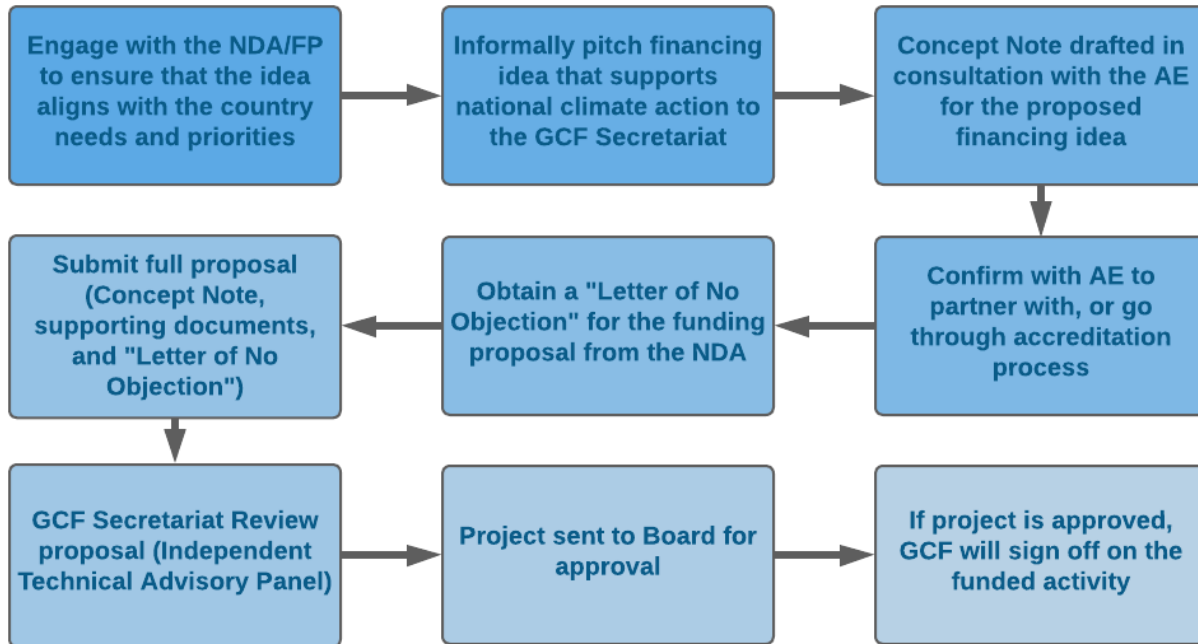


Figure 11: Suggested PSF funding proposal approach [Source: SVG Operations Manual]

Detailed guidance on how the private sector can engage with the GCF can be found further on the GCF's [PSF website](#), and through a [comprehensive guidebook](#) that relevant organizations have developed.

## 3. ST. VINCENT AND THE GRENADINES' NATIONAL DESIGNATED AUTHORITY

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### 3.1. Roles and Responsibilities of the NDA

An NDA<sup>5</sup> is the fundamental intermediary and point of communication between a country and the GCF. It is a government entity that is tasked with coordinating and conveying the climate change related activities and interests of the stakeholders in SVG to the GCF Secretariat. Further, the NDA is the authority that the GCF recognizes for all legal matters pertaining to the GCF, and as the official signatory on behalf of the government. As per the GCF's requirements, the NDA is responsible for seeking to “ensure that activities supported by the GCF align with strategic national objectives and priorities, and help advance ambitious action on adaptation and mitigation in line with national needs”.<sup>6</sup>

The NDA should have a mandate that enables the institution to work on and influence an appropriate combination of economic policy and development planning, with appropriate leverage over climate change, energy, sustainability and environmental resource management priorities, strategies, and actions. The NDA should be empowered and recognized nationally as an important actor in the implementation of country-owned and driven ambitious action on adaptation and mitigation. It should therefore have the capacity to not only undertake the functions, but also provide oversight at the national level.

In St. Vincent and the Grenadines, the NDA is the [Ministry of Finance, Economic Planning, and Information Technology \(MFEPIT\)](#). Within the NDA, the [Economic Planning Division \(EPD\)](#) is responsible for the development and production of the NESDP, which serves as the foundational guiding Plan for national climate change action (among other activities). The EPD also serves as the focal point of the MFEPIT to the GCF. The Sustainable Development Unit (SDU) within the Ministry of Tourism, Civil Aviation, Sustainable Development and Culture is responsible for the coordination of the National Climate Change Policy of SVG, and will play an important collaborative role in facilitating the NDA's responsibilities with respect to the GCF.

As the legal representative for a country's relationship with the GCF Secretariat, it is a requirement that the NDA also formally communicates to the Secretariat all information regarding communication channels, roles, and responsibilities. This information facilitates the relationship between the NDA and the GCF, and is also posted on the website. This communication provides a detailed level of clarity, including the roles and responsibilities of the focal points within the NDA, and which parties are responsible for specific elements of the relationship with the GCF at the different stages of development and implementation of readiness requests and project/programme proposals. It is also important to note that the NDA is typically not seen as a source of financing, but rather as an intermediary and a focal point for coordination between national stakeholders and the GCF.

The five main functions and responsibilities of the NDA as required by the GCF are:

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<sup>5</sup> The GCF maintains and up-to-date directory of NDAs on their website: [St. Vincent and the Grenadines' Country Profile](#)

<sup>6</sup> Taken from the GCF Concept Note User's Guide: <https://www.greenclimate.fund/sites/default/files/document/gcf-concept-note-user-s-guide.pdf>

- Provide **broad strategic oversight** of the related GCF's activities within the country, thus ensuring alignment with the national sustainable development objectives and frameworks, including climate change strategies and policies, such as the National Climate Change Policy (2019), National Adaptation Policy (NAP) for St. Vincent and the Grenadines, Nationally Determined Contributions (NDCs) under the UNFCCC, and the National Economic and Social Development Plan NESDP);
- Convene relevant public, private, and civil society **stakeholder consultations** to identify priority sectors and needs to be translated into project proposals to the GCF;
- Communicate **nominations of entities** (national or regional, subnational, public, and private) seeking accreditation to the GCF under the 'direct access' track;
- Implement the **no-objection procedure** on funding proposals submitted to the GCF, to ensure that consistency of funding proposals with national climate change plans and priorities have been checked and validated through nationally appropriate processes; and
- Provide leadership on the deployment of different types of **readiness and preparatory support funding** in the country.

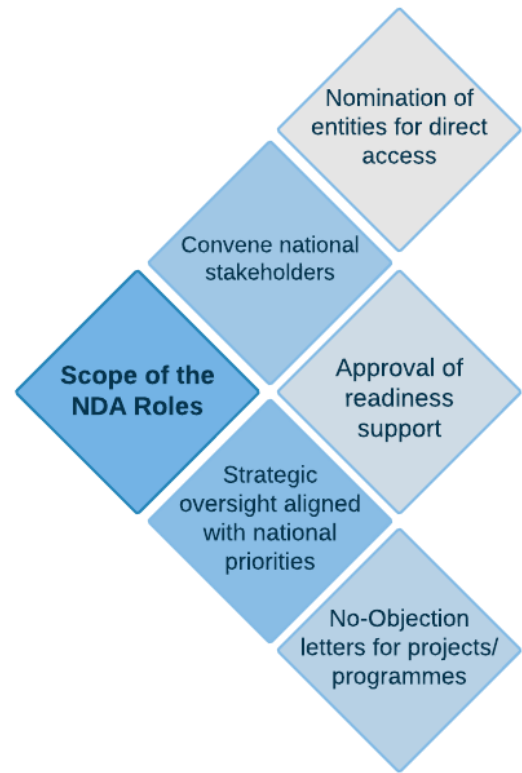


Figure 12: NDA Functions (Source: Adapted from Green Climate Fund)

In addition to the fine main functions mandated by the GCF, the NDA has broader and more practical responsibilities and day-to-day functionality<sup>7</sup> which are elaborated further in

<sup>7</sup> Further information on guidelines for NDAs or focal points available in Annex XIII of the Decisions of the Eighth Meeting of the GCF Board: GCF/B.08/45

Annex 3: Full List of Responsibilities of the NDA. The full spectrum of responsibilities requires sustained and established capacity whose work is dedicated to the GCF.

## 3.2. St. Vincent and the Grenadines' NDA

To manage and implement the mandate and responsibilities of the NDA, a team is required at the working level. The NDA must be able to carry out the day-to-day functions of GCF responsibilities, but must also be able to respond rapidly to any questions that may arise at varying stages of project development, submission, and accreditation.

The GCF, only becoming operational in May 2014, is still developing and updating many of its requirements and policies. Since the GCF's first formal replenishment of the GCF and the first formal review, initiated at the 21<sup>st</sup> Meeting of the GCF Board in October 2018, the GCF has reviewed its operational priorities over the last two years, and its policies are continuing to evolve at a fast pace.

It is therefore crucial for the NDA to be able to keep up-to-date with new developments, and attend and strongly participate in GCF workshops and meetings. In many circumstances, capacity constraints through lack of adequate staffing can lead to the inability to build lasting capacity and truly develop country-ownership. This, in turn, can prevent timely access to GCF resources.

It is therefore crucial for the NDA to:

- Ensure it has the capacity, resources, and the required expertise to fulfil its functions;
- Raise awareness within public sectors as well as with the private sector and civil society about opportunities and requirements with the Fund;
- Continuously find ways to improve the efficiency of processes, including decision-making related to funding proposals, by maintaining strong engagement with all stakeholders; and
- Actively participate in the GCF Readiness programme through the NDA and AEs knowledge-sharing, and a market-place for NDAs and AEs.

## 3.3. NDA Structure

The structure of the NDA and the EPD (i.e., the Division within the NDA holding GCF responsibilities) can be found in Figure 14 below, which outlines an organogram of the Ministry of Finance, Economic Planning, and Information Technology.

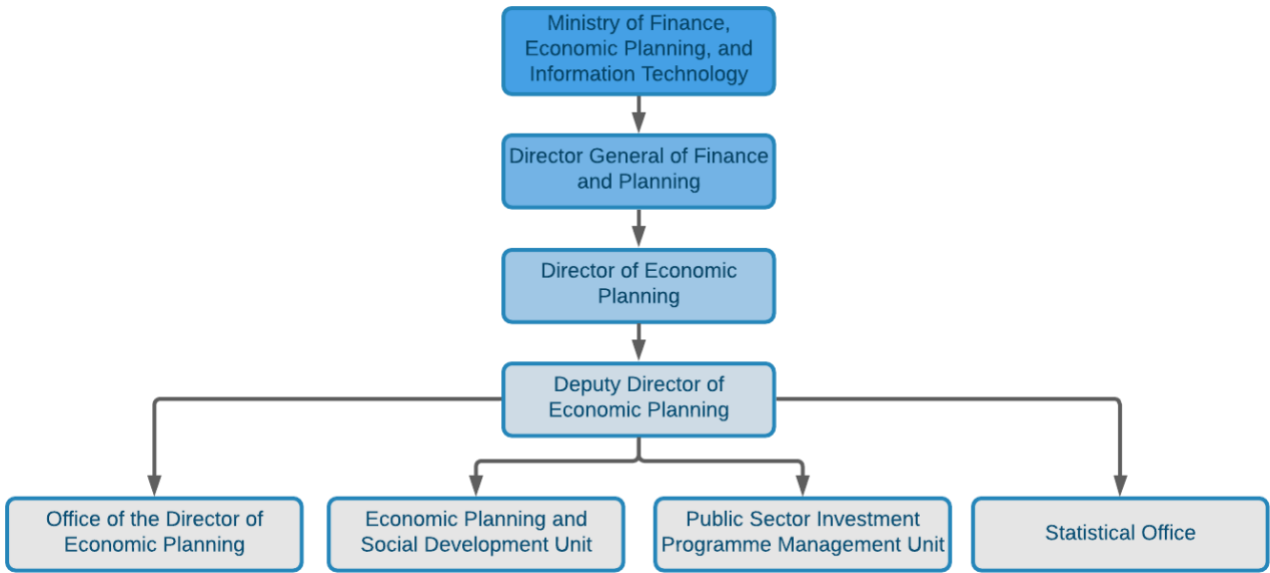


Figure 13: Organogram of the Ministry of Finance, Economic Planning, and Information Technology

## 4. ST. VINCENT AND THE GRENADINES' COUNTRY PROGRAMME

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St. Vincent and the Grenadines' existing Country Program provides an overview of the country's vulnerabilities to climate change, summarizes the existing national framework to combat climate change, and identifies gaps in preparation for future impacts of climate change. The Country Program was developed over a series of stakeholder consultations from 2018-2019, followed by a validation workshop and a period to gather feedback. These consultations and existing documents helped identify country priorities for the GCF.

A number of actions have been undertaken nationally to address climate change by integrating climate change considerations into policies and legal instruments that govern a number of sectors. In addition, frameworks related to climate change are categorized thematically:

- **Water resources:** There is no national water policy or water management plan, but there is a draft roadmap toward integrated Water Resources Management (WRM) planning for Union Island, St. Vincent and the Grenadines. The 2019 *National Adaptation Plan for the Water Sector* complements the NAP and recognizes that the water sector is one of the most vulnerable to climate change. The NAP for the Water Sector provides an opportunity to modernize the sector by introducing new technologies that will increase productivity, improve resource efficiency, sustain livelihoods and improve rural welfare.
- **Transport:** A transport Nationally Appropriate Mitigation Action (NAMA) seeks to reduce greenhouse gas emissions in the transport sector by 10% against a BAU scenario by 2025, consistent with the unconditional target in the NDC (2015).
- **Disaster risk management:** SVG has participated in regional initiatives that address elements of climate change and disaster risk reduction such as the Caribbean Planning for Adaptation to Climate Change Project, Mainstreaming and Adaptation to Climate Change Project, the Special Program on Adaptation to Climate Change Project, the OECS Regional Disaster Vulnerability Reduction Project, and the Pilot Project on Climate Resilience. SVG is a member of the Caribbean Disaster Emergency Management Agency (CDEMA) to respond to disasters wherever they occur in the region.
- **Other relevant legal instruments** include the National Energy Policy (2009), Energy Action Plan (2010), National Disaster Plan (2005), National Emergency and Disaster Management Act (2006), Comprehensive National Disaster Management Plan, forest management policy documents, biodiversity-related policy documents, and land degradation-related documents.

Similarly, the climate related initiatives developed at national, sub-national and local levels are listed in the country program. [The Country Program includes mitigation and adaptation projects across various sectors that can be further developed in concept notes and later GCF projects.](#) The areas covered include renewable energy and energy efficiency, agriculture, water resources, disaster risk management (including the upgrading of meteorological services), and health. Regional initiatives have also been listed. Key identified gaps are listed below:

**Coordination:** As of mid-2019, the structure and functionality of the Climate Change Adaptation (CCA) coordination mechanisms in SVG were limited. A functioning mechanism for dialogue and coordination among cross-sectoral stakeholders is critical for the success of the strategy but it is currently lacking. There is no coordinating mechanism on climate change between the MFEPIT and other ministries (except for the Ministry of Finance on financial and budgeting decision). This is an area for improvement to operationalize the NTACCC, as well as an area that this technical body can build on for improvement.



**Access to Finance:** There are not many financial actors within the country involved in financing climate change projects. In terms of adaptation, NEMO (the administration in charge of disaster risk reduction), MFEPIT, and the National Focal Point Agency for the UNFCCC are key. For mitigation, the main actors include VINLEC for investments in renewable energy and energy efficiency, and the Ministry of Agriculture (including forestry services). The Energy Unit is also implementing projects on renewable energy development like geothermal and solar, but is not mentioned in the Country Program. While the roles of each actor have been identified, improved coordination for better cohesion amongst the actors and strengthening institutional capacities would support the institutions in carrying out their mandates more effectively. In the case of MFEPIT, efforts in climate change need to be institutionalized as standard regulatory practice and human resources of the ministry must be increased for climate change policy and planning.

*Table 1: Sources of domestic and international funding in St. Vincent and the Grenadines. (Source: St. Vincent and the Grenadines' Country Programme)*

Type of financing source	Description of financing sources
Domestic	National Budget, fiscal instruments, Ministry of Agriculture, Forestry, Fisheries, and Rural Transformation, Industry and Labor
	Ministry of Finance, Economic Planning, and Information Technology
	Other relevant SVG institutions and funds
International	<u>International institutions and countries:</u> World Bank, IFAD, UNDP, FAO, GM, UNESCO, GEF, NGOs, The Netherlands, Japan, Italy, Canada, Denmark, EU, USA, other UN agencies, International Climate Initiative of Germany, etc.
	<u>Financing instruments and mechanism:</u> GCF, Adaptation Fund, SCCF, CIF, United Kingdom Environmental Transition Fund, etc.

Most funding for climate change planning and implementation comes from multilateral donors like the Green Climate Fund and the Global Environmental Facility as well as bilateral donors like the European Union and North American governments. In addition to the Readiness Program, SVG is part of the “Sustainable Energy Facility for the Eastern Caribbean” for investments in geothermal development which is estimated to be completed by 2027, but the country has yet to receive individual funding for a project. Certain regional programs through the CCCCAs also funnel resources to SVG. The ability to access and mobilize these funds in a timely manner, however, is challenging. In some cases, loan conditions from bilateral and multilateral donors such as the Global Environmental Facility and European Union have proven to be counter-productive for natural resource management because they fragment environmental issues and initiatives. Additional financing mechanisms needs to be identified and developed, such as public-private partnerships and fiscal incentives like tax incentives.

The financial sector and credit unions have expressed the need to develop an insurance system and the prerequisite to build knowledge on guarantee mechanisms as well as climate-related funding instruments. The banking sector has called for the formation of a working group to gather SVG’s Chamber of Industry and Commerce, banks, insurance companies and ministries to enhance and facilitate the discussion on climate finance. Insurance against devastating disasters like hurricanes and earthquakes need further development by expanding the scope of the Caribbean Catastrophe Risk Insurance Facility SPC and making it mandatory for the government to subscribe to insurance where possible.

**Capacity building and engagement of stakeholders:** Limited human, financial and technical resources is a critical issue across various priority areas and sectors. The EPD and the larger MFEPIT needs to have an adequate number of staff and resources to understand, coordinate and implement a number of on-the-ground projects. In particular, legal and accounting as well as sustainable financing expertise combined with environmental expertise is needed.

**Information management, research and monitoring:** A comprehensive system of research, monitoring and information management for climate change is needed to provide reliable data for decision-making, and to

enable experimentation and innovation. There is currently limited baseline data on climate vulnerabilities as well as climate change trends. Where data is available, there is limited dissemination of this information across sectors. There is also no central repository for accessing or contributing available data and information by various parties including civil society and the private sector that may be able to assist in implementing climate change measures. An effective system or “data bank” to develop GHG inventory and supporting data like vulnerability mapping, mitigation pathway modelling and analysis is crucial to formulating comprehensive GCF proposals.

**Designated team to handle GCF matters:** The Economic Planning Division within the MFEPIT is the GCF focal point. There is no formal institutional setting at the MFEPIT with regards to GCF matters and there are no formal processes within the NDA for managing GCF projects given the size of the team. Under the first GCF Readiness Programme, funding was provided to support the establish coordination mechanisms within the NDA. The NDA team has a contact point, a GCF Regional Advisor based in Grenada, GCF Readiness Programme Office responsible for the Caribbean region. At present, SVG mainly interacts with the CCCCCs as its main engagement with a GCF Accredited Entity. SVG also has relation with the United National Development Programme (UNDP) and the Caribbean Development Bank (CDB). The establishment and operationalization of the NTACCC will also improve the resources and human capacity available to address climate-related issues.

The GCF Country Programme aligns with the Public-Sector Investment Program (PSIP) and the project cycle, and is to be updated in accordance with any new development related economic circumstances, adaptation and mitigation information, or viability of costs of options that arise. The PSIP Unit in the MFEPIT is tasked with the overall coordination and management of the PSIP. The Unit is responsible for monitoring and implementation of the PSIP and particular projects including externally funded projects executed by Economic Planning. The Ministry of Finance has strengthened the project selection process through the development of a project concept template as part of its PSIP tasks.

## 5. STAKEHOLDER ENGAGEMENT

Convening of national stakeholders is a core function of the NDA. Stakeholders include those that will be affected by and/or may participate in any of the GCF's activities, including government entities, civil society, project developers, financial institutions, universities, and/or research institutions, private sector organisations, businesses, and local communities, including vulnerable groups and women. Meaningful stakeholder consultation—in terms of design and involvement in execution—form the basis of grounding projects and programme in a country driven approach, and contribute to ensuring successful implementation and longevity of the results.

In addition to the NDA having the responsibility of convening national stakeholders, in line with the GCF's [Guidelines for Enhanced Country Ownership and Country Drivenness](#), the project proponent—usually the AE—is required to identify their stakeholders through a stakeholder mapping assessment, and then also consult with the relevant stakeholders on their particular project or programme. As is required by the GCF's [Gender Policy](#), the proponent should ensure that all consultations are gender equitable.

### 5.1. Principles of Engagement

While the Government remains the key decision-maker, there are many other stakeholders that influence, and should be facilitated to influence the decision-making process. Stakeholder engagement activities are therefore essential for effective partnership with, and support from the GCF. Several key guiding principles should be considered when conducting stakeholder engagement activities to ensure they are aligned with the GCF's expectations and requirements. These are highlighted in Figure 1.5.

### 5.2. Who to Engage

Understanding the breadth and dynamics of stakeholders relevant to climate change issues -at both a broad national/regional level, and a specific project/programme level- is essential for maximizing their effectiveness and inclusivity in engaging with the GCF and broader climate change decision-making and actions.

The mapping and identification of relevant stakeholders is a crucial foundational step in facilitating future engagement. Stakeholders can be identified and disaggregated through a range of criteria, which could include:

- The type of stakeholder (National or subnational Government Ministry or agency, Private Sector, NGOs, faith- or community-based organizations, etc)



Figure 1.4: Recommended principles to guide engagement (Adapted from GCF)

- Thematic, economic activity, and/or geographical focus of the stakeholder, and their emotional stake in an issue
- Size and scope (or relative influence) of a stakeholder group within a community, country, or region
- Relevant financial or political positions of stakeholders
- Vulnerability or marginalized status of stakeholder (e.g., gender and disability-based groups)

The NDA already has several lists of relevant stakeholders that have been referenced in the National Climate Change Policy, and previous Readiness activities. These have been consolidated and summarized in Annex 1: Key Stakeholders for climate change in St. Vincent and the Grenadines.

Depending on the activity at hand, the NDA can draw upon its list of relevant stakeholders to identify which actors should be engaged. Table 2 highlights the key stakeholder groups that need to be engaged by the NDA at various points of GCF-related activities.

Table 2 Summary of stakeholders to be convened for various activities (Source: GCF)

For what?	Who?										How often?	Method?	
	Sector ministries	CSO	Academia	Private sector	Sub- & National inst.	Dev. partners	AE	EE	Readiness DP	GCF			
Awareness raising on GCF	x	x	x	x	x		x		x	x	On a regular basis  And/or  Triggered by certain occasions: • Submission of FPs, • Development or revision of the CP/NoP • After board meetings etc.	Active interaction & participation: meetings, e.g. structural dialogue workshops  And/or  Less active: information on the homepage, mails, newsletter, newspaper, etc.	
Development of CP	x	x	x	x	x	x	x		x	x			
Development of NOP	x	x	x	x	x	x	x	x	x	x			
Assess FP against established NOP	Depends on NOP												
Annual monitoring and updates		x		x			x			x			
Regular communication on latest GCF development	x	x	x	x	x	x	x		x	x			

### 5.3. When to Engage

Given the breadth of NDA responsibilities in relation to GCF activities, there are several points at which robust stakeholder engagement should be conducted and demonstrated. As a core component and expectation of GCF-supported activities, stakeholder engagement should be sustained, and must demonstrably take place throughout the project or activity cycle. Some of the areas in which engagement is necessary have been summarized in Table 3 above. However, there are more specific GCF activities that

the NDA and AEs are involved in, and that require robust and continuous stakeholder engagement. The broad areas where such engagement is necessary are outlined in Table 3 below:

*Table 3: Summary of when stakeholders should be engaged, and for what purposes*

GCF-related Activity	Role/Importance of Stakeholder Engagement
Alignment with national strategies and priorities	<ul style="list-style-type: none"> <li>- Supporting the articulation of climate change challenges</li> <li>- Identification of potential gaps and opportunities for financing of activities</li> </ul>
Development and management of No-Objection Procedures	<ul style="list-style-type: none"> <li>- Support in the establishment of the No-Objection Procedure Criteria</li> <li>- Actively engage in the No-Objection Procedure to review proposals for alignment with GCF criteria and national policies and priorities</li> </ul>
Formulation, review, and revision of the Country Programme	<ul style="list-style-type: none"> <li>- Support in the alignment of national priorities with the GCF Criteria</li> <li>- Identify opportunities to leverage climate finance as a catalyst for necessary and effective interventions</li> <li>- Facilitate and participate in the selection of strategic partners to contribute to the realization of targets and outputs</li> </ul>
Identification, selection, and development of pipeline projects	<ul style="list-style-type: none"> <li>- Participate in the issuance of No-Objection Letters</li> <li>- Convene and participate in annual meetings to review progress on project or programme implementation</li> <li>- Promote the development of relevant and high-impact projects in line with national and CP Priorities</li> </ul>
Formulation of Environmental and Social Management Plans (ESMPs), when required	<ul style="list-style-type: none"> <li>- Ensure participation and awareness of the identification, mitigation and redressal of environmental and social risks and impacts (primarily the responsibility of the AE)</li> <li>- Validate robust engagement of stakeholders regarding environmental and social risks and impacts (primarily the responsibility of the NDA)</li> </ul>
Monitoring, Evaluating and Reporting of the Country Programme and projects	<ul style="list-style-type: none"> <li>- Provision of data and findings on the progress and results of GCF-supported activities</li> <li>- Development of findings, lessons learned, and recommendations to facilitate adaptive management of the activities</li> </ul>

## 5.4. How to Engage

The NDA and AEs have several tools and mechanisms through which stakeholder engagement can be conducted, and demonstrated to the GCF. In the development of the Country Programme and project designs, the following documents and activities can be utilized to facilitate and record robust stakeholder engagement:

- A summary of **stakeholder mapping** activities that identify and disaggregate relevant stakeholders;
- An account of the **activities and processes used** to convene and engage stakeholders, with an indication of the methods and measures applied to ensure inclusion;
- A summary **record of the inputs made** during the consultation processes;
- A description of the **expected role of the various stakeholders** in Country Programming and project execution;
- A summary of the **technical assistance and other capacity-building activities** that may have been conducted as part of the consultation process, and of those that will be required during CP and project implementation; and

- A presentation of the **mechanisms that will be used to sustain engagement** during the implementation phase.

The NDA can develop and leverage various instruments to streamline, institutionalize, and guide the development and execution of stakeholder engagement activities related to the GCF. These include:

- Guidelines for stakeholder engagement in the Country Programming process at various stages, including the initial development of the CP, and during the monitoring, review, and revision phases;
- Guidelines for stakeholder engagement during the development of concept notes and funding proposals for AEs and project proponents to reference;
- A Stakeholder Communication Strategy and Action Plan to guide overall stakeholder engagement goals, activities, and approaches; and
- The development and utilization of knowledge products, including infographics, video infomercials, a Country Programme handbook, a website, and traditional- and social-media coverage.

As the NDA for St. Vincent and the Grenadines, the MFEPIT already has considerable resources and avenues through which it can facilitate and advance its stakeholder engagement responsibilities. As mentioned earlier, the extensive existing lists of identified stakeholders provide a strong foundation for the development and utilization of a consolidated stakeholder mapping list.

St. Vincent and the Grenadines has also previously undertaken consultative processes to develop public policies, strategies and action plans, in particular those related to climate change. These consultations typically included multiple rounds of engagement with a wide range of stakeholders in government, the private sector and civil society.

In foundational guiding documents such as the National Climate Change Strategy and Implementation Plan, the level (number, gender, and type) of stakeholder participation is integrated as a key indicator for climate change action implementation and progress. In particular, the Strategy and Implementation Plan aims for at least 25% of stakeholders engaged by 2025 to be women, civil society and private sector representatives. These previous engagement activities, and targets and commitments for climate change-related stakeholder engagement going forward can provide crucial guidance in the development and implementation of stakeholder engagement strategies that are aligned with both GCF requirements and national priorities.

Specific to the GCF, St. Vincent and the Grenadines has engaged in GCF Readiness Programmes that have led to the development of documents such as a GCF Operations Manual for SVG, and a Communication Strategy. The former has highlighted stakeholder engagement conditions necessary for the NDA and Direct Accredited Entities (DAEs) to be compliant with GCF standards. The latter sought to create a strategy that promoted internal governmental coordination, private sector engagement, and broader national community awareness of GCF activities.

These existing Readiness documents should continuously be reviewed by the NDA to verify the relevance and necessity of interventions identified, and to monitor and evaluate the implementation of interventions deemed necessary.

Lastly, the Government of St. Vincent and the Grenadines has institutional arrangements outside of the purview of the NDA that can be leveraged to support in GCF-related activities, including necessary stakeholder engagement. In particular, the National Technical Advisory Committee on Climate Change (NTACCC), which is housed within the Sustainable Development Unit (SDU) of the Ministry of Tourism, plays a crucial role in the convening of stakeholders for the No-Objection Procedure.

Mandated to be operationalized for national climate change action by the National Climate Change Policy and accompanying Strategy and Implementation Plan, the NTACCC is to have a broad range of composition that would include relevant GoSVG Ministries and implementing agencies from the national and local levels,

as well as representatives from civil society, the private sector, and academia and research institutions. The NTACCC would also have the authority to create thematic working groups, which will be able to nominate members from government, civil society, the private sector, and other institutions to participate in the activities of the specific groups. Such structures and institutional arrangements have a strong potential to complement and facilitate the stakeholder engagement activities of the NDA as they relate to the GCF.

To this end, the NTACCC will be leveraged to convene a GCF-specific technical working group that will support in the evaluation of project and programme proposals against GCF criteria and national plans and priorities. The stakeholder composition and engagement modalities of this GCF-specific technical working group are outlined in Section No-Objection Procedure for St. Vincent and the Grenadines.

The NDA should therefore seek to accelerate the leveraging of broader institutional arrangements within the Government of St. Vincent and the Grenadines, and ensure that the appropriate mechanisms are in place to facilitate effective coordination between the NDA and other relevant ministries, and subsequently draw upon their resources to execute GCF-related responsibilities.

## 6. GCF READINESS AND SELECTING DELIVERY PARTNERS

### 6.1. GCF Readiness and Preparatory Support

The Readiness and Preparatory Support Programme (also referred to as the Readiness programme) provides grants and technical assistance to NDAs and/or Focal Points, as well as for strengthening DAEs.

The objective of Readiness programmes is to enhance the capacity of national institutions to effectively engage with the GCF. It does so by supporting the strengthening of institutional capacities, governance mechanisms, and planning and programming frameworks towards a transformational long-term climate action agenda in developing countries.

The GCF aims for least 50% of the funding for readiness support to go towards particularly vulnerable countries, including SIDS, LDCs, and African States. Depending on the quality and needs of the proposals submitted, the Readiness programme can provide:

*Table 4: Overview of funding through the GCF's Readiness and Preparatory Support Programme*

Value (USD)	Purpose
1 million per country, per year	Support related to institutional capacity building, coordination, policy and planning, and programming for investment: <ul style="list-style-type: none"><li>- Up to USD 300,000 per year may be requested to directly support the strengthening of an NDA or Focal Point to facilitate delivery of the GCF's requirements</li><li>- Up to USD 100,000 can be used for NDA-led stakeholder meetings</li></ul>
3 million per country	Formulation of National Adaptation Plans (NAPs) and/or other adaptation planning processes

Further information about the Readiness programme is outlined in Section on Opportunities for Engagement with the GCF.

#### 6.1.1. Readiness Programme of Work

The updated Work Programme for 2020-2021 is outlined in [Annex II of GCF/B.26/05](#). Aside from grant-based readiness support, the GCF is also providing two other necessary forms of support:

- **Technical Support:** The GCF Secretariat will prioritize provision of technical support to vulnerable developing countries in accessing adaptation planning support, to countries that have not yet received financial support for NDA capacity-building activities, and to countries and DAEs for strategic programming and project development efforts
- **Rapid Readiness Support:** In response to the various impacts of COVID-19, the GCF is prepared to support countries in orienting ongoing and planned economic stimulus towards resilient and low emission development direction, crafting green resilient recovery measures and incorporating them into NDCs and stimulus packages, exploring innovative approaches to finance green recovery projects, and designing paradigm-shifting projects contributing to both green recovery and climate ambition.



- St. Vincent and the Grenadines has already leveraged this support modality, with the [Resilient Recovery Rapid Readiness Support proposal](#) submitted and approved in June 2021.

There are five (5) objectives that the GCF Work Programme for Readiness support seeks to address.

#### *6.1.1.1. Objective 1: Capacity-building*

This objective seeks to provide capacity-building support to NDAs, DAEs, and other stakeholders. For the NDA, this support could include, but is not limited to:

- Establishment and leading of effective national coordination mechanisms;
- Ensuring consistency of funding proposals from various AEs with national plans and strategies; and
- The GCF Secretariat will also develop a standard online training package and provide online or in-person standard trainings to enhance the capacity of NDAs to engage with the GCF.

The GCF aims to support DAEs in both the pre- and post-accreditation stages through:

- Pre-accreditation assistance for activities such as gap assessment and action plans; and
- Strengthening accredited DAEs' institutional and technical capacities in identifying, developing, and implementing innovative and paradigm shifting projects through strategic engagement and onboarding trainings, mentor support by experts, peer-to-peer learning and exchanges, and technical assistance from sectoral consultants and ESS/gender experts.

Other climate finance stakeholders, including civil society, private sector entities, and subnational actors who represent overlooked or marginalized groups will also be provided Readiness support in the form of:

- Training on GCF processes, policies, and procedures;
- Increased involvement at the national level to support NDAs in programming high-quality climate investment ideas; and
- Supporting and encouragement of country-driven coordination and planning, including South-South cooperation.

#### *6.1.1.2. Objective 2: Strategic Frameworks*

The GCF Secretariat provides extensive support towards national climate planning, including through:

- Supporting the development of Country Programmes, and ensuring alignment with country programming guidelines provided by the GCF;
- Supporting the development of long-term low-emission development strategies (LEDS), and linking the NDC to these LEDS;
- Supporting the updating of NDCs to ensure their viability and synergy with green stimulus and other development plans;
- Enhancing collaboration with several funds through alignment of programming at national levels;
- Supporting the development of MRV systems for climate finance flows; and
- Supporting the development and transfer climate technology.

### *6.1.1.3. Objective 3: National Adaptation Plans and adaptation planning processes*

GCF support for the adaptation planning processes seeks to catalyse action and investment, and adaptation project pipelines through:

- Providing guidance on proposal formulation based on lessons learned and good practices of the current project portfolio;
- Enhancing private sector engagement in adaptation;
- Improving the development of strong climate science to support decision-making through adaptation planning;
- Supporting countries to maximize the use of available funding, including through the submission of multiple sequential adaptation planning proposals that respond to adaptation challenges in a progressive and responsive manner;
- Supporting NDAs who wish to use national or regional delivery partners to develop and implement their adaptation planning proposals; and
- Prioritizing assistance to the most vulnerable developing countries that are yet to access adaptation planning resources.

### *6.1.1.4. Objective 4: Pipeline development*

GCF Readiness support places added emphasis on paradigm shifting pipelines of projects and programmes following the principle of country ownership. To this end, pipeline development and enhancement will be facilitated by:

- Supporting the uptake of the GCF Sectoral Programming Guidelines through trainings, programming dialogues, and standard knowledge products and dissemination;
- Sharing best practices and encouraging countries to prioritize concept notes developed under the readiness support;
- Supporting countries and DAEs to develop innovative projects and financing arrangements that promote green stimulus and ambitious climate actions;
- Supporting processes to identify and prioritize interventions to strengthen a project/programme pipeline and identify potential financing for each;
- Deploying independent technical experts from an established roster to support NDAs and accredited DAEs on aspects of PPF applications, and Concept Note and Funding Proposal development; and
- Enhancing collaboration with other funds through increased coherence at the activity level.

### *6.1.1.5. Objective 5: Knowledge sharing and learning*

With GCF-related policies, guidance, and procedures continuously being developed and updated, the timely and effective dissemination and learning of this information to NDAs, AEs, and other stakeholders is crucial. This will be facilitated through:

- Supporting the structured programming dialogues and (sub-)regional programming dialogues;
- Strengthening the GCF Secretariat's capacity to review, analyse implementation reports and deliverables; and
- Supporting the development of knowledge products and training materials for NDAs and DAEs capacity building.

## 6.1.2. Readiness Delivery Partners

Activities under Readiness programmes are implemented by Readiness Delivery Partners (DP). These partners are institutions or organizations selected by the NDA, and may be AEs or other institutions or organisations who meet the GCF's financial management capacities based on passing the GCF's Financial Management Capacity Assessment (FMCA).

Delivery partners may include international organizations such as multilateral development banks (MDBs), UN Agencies, and other international, regional, national and sub-national, public, or private institutions that are well-versed in readiness activities, and possess the relevant skills.



Figure 15: Services provided by Readiness Delivery Partners

The provision of leadership on the deployment of different types of *Readiness and Preparatory Support Funding* is one of the required functions of the NDA. In this capacity, the NDA will identify and select readiness interventions that will be beneficial to St. Vincent and the Grenadines, and decide on the assignment of responsibility for the implementation of the readiness intervention. This can be led by the NDA in its own capacity as Delivery Partner through the direct access modality, or through a selected Delivery Partner. One benefit of the NDA executing Readiness as its own Delivery Partner is that there is a clear opportunity to use Readiness to build capacity within the NDA.

## 6.2. Selection of Readiness Delivery Partners

As of January 2022, St. Vincent and the Grenadines has three (3) country-level approved Readiness projects within its portfolio and is participating in three (3) regional Readiness projects. To date SVG's NDA has engaged several different delivery partners, including, MFEPIT, CCCCC, CDEMA, FAO and IICA.

Delivery partners must demonstrate relevant expertise, experience, ease of access for communication, existing networks, and the ability to implement the specific tasks that the Readiness request focuses on. Delivery Partners who are not AEs would not have been through the full review required by the accreditation process with the GCF, and therefore must complete the GCF's Financial Management Capacity Assessment (FMCA) to be approved for managing Readiness support to countries.

The purpose of this questionnaire is to assess the financial project/programme management capacity of entities that will implement the readiness activities. An overview of information required by the template, and the required supporting documentation is attached in Annex 4: What does the Readiness Programme Support?<sup>8</sup>, and can be found on the [GCF's website](#).

<sup>8</sup> To ensure the use of the most up-to-date version of the Assessment, please visit the GCF website for updated versions of the documents.

The NDA will maintain a roster of approved Delivery Partners, which will form the grouping from which entities will be selected for specific projects. The roster will have two pools of Delivery Partners, and these will be targeted based on the amount of financing and expertise required for the readiness proposal. These Delivery Partners will already have completed the FMCA and be certified by the GCF:

- **National level Delivery Partners** – National entities will be targeted, especially those who have grant-making experience. This is important for building national capacity.
- **International level Delivery Partners** – International Delivery Partners who are accredited to the GCF.

When the services of a Delivery Partner are required, the NDA will initiate the following procedure for the selection of a Delivery Partner for the specific services:

### STEP 1

- The NDA will review the roster of readiness delivery partners in the region, and select the ones that are most appropriate for the project, based on the Readiness Proposal and the background of the entity.

### STEP 2

- The NDA will invite the selected Delivery Partners to submit a proposal outlining relevant expertise and experience for the task to be undertaken

### STEP 3

- The NDA will review the proposal to assess relevant expertise, experience, and ability to perform the required tasks
- A template, with scores for each section, is attached in Annex 14 to facilitate this assessment
- The NDA may contact the applicant(s) to seek clarification or request more information. Discussions (written and verbal) may be held between the applicant and NDA

### STEP 4

- The NDA will review the scores and select the best performing Delivery Partner. Applicants achieving scores lower than 80/100 should be rejected

### STEP 5

- If none of the invited entities achieve a score of at least 80, the procedure will be repeated using an alternative set of Delivery Partners.

*Figure 16: Steps for Nomination of Readiness Delivery Partners in St. Vincent and the Grenadines [Source: Author]*

## 7. NOMINATION OF ACCREDITED ENTITIES

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### 7.1. Overview

Accredited Entities partner with the GCF to implement projects. To access funding, these institutions go through a process of “accreditation”, designed to assess their capability for strong financial management and safeguarding funded projects and programs. They convert concepts into action, working alongside countries to come up with project ideas, and submit funding proposals for the GCF Board for approval. Accredited Entities can be private or public, non-governmental, sub-national, national, regional or international, as long as they meet the standards of the Fund. They carry out a range of activities that usually include the development of funding proposals and the management and monitoring of projects and programs. Countries may access GCF resources through multiple entities simultaneously.

To become accredited, entities must apply for accreditation through one of two modes of access:

- Direct Access Entities (DAEs): DAEs are sub-national, national or regional organizations (for example, the Caribbean Development Bank), and must be nominated by the NDA or focal point. *DAEs are an appropriate category for SVG to access climate finance, even if the existing institutional capacity of the proposed DAEs may be limited.*
- International Access Entities (IAEs). IAEs include the United Nations, Multilateral Development Banks, International Financial Institutions, and regional institutions. They do not require a nomination from the NDA or focal point.

There is no set process as to how the NDA seeks out national and subnational entities and the way that entities themselves seek nomination for accreditation by the NDA. While there is no GCF prescribed or mandated procedure to do so, larger countries in many circumstances have issued national calls for applications for interested national organizations that meet the criteria required by the Fund. This call is largely due to the number of entities that fit the Fund’s requirements for becoming a DAE and the fact that there is no cap on the number of DAEs that can be accredited in a given country. Such a process might not be suitable for SVG due to its smaller size and limited number of institutions that could qualify for accreditation, nonetheless, the MFEPIT can issue calls for accreditation for a transparent and inclusive process.

There is a need for establishing a selection process, even if the accreditation process may be varied. The NDA can receive requests for accreditation on a rolling basis from national entities, especially in the context of Requests for Proposals (RfPs) issued by the GCF. The NDA may also receive unsolicited requests on a rolling basis from national entities or private sector entities, both of which will be reviewed at the discretion of the NDA. In addition, the NDA may consider utilising a national call for nominations of DAEs specifically from the private sector. The NDA can also seek accreditation support, and if required, submit a funding request to the Fund, as appropriate, through the GCF Readiness support. Once accreditation has been granted, the NDA should monitor the performance of DAEs to inform the review of prospective DAEs and the NDA’s understanding of how the DAE is contributing to meet St. Vincent and the Grenadines’ national priorities and development goals.

The application form for accreditation for the Green Climate Fund is composed of the following sections:

1. Background and contact information of the applicant entity
2. Information on the ways in which the institution and its intended projects/programs will contribute to advancing the objectives of the GCF
3. Information on the scope of intended projects/programs and estimated contribution requested for an individual project or activity within a program
4. Basic fiduciary criteria

5. Applicable specialized fiduciary criteria
6. Environmental and Social Safeguards (ESS)
7. Gender

The applicant entity must undergo a vetting process to determine their fit and once they are deemed accredited, they can begin developing work programs and funding proposals. By giving this power directly to national and regional entities, the GCF aims to put ownership in the hands of the country. This arrangement is to help ensure that funds better align with agreed national climate goals. There are three phases that the applicant must complete before they can become accredited:

- I. Stage I: A review of the accreditation application documents
- II. Stage II: Board decision on the application, and
- III. Stage III: Finalization of legal agreements between the GCF and the aspiring DAE

If all the documentation is correct, no readiness support funding is requested and the aspiring AE meets all the necessary requirements, then the accreditation process will take approximately six months. Where entities meet the fast-track requirements, this timeframe can be reduced to three.

## 7.2. Basic Requirements of an Accredited Entity

Before organizations seek accreditation to become a DAE for SVG, the NDA must establish whether the potential DAE applicant meets the basic requirements of the GCF accreditation process, and that the organizational aims of the applicant are compatible with SVG's national climate action strategy. For an organization meeting fast-track requirements – those already accredited to the GEF, Adaptation Fund of the European Commission's Directorate General for International Cooperation and Development – a decision should be communicated within three months.

To become an Accredited Entity, the GCF asks applicants to demonstrate the following:

### **“Full legal personality” to undertake the intended activities it has applied for as a GCF Accredited Entity**

- A full legal personality implies that the organization is able to undertake contractual obligations as a recognized legal entity, registered in a sovereign nation, this is essential to distinguish between groups of engaged individuals and organizations with formal structured and legal rights or responsibilities.

### **Policies, procedures and guidelines at an institutional level that are sufficiently robust to meet the GCF's standards**

- Beyond the legal aspects, the GCF has three core sets of standards for aspiring AEs: (i) the fiduciary standards of the GCF, (ii) a gender policy that meets the standards of the GCF, and (iii) environmental and social safeguard (ESS) policies that meet the GCF's standards.

### **Track record of implementing policies, procedures and standards that it has set for itself**

- During the accreditation process, it is essential for the aspiring AE to demonstrate that all of these standards are a part of the organizational structure.

## 7.3. Fit-for-Purpose Approach to Accreditation

The fit-for-purpose assessment focuses on examining the capacity, track record and institutional structures of the aspiring AE and determining whether they meet the GCF's expectations across four thematic areas.

### 7.3.1. Mandate and track record

The GCF expects to see that the aspiring DAE can show an alignment of its previous activities and current structure, with the objectives of the GCF. The GCF also requires aspiring DAEs to have at least three years of operations, to demonstrate their track record.

### 7.3.2. Project size experience

The GCF then assesses the likely size of projects/programs that the aspiring DAE would be seeking financing for, and determines whether the organization has sufficient experience and the institutional capacity to manage a project of that size.

### 7.3.3. Fiduciary functions

The track record and competencies of the AE in managing their financial accounts, risks and responsibilities are very important to the GCF. The Fund sets strict standards on the level of organizational capacity that an AE requires before it can receive GCF funding for certain fiduciary functions to preserve donor funding and to mitigate risks. If the AE wishes to lend money as part of its GCF project funding proposal, for example, it will be required to demonstrate a greater level of institutional expertise in fiduciary matters than if the grant was for provision of advisory services.

The GCF identified four fiduciary categories available to accredited entities. When an AE seeks funding for a specific project or proposal, the GCF will assess the fiduciary category that the funding will require and then conduct an assessment of whether the AE meets those requirements. Generally, the larger the sum of funds requests and the more complex the project/program is for utilising those funds, the greater the level of fiduciary requirements.

Table 5 Fiduciary criteria required for AEs to perform certain functions. (Source: St. Vincent and the Grenadines 'Operations Manual')

Examples of Fiduciary functions	Accreditation required against			
	Basic Fiduciary criteria	Specialised fiduciary criteria for managing projects	Specialised fiduciary criteria for on-lending and/or blending	Specialised fiduciary criteria for grant award and/or funding allocation mechanism
Strengthening institutional and regulatory systems	X			
Implementing projects using GCF's resources, where the entity itself executes the project	X	X		
Implementing projects using GCF's resources, where the project is executed by another entity	X	X		
Awarding grants	X	X	X	
Managing lines of credit using the GCF's resources	X			X
On-lending	X	X		X
Blending GCF's resources with other sources of funding	X	X		X
Using GCF's resources for guarantees	X			X
Using GCF's resources for equity investments	X			X

#### 7.3.4. Environmental and social safeguards (ESS) category for proposed projects

Similar to the fit-for-purpose approach adopted for fiduciary functions, the GCF placed high standards on ensuring that the AE that wishes to work in projects has a high level of ESS risk, sufficient institutional knowledge, track record and capacity to deliver those projects. The NDA plays a role by helping the GCF Secretariat to ensure that aspiring accredited entities from SVG are suitably prepared and meet the necessary requirements.

Similar to the fit-for-purpose tests, the ESS standards are not exclusively designed to assess the organization applying per se, rather, the fit-for-purpose aims to assess the capacity of the aspiring DAE to successfully manage projects and funds. Depending on the scale of funding and projects/programs that the aspiring DAE is seeking to access from the GCF, the assessment framework adjusts accordingly. Section The GCF Project Cycle) includes an overview of how the GCF classifies ESS risks, and how this informs the requirements that the GCF has for AE funding proposals.



Environmental and Social Safeguards (ESS)		Basic Fiduciary Standards	Specialised Fiduciary Standards	Gender Policy
Institutional ESMS Policy-level: Performance Standard (PS) 1: Assessment and management of relevant PS1-8 environmental and social risks and impacts through an environmental and social management (ESMS)		Key administrative and financial capabilities	Project Management	Policies, procedures, and competencies
Project Level:		Transparency and Accountability	Grant award and/or funding allocation mechanisms	
PS2	Labour and Working conditions			Policies, procedures, and competencies
PS3	Resource efficiency and pollution prevention			
PS4	Community health, safety and security			
PS5	Land acquisition and involuntary resettlement			
PS6	Biodiversity conservation and sustainable management of living natural resources			
PS7	Indigenous peoples			
PS8	Cultural heritage			

Figure 17: Overview of GCF ESS standards (left), and an overview of GCF fiduciary standards (right). (Source: St. Vincent and the Grenadines 'Operations Manual')

## 7.4. Procedure for Accreditation

### 7.4.1. Stage I

In the first stage, the NDA grants the applicant a nomination letter for accreditation. The process to obtain a nomination letter from the NDA for accreditation should take approximately four to six weeks upon receipt of the application and all accompanying documents, given the required information is in order. The following procedures take place in this stage:

- A. Entity self-assessment: The applicant completes the quick online Accreditation Self-Assessment Tool on the GCF's website,<sup>9</sup> to assess whether they fulfil the basic criteria to become accredited to the GCF.
  - a. The entity should conduct an internal review based on the results and outline how it intends to address the gaps that may be identified in the self-assessment after completing it.
  - b. The measures to address the potential gaps should be documented and outlined in the accompanying documents in the request for a nomination letter from the NDA, including any support needed to implement these measures.
- B. Notifying the NDA of the intent to gain accreditation: The applicant submits an application letter to the NDA, notifying their intent to apply for accreditation and requests a nomination letter from the NDA. The application letter must be accompanied by a copy of the outcomes of the self-assessment and relevant supporting documentation that validates the completed self-assessment. The applicant entity then meets with the NDA to confirm their interest in becoming accredited.
- C. Accreditation System account: If the NDA agrees to support this entity, they request an Online Accreditation System (OAS) account.
- D. Review by the NDA: The NDA reviews the application for achieving the national and GCF objectives and ability to meet the basic GCF requirements based on the results of the self-assessment. The NDA may contact the applicant for clarification or request more information, and discussion (written and/or verbal) may be held between the applicant and the NDA. On a case-by-case basis and based on the strength of the application, the NDA decides whether it will apply for accreditation support for the application through the Readiness Program.
  - a. Approved: The NDA issues a signed Nomination Letter to the approved applicants. If the NDA decides to apply for accreditation support, it will draft a Readiness Proposal for the Fund in consultation and coordination with the applicant. The Nomination Letter is submitted on the OAS portal alongside the other submission documents.

<sup>9</sup> Self-Assessment Tool: <https://www.greenclimate.fund/accreditation/self-assessment>

- b. Not approved: A representative of the NDA will notify the applicant and the letter shall cite reasons why the application has been rejected.
- E. Submission of the Nomination Letter: The NDA submits an original hard copy of the signed nomination letter to the GCF. If the NDA is submitting a request for Readiness support for accreditation for the nominated entity, this is submitted together with the nomination letter.
  - a. The NDA files copies of the original nomination letter and supporting documents shared by the applicant.
  - b. The NDA sends a soft copy of the signed nomination letter to the applicant.
- F. The applicant submits an [Online Accreditation Application](#) through the [GCF Online Accreditation System \(OAS\) Application Form](#), including the signed nomination letter. The applicant then also pays the application fee.
- G. Confirmation and invoice by GCF: Once the GCF receives the appropriate forms via OAS, they will confirm receipt of the application and invoice the aspiring AE for the accreditation fees (if applicable).
- H. Start of Stage I: Once the invoice is paid, the GCF will confirm to the aspiring AE that they have started stage I. The GCF will then reach out to the NDA/focal point to confirm that they have received the aspiring AE's Nomination Letter.
- I. Institutional assessment using "fit-for-purpose" framework: The GCF Secretariat will conduct an institutional assessment of the aspiring AE, using the fit-for-purpose framework, whilst also assessing that all the submitted documents have been correctly completed. During this time, the GCF Secretariat may liaise with the aspiring AE to confirm certain details. If everything is satisfactory, the GCF will progress with aspiring AE to Stage II.

A summary of Stage I can be found in Figure 18 below.

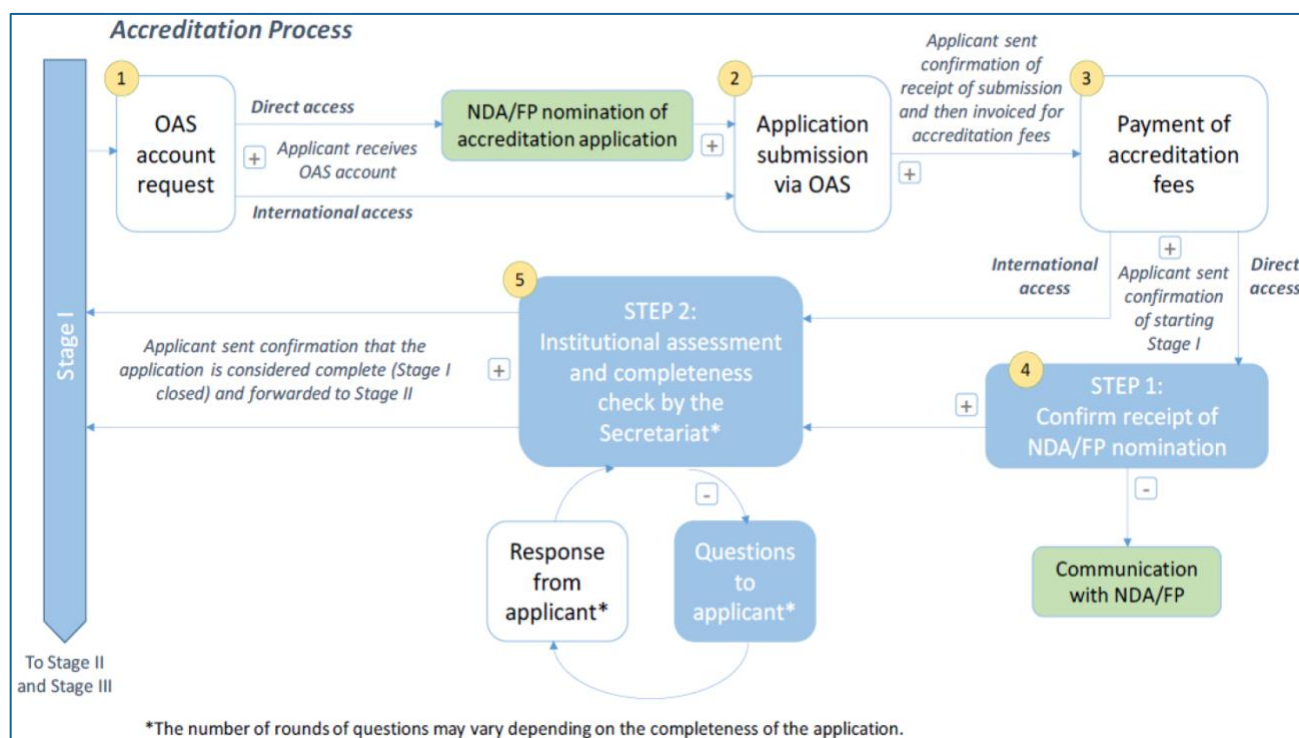


Figure 18: Accreditation process Stage I. (Source: Green Climate Fund)

## 7.4.2. Stage II

In Stage II, the Accreditation Panel of the GCF will review the aspiring AE application, asking questions if needed.

The GCF *Secretariat* reviews the application based on their [Stage I Institutional Assessment and Completeness Checklist Template](#). The Secretariat and applicant will likely have a significant number of exchanges and the applicant will need to be substantively engaged at this point. The Accreditation Panel reviews the application based on their [Stage II Accreditation Review Checklist Template](#), and makes a recommendation to the Board, notifying the applicant of this progression.

The GCF board then deliberates the application at a Board meeting based on the Accreditation Panel's recommendation. *The GCF Secretariat communicates the outcome of the application to the applicant* upon the decision. If approved, the applying entity will be notified that they have proceeded to Stage III.

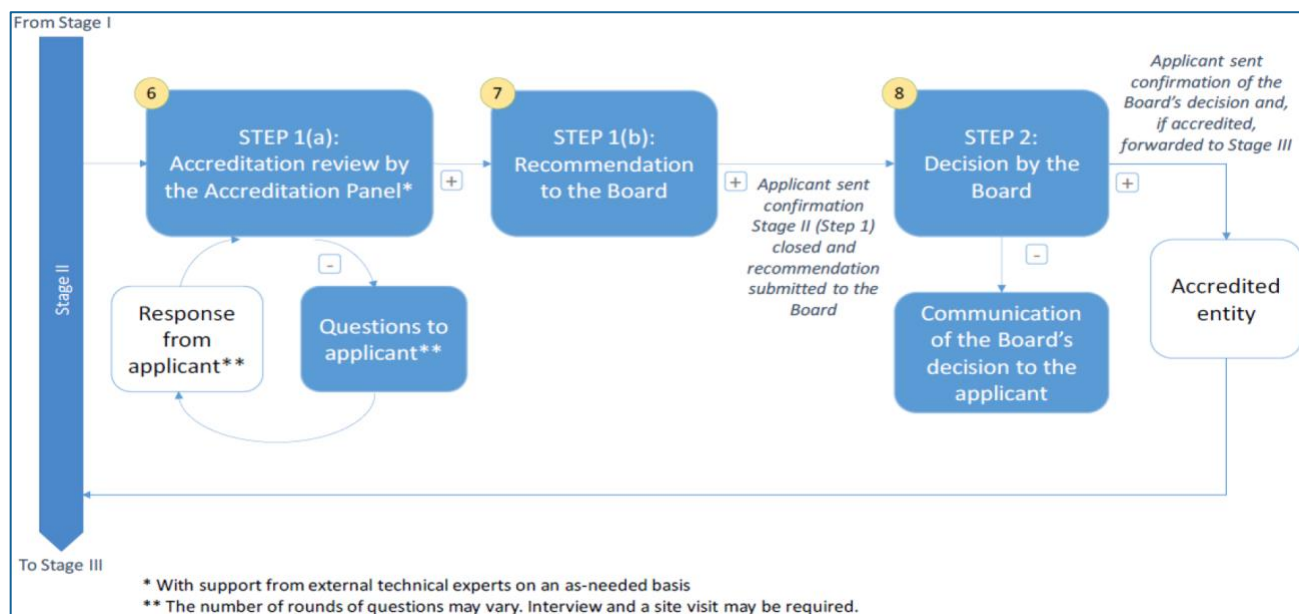


Figure 19: Accreditation process Stage II. (Source: Green Climate Fund)

## 7.4.3. Stage III

In this stage, the applicant entity will validate the payment instructions for receipt of GCF funds and will negotiate and sign an Accreditation Master Agreement (AMA) with the GCF, to become an accredited entity. An example of an AMA can be found on the [GCF's website](#).

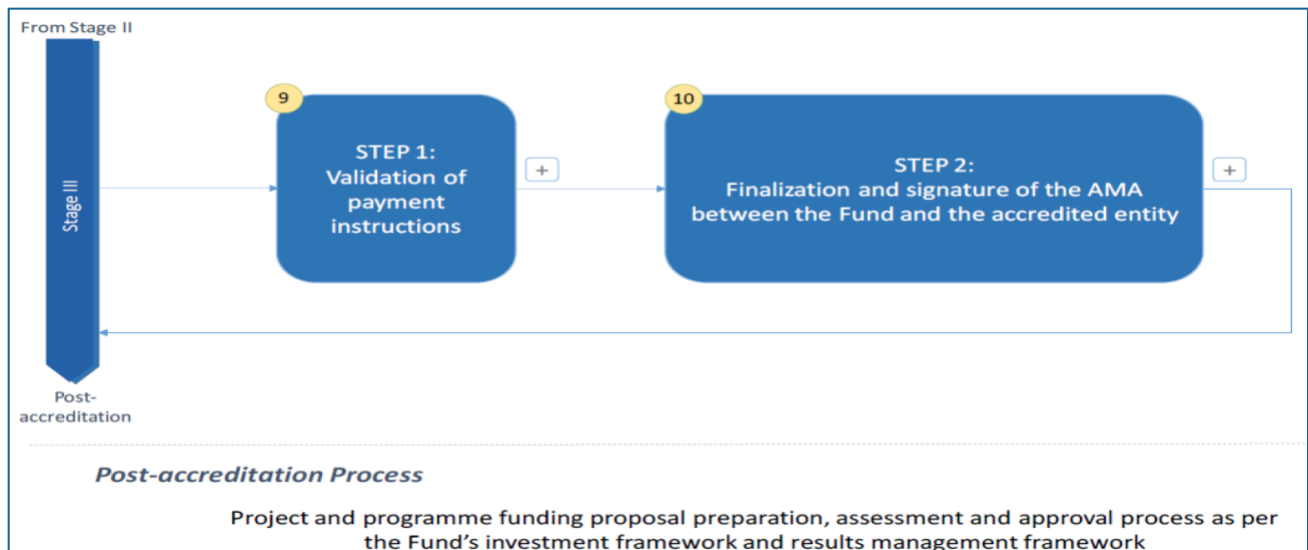


Figure 20: Accreditation process Stage III. (Source: Green Climate Fund)

#### 7.4.4. Fast Track Accreditation Process

Certain entities are eligible to apply under the fast-track accreditation process, as approved by the GCF Board. These include entities that are already accredited by one of the following financing sources:

- Global Environment Facility (GEF)
- Adaptation Fund (AF)
- Directorate-General for Development and Cooperation – European Aid of the European Commission (DG DEVCO)

The fast-track is available because certain entities have completed the accreditation process for other funds/institutions against fiduciary and environmental and social standards that are comparable to that of the GCF. The fast-track process allows for eligible entities to focus their application on the GCF's accreditation requirements and identified gaps that have not been assessed in other accreditation processes. Annex 9: Fast track approved Accredited Entities and additional requirements for accreditation outlines the terms and gaps for these three institutions under which a fast-track accreditation process could be applicable.

## 8. THE GCF PROJECT CYCLE

As outlined in Section 7.4, there are varying ways to access resources from the GCF. The main one is to submit funding proposals for climate resilient and low-emission projects and programmes for approval that are in line with one or more of the GCF's strategically supported areas. Investments that are pursued by projects and programmes submitted to the GCF for approval must be transformative and result in a paradigm shift towards climate resilient low-emission economic growth, and be compatible with the goals of the Paris Agreement. At the level of the GCF, there are six (6) main steps:

1. Generation of Project Ideas
2. Concept Notes
3. Funding Proposal
4. Assessment
5. Board Decision
6. Legal Aspects

These main steps are outlined in Figure 24 below.

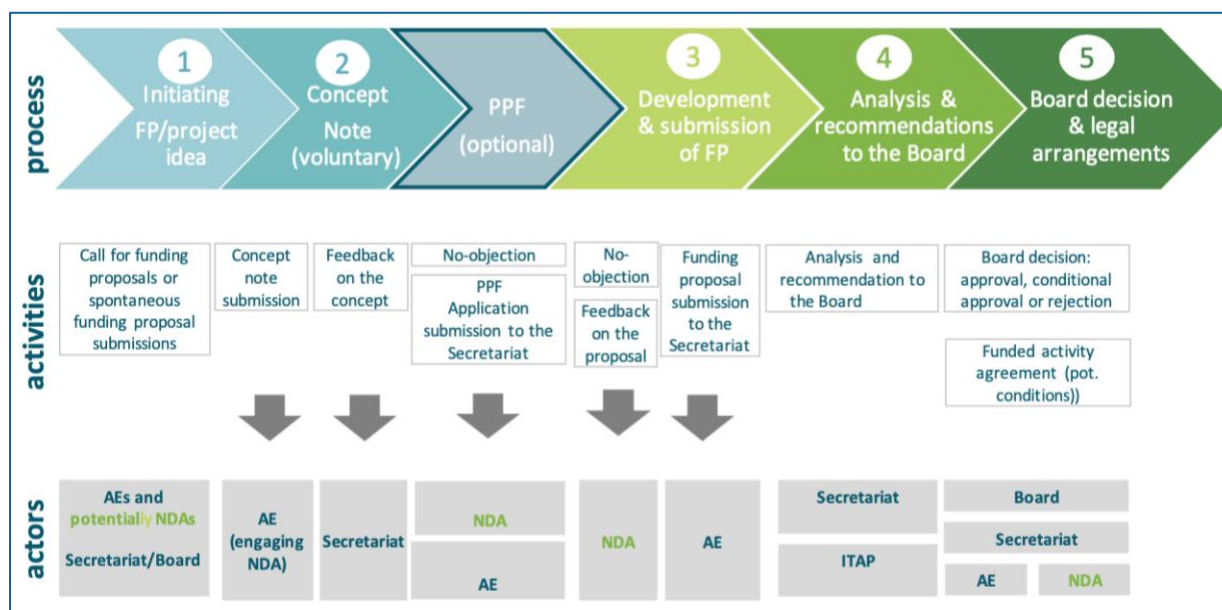


Figure 21: The overall GCF Project/Programme Cycle [Source: The Green Climate Fund, GCF/B.17/21, Decisions of the Board, Annex IV, Updated project and program cycle]

### 8.1. Key GCF Proposal Requirements

**Results Management Framework:** The Results Management Framework (RMF) of the GCF is used to monitor the GCF's results at the project, programme and aggregate portfolio levels. It includes indicators that measure progress toward intended results based on objectives, impacts, and outcomes defined in the project's logical framework, which will be used as the basis for the monitoring, reporting, and evaluation of the GCF's progress over time. The activities required by the RMF should be country-driven and determined through a consultative process with key stakeholders.

Work to further enhance the GCF's RMF is constantly underway. For example, at the twenty-first Meeting of the Board (B.21), the report of the [Independent Evaluation Unit of the GCF on how to improve the Results Management Framework of the GCF was reviewed](#).

**Gender<sup>10</sup>:** The GCF seeks to ensure gender is integrated in all aspects of its processes and operations with the implementation of gender-sensitive interventions at all levels. The gender principle ensures that GCF-funded projects adhere to gender equality and equity, as per international agreements and other human rights agreements.

In February 2019, the twenty-second Meeting of the Board (B.22) adopted an updated [Gender Policy and Action Plan 2020-2023](#). By adopting the Policy and Action Plan, the GCF is moving to ensure that by adopting a gender-responsive approach, the GCF will more effectively address gender equality, intersectionality, and more broadly, social inclusion to achieve more equitable and sustainable climate change results. Being gender-responsive means that instead of only identifying gender issues, or ensuring a “do no harm” approach, the process will substantially help to overcome historical gender biases.

The GCF will apply its Policy to all its activities, including all funding activities for mitigation and adaptation undertaken by both the public and private sector. The Gender Equality Policy's objectives apply across four interconnected levels: (a) at the GCF institutional level; (b) at the project/ portfolio level; (c) at the regional and national level; and (d) at the sector level.

The proposed Gender Equality and Social Inclusion (GESI) Policy and Action Plan is guided by four key principles: (a) human rights approach; (b) country ownership; (c) stakeholder engagement; and (d) disclosure of information.

Under this updated Gender Policy and Action Plan, the GCF requires the NDA to take the necessary measures to ensure that proposed projects, as well as proposed activities under the GCF Readiness and Preparatory Support Programme, submitted to GCF for financing are aligned with national policies and priorities on gender.

To support NDAs and AEs in the task of mainstreaming gender, the GCF partnered with UN-Women and developed a guide to '[Mainstreaming Gender in Green Climate Fund Projects: A practical manual to support the integration of gender equality in climate change interventions and climate finance](#)'.

**Environmental and Social Safeguards (ESS):** The GCF is mandated to effectively and equitably manage environmental and social risks and impacts, and improve outcomes of all GCF-financed activities. Based on the GCF's [Environmental and Social Policy](#), the GCF will require that all GCF-supported activities will commit to:

- Avoid, and, where avoidance is impossible, mitigate adverse impacts to people and the environment;
- Enhance equitable access to development benefits; and
- Give due consideration to vulnerable populations, groups, and individuals (including women, children, people with disabilities, and people marginalised by virtue of their sexual orientation or gender identity), local communities, indigenous peoples, and other marginalised groups of people and individuals that are affected or potentially affected by GCF-financed activities.

The GCF's Environmental and Social Policy and the criteria outlined above should be taken into consideration and integrated into the development of funding proposals. These ESS requirements are a set of management processes and procedures aimed at identifying, analysing, avoiding, minimising, and mitigating any potential

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<sup>10</sup> <https://www.greenclimate.fund/how-we-work/mainstreaming-gender/gender-action-in-practice>

adverse environmental and social risks and impacts, as well as maximising environmental and social co-benefits.

Eight environmental and social safeguards (ESS)<sup>11</sup> are utilized as a reference point for NDAs and AEs to establish context-specific criteria for the identification, measurement, and management of environmental and social risks and impacts. They are:

1. Assessment and management of environmental and social risks and impacts;
2. Labour and working conditions;
3. Resource efficiency and pollution prevention;
4. Community health, safety, and security;
5. Land acquisition and involuntary resettlement;
6. Biodiversity conservation and sustainable management of living natural resources; and
7. Indigenous peoples.

The GCF website has a detailed exploration of the [interim environmental and social safeguards of the Fund](#). They are governed by the GCF's Environmental and Social Policy and its accompanying guiding principles, and requires AEs to assign appropriate environmental and social risk categories to activities as follows:

*Table 6: GCF's Environmental and Social Risk Categories*

Risk Level	Intermediation	Funding proposals
High	<b>Intermediation 1 (I-1)</b> When an intermediary's existing or proposed portfolio includes, substantial financial exposure to activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented.	<b>Category A</b> Activities with potential significant adverse environmental and/or social risks and impacts that, individually or cumulatively, are diverse, irreversible, or unprecedented.
Medium	<b>Intermediation 2 (I-2)</b> When an intermediary's existing or proposed portfolio includes, or is expected to include, substantial financial exposure to activities with potential limited adverse environmental and social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures; or includes a very limited number of activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented.	<b>Category B</b> Activities with potential limited adverse environmental and/or social risks and impacts that individually or cumulatively, are few, generally site-specific, largely reversible, and readily addressed through mitigation measures.
Low	<b>Intermediation 3 (I-3)</b> When an intermediary's existing or proposed portfolio includes financial exposure to activities that predominantly have minimal or negligible adverse environmental and/or social impacts.	<b>Category C</b> Activities with minimal or no adverse environmental and/or social risks and/or impacts.

Based on the risk category assigned, the AE is expected to develop a commensurate Environmental and Social Management System (ESMS) that addresses identifies risks and impacts through (depending on the project or programme and its risk category) six steps, as outlined in Table 6. The first three steps are

<sup>11</sup> The GCF currently utilizes interim safeguards adapted from the International Finance Corporation's Performance Standards. The GCF ultimately aims to develop its own ESS.

consecutive, with the results of each informing the following step. The remaining three steps—shown at the bottom of the figure—are to be applied throughout a project or programme’s cycle and activities.

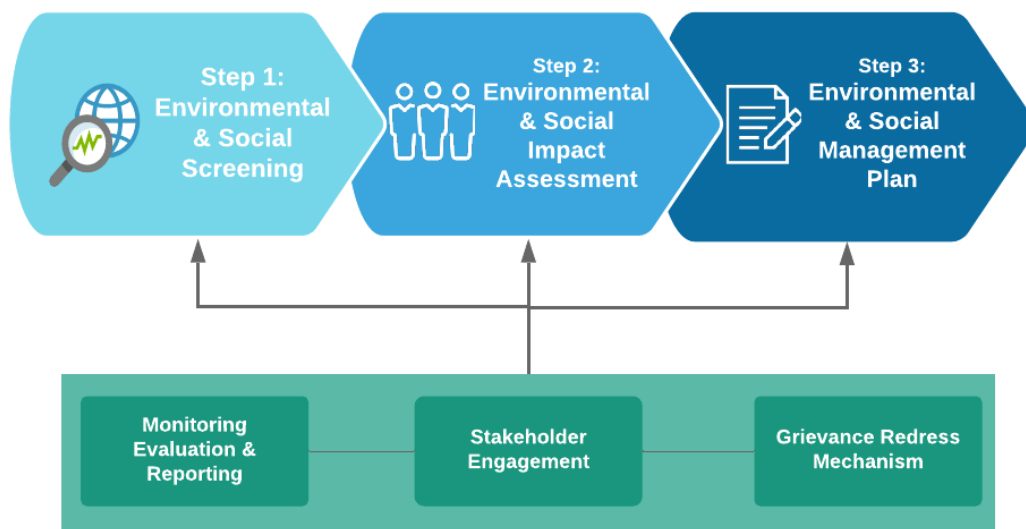


Figure 22: Key steps and components of an Environmental and Social Management System

## 8.2. GCF Investment Criteria

The GCF has established six criteria in its Investment Framework<sup>12</sup> to guide its decisions on investments. The GCF’s Board is consistently reviewing its potential to deliver upon its mission, and has taken decisions on the [Further Development of the Initial Investment Framework](#), which provides a detailed explanation of the GCF’s investment criteria with activity-specific sub-criteria and indicative assessment factors outlined in Annex 2 of the GCF’s Board decision GCF/B.09/07.

The GCF’s six investment criteria are outlined below in Figure 23.

1. <sup>12</sup> GCF/B.09/23: Initial investment framework: activity-specific sub-criteria and indicative assessment factors



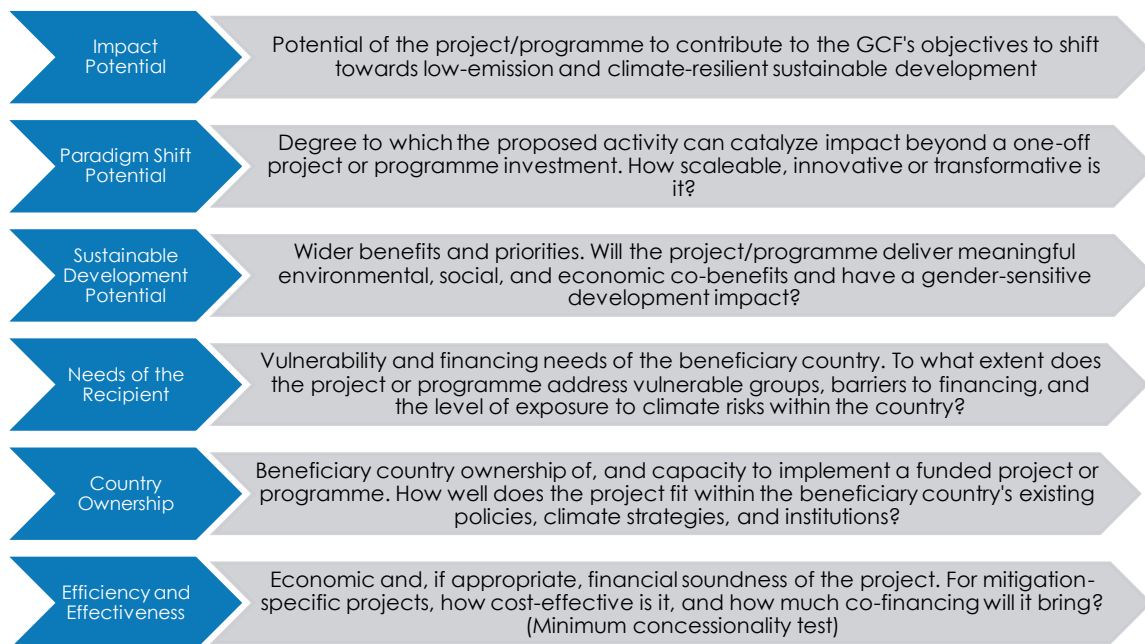


Figure 23: GCF Investment Criteria [Source: Author]

### 8.2.1. Impact Potential

Impact Potential refers to the potential of the project/programme to contribute to the achievement of the objectives and results areas of the GCF through financing both mitigation and adaptation activities that are outlined in Figures 27 and 28.

*Mitigation* activities contribute to the shift to low-emission sustainable development pathways through the below categories. The core indicator for mitigation activities is tonnes of carbon dioxide equivalent (tCO<sub>2e</sub>) emissions reduced or avoided per year.

- Energy access and power generation
- Low-emission transport
- Buildings, cities, industries, and appliances
- Forest and land use



Figure 24: GCF Mitigation Results Areas

*Adaptation* increases resilience against climate change impacts through activities undertaken through the below categories. The core indicator for adaptation activities is the number of direct and indirect beneficiaries (reduced vulnerability or increased resilience), and number of beneficiaries relative to total population, particularly the most vulnerable groups.

- The most vulnerable people and communities
- Health and well-being, and food and water security
- Infrastructure and the built environment
- Ecosystems and ecosystem services

### 8.2.2. Paradigm Shift Potential

This Investment Criterion refers to the degree to which the proposal can catalyse impact beyond a one-off project or programme investment, showing how scalable, innovative, or transformative the project is. This can be shown through as many of the following factors as possible:

- Potential for scaling-up and replication
- Contribution to global low-carbon development pathways being consistent with a temperature increase of less than 2°C, pursuing efforts to limit it to 1.5°C (mitigation only)
- Potential for knowledge and learning
- Contribution to the creation of an enabling environment
- Contribution to, or advancing the national regulatory framework and policies



Figure 25: GCF Adaptation Results Areas

### 8.2.3. Sustainable Development Potential

This refers to the ability of the proposal to contribute to broader socio-economic benefits and priorities of the country. For example, will the project/programme deliver meaningful environmental, social, and economic co-benefits, and have a gender-sensitive development impact? These co-benefits and wider positive impacts should correlate as much as possible to St. Vincent and the Grenadines' priorities under the NESDP (2013-2025) and the [17 Sustainable Development Goals](#) and [113 SDG targets found to be applicable to the country](#).

### 8.2.4. Needs of the Recipient

This investment criterion outlines the financing needs of the beneficiary country. It should describe the scale and intensity of vulnerability to climate change within the country and beneficiary groups, and elaborate on how the project/programme addresses the needs identified. For example, this can be elaborated through outlining the following:

- Vulnerability of the country and beneficiary groups (adaptation only)
- Economic and social development level of the country and affected population
- Absence of alternative sources of financing
- Need for strengthening institutions and implementation capacity

### 8.2.5. Country Ownership

This criterion entails how well the project fits within the beneficiary country's strategic policies, climate strategies, and institutions that support the shift to low-carbon climate resilient sustainable development. The

requirements of the no-objection procedure will galvanize this, but it can be elaborated upon within the proposal through:

- Description of the capacity of the AEs or EEs to deliver and implement the activities
- Description of a meaningful stakeholder engagement process undertaken at various stages of the proposal development and implementation

### 8.2.6. Efficiency and effectiveness

This criterion outlines the economic, and, if appropriate, the financial soundness of the proposal. This can be elaborated upon in the proposal through:

- Cost-effectiveness and efficiency including financial adequacy and appropriateness of concessionality
- Co-financing and potential for leveraging and mobilising long-term investments (mitigation only)
- Financial viability and other financial indicators, including expected economic and financial rate of returns
- Application of industry best practices

## 8.3. St. Vincent and the Grenadines' Project Cycle

The projects and programmes submitted to the GCF need to be convincing at various levels if they are to succeed in the competitive context of the GCF. They must be in line with not only the institutions' and GCF's priorities, but also demonstrate how they will advance national strategies and priorities (these priorities may be linked within the country programme) and need to show a high level of national ownership. To make this happen, AEs should cooperate with the NDA early in the process to best serve their country's needs while simultaneously adhering to the GCF's investment criteria. Management of the preparation, appraisal, and approval of Government-supported projects for submission to the GCF (through an AE), are the responsibility of the MFEPIT as the NDA.

The procedures and processes governing the MFEPIT's operations for project preparation, appraisal, and approval have evolved over years of practice, and have not been formally documented. The development of these procedures and processes are critical for the work of the NDA. While there is no need for the NDA to develop a completely new set of processes for project review and approval based solely on GCF requirements, a review of internal procedures will be a beneficial exercise to ensure the revisions incorporate and align with GCF requirements.

Further, there is a growing necessity to include the consideration of climate science and Paris Agreement-compatible development within the broader approach to national development planning. This approach will ensure that national development is built on sound science, ensure that projects being approved by the MFEPIT will not undermine St. Vincent and the Grenadines' ability to achieve their long-term strategic sustainable development goals.

Noting the vulnerability of St. Vincent and the Grenadines to the impacts of climate change, these procedures should include an assessment of the climate change implications of all projects at the concept note stage to determine the extent of climate change sensitivity analysis that will be required at the project development stage. In addition, it should include a review of all full climate change project proposals, including outcomes and activities, for compatibility with the GCF proposal requirements, including its priority results areas, investment criteria, gender sensitivity requirements, and environmental and social safeguards.

## 9. NO-OBJECTION PROCEDURE

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### 9.1. Purpose and Background of the No-Objection Procedure

Formally adopted by the GCF in its Eighth Board Meeting in October 2014, the no-objection procedure is a core element of the funding proposal and approval process. The procedure has two key purposes:

- To ensure that projects and programmes put forward for the Board's approval are consistent with national climate strategies and plans and country-driven approaches; and
- To provide for effective direct and indirect public and private sector financing by the Fund.

[A Letter of No-Objection by the NDA](#) - the result of a successful no-objection procedure - is a mandatory condition for the approval of all funding proposals submitted to the Fund.

Prior to communicating its no-objection for proposals each country, through their NDA, is required to determine its own nationally appropriate process to vet funding proposals. The broad components of a no-objection procedure include an assessment to ensure that the project idea meets the GCF requirements and the GCF investment criteria, has a potential climate rationale, and fits within the country program. This process should be developed in accordance with the country's capacities and existing procedures, regulations and institutions to ensure a meaningful yet efficient procedure that avoids duplicity and additional burden for already capacity-constrained NDAs. Following this procedure, each funding proposal will also be accompanied by a detailed description of how the country ownership was ensured and, if this process is not satisfactory, the Board has the option to reject it.

The NDA or focal point communicates its no-objection to the GCF Secretariat in conjunction with every submission for approval of a funding proposal by an intermediary or implementing entity. The no-objection letter will be signed by the official representative of the NDA or focal point registered with the Secretariat (see Annexes 2 and 3).<sup>13</sup> The letter should be included as an annex to the submitted funding proposal.<sup>14</sup>

*There are three occasions in which a No-Objection from the NDA may be requested:*

1. The No-Objection Letter is **required** for the approval of all funding proposals submitted to the Board. In cases where funding proposals are not accompanied by a No-Objection Letter, the funding proposal will not be processed for the Board's consideration until the NDA provides a Letter of No-Objection.

This must be done within 30 days of the GCF Secretariat notifying the NDA of the missing letter, otherwise the proposal will be suspended, and the Secretariat will notify the Accredited Entity (AE) or intermediary of the suspension. This will be based on the assumption that the proposal does not meet the national requirements and therefore does not have the support of the NDA.

2. No-Objection is also **required** for Concept Notes when an application to the Project Preparation Facility (PPF) is submitted. The GCF guidance specifies that the Accredited Entity should make PPF

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<sup>13</sup> Decisions of the Eighth Board meeting of the GCF: [GCF/B.08/45](#)

<sup>14</sup> If a proposal is submitted without a no-objection letter, the GCF Secretariat will notify the NDA of its inability to consider the funding proposal without expression of no-objection. The NDA will then have a maximum of 30 days to provide the Letter of No-Objection, with failure to do so resulting in the suspension of the proposal.

applications after consultation with the relevant NDA. [A Letter of No-Objection for the PPF](#) request should be included in the PPF application.

3. A Letter of No-Objection is **optional** for Concept Notes of full funding proposals that are submitted to the GCF Secretariat for feedback, but the AE must inform the NDA about its submission of a concept note to the GCF. Further to this, it is recommended that, in consultation between the AE and NDA on the concept note, the requirements of the no-objection procedure should be taken into consideration at this stage.

## 9.2. Importance of the No-Objection Procedure

A high level of importance has been accorded to the No-Objection by GCF Board Decisions and by developing countries in order to ensure that submitted proposals are not only consistent with national climate change strategies and plans, but also have genuine country ownership and stakeholder buy-in. Therefore, a nationally appropriate and meaningful procedure is fundamental in ensuring and promoting ownership and a country-driven approach – the cornerstones of the Fund’s operations.

In 2015, the GCF Board recognized the importance of enhancing the role of the NDA to guarantee country ownership and country-driven processes. This culminated in the Fund adopting guidelines and within that decision, the Board request the GCF Secretariat, AEs, Delivery Partners, and NDAs to follow these guidelines. These guidelines have subsequently been updated through the Board’s [Decision GCF/B.17.14 – Guidelines for Enhanced Country Ownership and Country Drivenness](#), and is consistently highlighted as the defining and differentiating feature of the work of the Fund. In addition, all Parties to the UNFCCC have an obligation to demonstrate progress towards achieving national climate change goals in partnership with key stakeholders. The application of the meaningful procedure should support this process.

Communication of the no-objection to the GCF Secretariat will communicate that the government has no objections to funding proposals; that the submitted proposal demonstrably confirms the country’s national priorities, strategies and plans and relevant national laws and regulations; and that the submitted funding proposal is in accordance with the GCF’s environmental and social safeguards. The no-objection procedure also serves as a mechanism to:

- a. Guarantee genuine country ownership, including through stakeholder participation mechanisms;
- b. Ensure projects are in line with particular calls for proposals;
- c. Validate that the planned outcomes of the projects/programmes support St. Vincent and the Grenadines’ efforts in meeting its commitments and pledges to the UNFCCC and its Paris Agreement;
- d. Maximize synergies with broader development strategies and achievement of the SDGs;
- e. Ensure clarity of communication lines and modalities with the AE throughout the development of the project proposal and its implementation;
- f. Ensure there is no conflict with ongoing projects/programmes, any duplication of efforts, or crowding out of planned or future investments or funding;
- g. Prevent flawed projects/programmes from advancing to the GCF Board for consideration;
- h. Ensure that the project/programme fully incorporates gender into the proposal and provides equal consideration and opportunity to males and females;
- i. Validate that the project/programme has been assessed for potential environmental and social risks, and these risks were shared and discussed among stakeholders to identify an agreed approach to address such risks;

- j. Assure the international community that the project/programme is welcome by their host communities and are of the highest caliber, and do not impose any undue harm or costs upon the host communities and their environment; and
- k. Ensure projects/programmes are consistent with the GCF requirements (including, but not limited to, the GCF Investment Criteria).

### 9.3. Project Development and Appraisal in St. Vincent and the Grenadines

The NDA has designated the Economic Planning Division (EPD) as the division responsible for project review, as it relates to NDA responsibilities with regard to GCF projects. The officers responsible for the GCF Portfolio within the EPD/PSIPMU will review proposals on an ongoing basis as they are submitted. The Economic Unit within the Ministry of Finance, Economic Planning, and Information Technology (MFEPIT) shall serve as the lead agency for the execution of the procedure, and the coordination of related activities.

The no-objection procedure for the GCF, as outlined in the following sub-sections is built upon the existing frameworks and is designed to leverage the existing processes, capacities and competencies of the MFEPIT, and particularly those of the EPD and PSIPMU.

### 9.4. No-Objection Procedure for St. Vincent and the Grenadines

The existing modus operandi within the NDA for reviewing climate change projects is largely informal, with projects and programmes developed and appraised on an ad-hoc basis. The Sustainable Development Unit (SDU) currently executes most of the work on national climate change projects. While the National Technical Advisory Committee on Climate Change (NTACCC) — led by the SDU — is proposed as a consolidated entity for all national climate change decision-making and action, the Committee is yet to be operationalized. The NTACCC is envisioned to play a key supporting role in the execution of this No-Objection Procedure. To fulfil the GCF requirements, the procedures below for various approaches to GCF project development and appraisal will be followed.

#### 9.4.1. For Nascent project ideas – Climate Change screening of ideas by AE and NDA:

In a situation where an AE or a project proponent has an early-stage project idea, the following steps should be followed:

##### Step 1: Completeness Check by AE and/or Project Proponent

The AE and/or project proponent screens its project idea against the climate change priorities of the Government of St. Vincent and the Grenadines (GoSVG), which can be found in relevant documents and policies such as the NESDP, National Climate Change Policy, National Climate Change Strategy and Implementation Plan, NDC, NAP, EMF, SPCR and other relevant policies and documents. The purpose of this exercise will be to ensure that the project idea/concept fits within the priorities of the country and country programme.

The AE and/or project proponent should also identify climate change vulnerabilities that the project addresses, and should complete the checklist found in Annex 1 to ensure that the idea:

1. Meets the broad GCF requirements and can address the 6 GCF investment criteria;
2. Has a potential climate rationale; and

### 3. Fits within the country programme.

In particular, the AE will submit their project concepts in the [GCF Concept Note Template](#) to the NDA. The AE can also review the checklist in Annex 1 to ensure that the relevant GCF requirements have been met.

#### Step 2: AE Approaches the NDA for Discussion

Once this initial screening and completeness check is done by the AE and/or project proponent, the entity will then approach the NDA via letter to request a discussion on the project idea.

#### Step 3: Screening of Project Idea/Concept by NDA

Once the NDA receives a request for discussion of the concept/idea from the AE and/or project proponent—alongside all relevant documentation—the NDA will conduct an initial screening of the idea. This is to assist the NDA with identifying the climate change rationale at an early stage of project design, and to enable project developers to further build climate change resilience into their projects from the design stage.

The screening will also aim to confirm that the project idea is in line with the national climate change priorities and development strategies, as well as be informed by the GCF priority result areas and investment criteria. The screening is to be facilitated by the documentation provided by the AE and/or project proponent, which shows that the AE has done its due diligence with regard to the idea potentially meeting the GCF criteria for projects/programmes. Furthermore, the core documents guiding St. Vincent and the Grenadines' climate change activities will be critical at this stage.

**Timeline:** This initial screening should take no more than 20 business days after receipt of all information.

#### Step 4: NDA Communication of Screening Outcome

Provided that the initial screening of the project is satisfactory, the NDA will communicate such to the AE/project proponent. In the case of a project proponent that is not already an AE and has not identified an appropriate AE, the NDA may recommend an appropriate AE to the project proponent to facilitate further development and refinement of the proposal. If, based on this initial screening, the AE/project proponent wishes to further develop the idea into a concept note or proposal, the entity can submit an official concept note or full funding proposal, which will undergo a full technical review as described below in Sections 14.4.2. and 14.4.3.

If the initial screening of the project does not satisfy the minimum requirements, the NDA will inform the AE/proponent and provide feedback on the areas of the project that need clarification, or on how to improve the project idea, in line with the GCF requirements and investment criteria.

**Timeline:** The NDA should communicate the results of the screening to the project proponent within 3-5 days of completion of the initial screening.

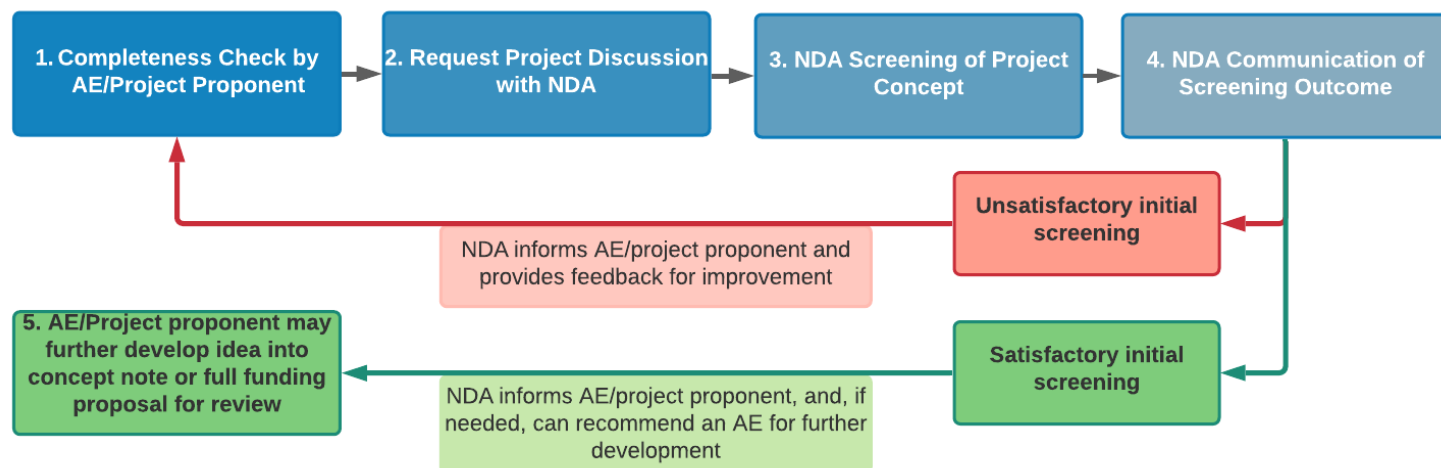


Figure 26: Outline of Process for Nascent Project Ideas (Climate Change Screening of Ideas by AE and NDA)

## 9.4.2. Concept Note Review Process

The following steps will be utilized to review concept notes:

- If an AE wishes to seek an optional letter of no-objection from the NDA when they are seeking feedback and consultation with the GCF Secretariat; and
- If an AE submits a concept to the PPF for funding.

Completion of the climate change screening of nascent project ideas, as described in Section 1 4.4.1. is not a pre-requisite for the concept note review process. In other words, an AE can submit a concept note for a no-objection letter from the NDA without having undergone the process in section 1 4.4.1. However, if the AE has already undergone the climate change screening process, this review below may utilize information presented and discussed during the climate change screening.

### Step 1: Completeness Check (Led by the NDA)

AEs who intend to submit a project for funding from the GCF will submit their project concepts in the GCF Concept Note Template to the NDA. The AE will ensure that their concept note meets the requirements of the checklist in Annex 10: Template for the Technical Review of GCF Funding Proposals by the NDA, which confirms that the concept:

1. Meets the GCF requirements and can address the six GCF investment criteria;
2. Has a strong climate rationale; and
3. Fits within the country programme.

This checklist and relevant documentation should be submitted to the NDA alongside the concept note. The NDA will conduct a completeness check to ensure that all information as required by the concept note template is included along with accompanying documentation.

**Timeline:** The completeness check should take no longer than 5-7 Business Days from the receipt of all information.



## Step 2: Technical Review (Led by the NDA)

Upon completing Step 1 and finding all the required components to be present, the NDA shall send the concept note to the NTACCC to conduct a technical climate change review and evaluation. As the entity responsible for national climate change coordination, the NTACCC is institutionally well-placed to support in the review of GCF projects.

The NTACCC will convene a GCF-specific technical working group to execute the evaluation.<sup>15</sup> The NDA shall serve as the Chair of the technical working group, while the SDU will serve as its Secretariat. In terms of membership, the GCF-specific technical working group shall comprise, at the minimum, of:

- A representative from the Ministry of Finance<sup>16</sup>
- A representative from the Economic Planning Division
- At least one representative from the SDU<sup>17</sup>
- A representative from the relevant Government agency responsible for gender
- Representatives from the sector Ministries being targeted or that will benefit from the interventions in the concept note, i.e., Fisheries, Agriculture or Energy
- A representative from civil society
- A representative from the private sector

Depending on the proposal being reviewed, the technical working group shall also have the option to invite additional representatives and/or non-government experts from relevant sectors or thematic issues on an ad hoc basis. The invitation to additional reviewers should be determined at the discretion of the NDA and SDU as the Chair and Secretariat respectively. The existing structure and institutional arrangements should be leveraged to convene the necessary stakeholders.

The GCF-specific technical working group will conduct an initial review of the project concept using the Project Checklist as outlined in Annex 10: Template for the Technical Review of GCF Funding Proposals by the NDA. The review will seek to ensure that:

1. It is consistent with at least one of the GCF Priority Result Areas;
2. It has a clear and strong climate rationale i.e., that the problem that it is responding to has a climate change origin, and that addressing it will contribute to St. Vincent and the Grenadines' response to climate change;
3. It has the potential to meet the GCF investment criteria of Impact Potential and Paradigm Shift Potential;
4. Environmental and Social Safeguards (ESS) are in place; and

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<sup>15</sup> It should be noted that the NTACCC's Terms of Reference do not currently articulate a GCF-specific technical working group. The NTACCC will need to be fully operational for this working group to function, and further development of its precise modalities include its leadership, membership, convening procedures, and the mechanisms through which the EPD and SDU will collaborate to overcome institutional arrangement hurdles.

<sup>16</sup> In part, this representative's role is to review the proposal in light of the Tenders Board requirements.

<sup>17</sup> In part, this representative's role is to review the concept note or funding proposal in relation to national climate change frameworks, strategies and priorities.

5. The impacted stakeholders have been sufficiently consulted.

**Timeline:** The review of the concept note by the NDA should take no more than 30 Business Days from the receipt of all information.

### Step 3: NDA Decision (led by NDA)

Upon completion of Step 2, the outcome of the technical review and recommended decision (based upon the Appraisal Criteria for the Evaluation of GCF Concept Notes) is submitted to the NDA by the GCF-specific NTACCC technical working group, alongside any relevant accompanying documents. The NDA will take a decision on whether to issue a Letter of No-Objection based upon the recommendation from the technical review.

**Timeline:** The GCF-specific technical working group should submit the outcome of the technical review (Step 2) to the NDA focal point within 1-3 Business Days from the review being completed.

### Step 4: Notice of approval or rejection (led by NDA)

If, at the completion of the review of the Concept Note by the NDA and NTACCC, the NDA finds the concept note successful, it will clear the project for development into a full project proposal or submission to the PPF. The NDA will notify the AE accordingly.

If a concept note is rejected, the NDA will notify the AE, and can share the project evaluation checklist at their discretion.

Concepts that are approved by the NDA may be issued a Letter of No-Objection by the NDA for submission to the GCF Secretariat. The no-objection letter may also be shared with the AE for their records, and is also usually attached as an annex to the submission. However, the Concept Note is addressed to the GCF.

Annex 12: Template for the Letter of No-Objection for the Project Preparation Facility contains the template for the Letter of No Objection for the Concept Note to be submitted by the NDA to the Project Preparation Facility and GCF Secretariat.

**Timeline:** The NDA should notify the AE of the outcome no more than 3-5 Business Days after arriving at the decision on the outcome.

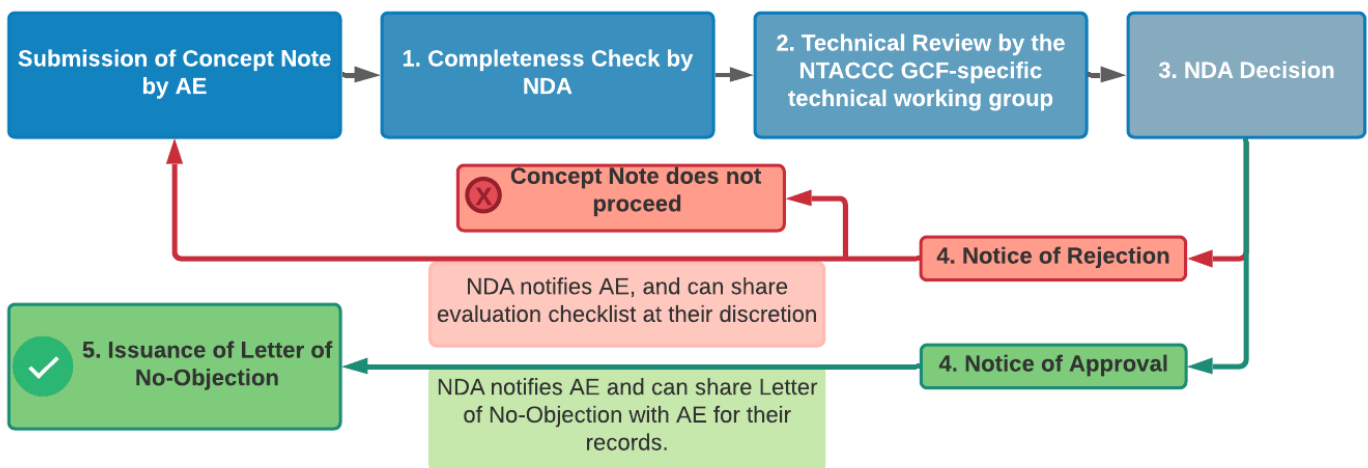


Figure 27: Outline of Process for Concept Note (for either optional Letter of No-Objection, or PPF Funding Concept)

### 9.4.3. Full Funding Proposal Stage

For full funding proposals for projects and programmes, the NDA will follow similar procedures to those for a Concept Note (see Section 14.4.2.) to support the assessment of whether the NDA should provide the AE with a Letter of No-Objection for the funding proposal. The analysis will assess the extent to which the proposals and implementation arrangements meet the requirements set by the GCF.

While the concept note requires a certain level of detail with regards to how the project/programme aligns with the GCF investment criteria, climate rationale, and how the project fits with the country programme and country priorities, a full funding proposal requires much more detail and several supporting documents. The checklist found in Annex 1 should be utilized by the AE and NDA respectively to evaluate the completeness of proposals, while following the steps outlined in Section 14.4.2. above.

Satisfaction of the relevant criteria assessed by the NDA will result in a decision to accept the proposal and to issue a Letter of No-Objection. The NDA will then formally notify the AE of the decision taken, and issue a Letter of No-Objection.

Annex 11: Template for the Letter of No-Objection for Funding Proposals contains a template for the Letter of No-Objection for the Funding Proposal to be submitted by the NDA to the GCF Secretariat. Like the no-objection procedure for a Concept Note, the letter may be shared with the AE for their records, and is attached as an annex to the funding proposal submission.

In the case of a multi-country project, e.g., a regional project, the above procedures apply. A funding proposal submitted to the GCF for a multi-country project requires a no-objection letter from each of the countries to be included as an annex to the proposal. This means that all the AEs must ensure that stakeholders from all countries in the project are consulted throughout project concept and design, and that the project fits with the country programmes of each of the countries involved. The procedures for granting a Letter of No-Objection, however, remain the same.

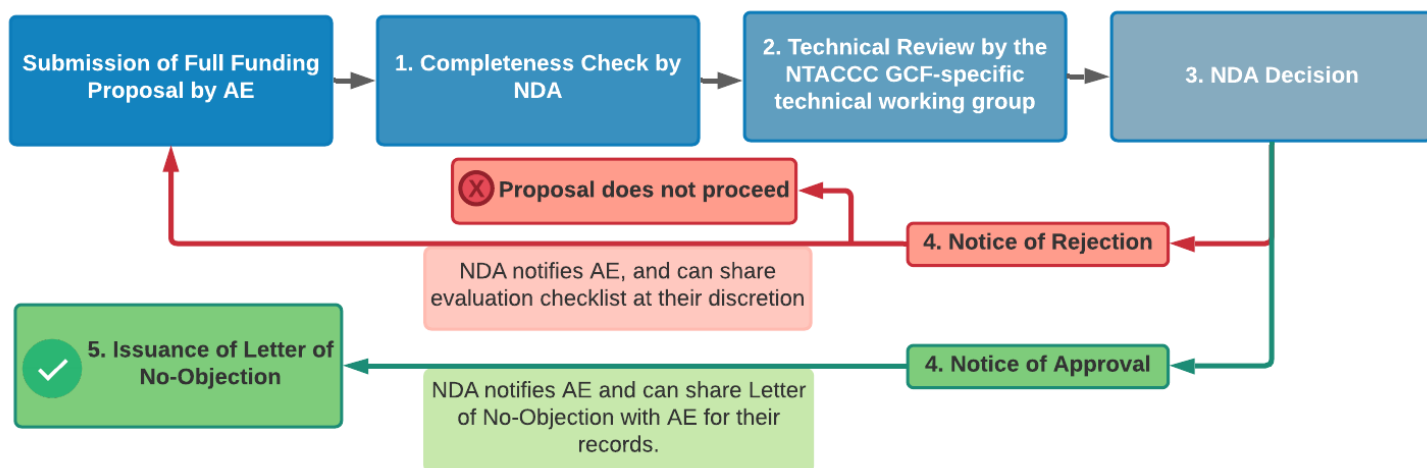


Figure 28: Outline of Process for Full Funding Proposals

## 9.5. Transparency and Publication of the No-Objection Procedure

To maximize the efficiency of the No-Objection Procedure, it is essential for AEs and project proponents to be familiar with the key processes, components, and requirements for attaining a letter of no-objection. Doing so will facilitate smoother screening and review processes, while also reducing the likelihood of GCF-incompatible proposals being put forward to the NDA.

In particular, the national criteria for assessing a project should be made publicly available. This entails information on national documents, gender-related considerations, and the final authority – the NDA – that would grant a no-objection letter. The key components and process for obtaining the no-objection letter and relevant templates should be made public, but screening components and actual project ideas and checklists should remain as internal information.

The NDA should determine the communication modalities through which such information can best be published and accessed. This can include publishing the information on a website, routinely convening relevant stakeholders to raise awareness of such procedures, or simply providing the resources upon request.

## 9.6. Implications of the No-Objection Procedure for St. Vincent and the Grenadines

The importance of the no-objection procedure, and the role of the NDA in it, cannot be understated; it confirms that the NDA has completed its due diligence—technical, financial, and legal—to ensure country ownership and stakeholder buy-in for a project/programme. The procedure requires technical input, substantial coordination, oversight, and management. The NDA should not sign the Letter of No-Objection unless the full procedure has been completed, documented, and all relevant documents are completed and accompany the request. The implementation of the national no-objection procedure requires the NDA to have technical, human, and financial capacity to manage and provide oversight of the process that results in genuine ownership, or a position to co-opt this expertise.

### THE LETTER OF NO-OBJECTION CONFIRMS THAT:

- a. The GoSVG and all relevant stakeholders endorse the project in concept and design, and in doing so, confirm that the project reflects national development priorities anchored in the NESDP and other guiding policies and documents;
- b. For public sector DAEs, on behalf of the GoSVG, the MFEPIT – as the Ministry in which the EPD is housed— will be responsible for any financial risks or otherwise inherent in the proposal and any liability resulting thereon;
- c. The no-objection letter implies that St. Vincent and the Grenadines has accepted all obligations, including relevant support and all other obligations that may stem from the overarching relationship with the GCF;
- d. The Letter of No-Objection implies that St. Vincent and the Grenadines is committed to implementing the project as designed, and can be held accountable for any issues that may arise during the implementation of the project or programme;
- e. For public sector Direct Access Entities (DAEs), if any legal challenges arise from any project approved and provided with a letter of no-objection from the NDA, the GoSVG will take on responsibility and act on behalf of the project/programme; and
- f. The project/programme contributes towards achieving St. Vincent and the Grenadines' obligations under the UNFCCC and the Paris Agreement.

**Legal Implications:** The no-objection procedure and resulting signed letter have two main legal implications:

1. **Legal implications for the NDA:** The NDA should put in place - or adapt existing - procedures and arrangements to address potential complaints from relevant stakeholders and appeals of decisions of the NDA on granting or withholding a no-objection letter. For persons who wish to share issues regarding the environmental and social safeguards, ahead of providing a no-objection letter, they may contact the NDA at:

Ministry of Finance, Economic Planning, and Information Technology

1-784-457-1746

cenplan@svgcpd.com

1st Floor Administrative Building Bay Street, Kingstown St. Vincent and the Grenadines

2. **Legal implications for other stakeholders:** The no-objection procedure is mandated to include stakeholder consultations. The feedback from these consultations should feed into the decision of the NDA regarding the Letter of No-Objection. If, however, any person or a group of persons, or a community has been, or may be affected negatively by a GCF project or programme (including those being actively considered for funding by the GCF), they may file a complaint through the GCF's Independent Redress Mechanism (IRM).

The affected person(s) can authorize their government or representative to file and pursue the complaint on their behalf. Further information on this can be found at the IRM's website: <https://irm.greenclimate.fund/case-register/file-complaint>

**Technical Implications:** While there is an importance placed on efficiency and mainstreaming of procedures, to ensure the baseline requirements are met, sufficient time is required to allow for substantive consultations and additional technical, legal, or financial reviews, if necessary. It is very important that the NDA—or the bodies that will be conducting the technical review of the proposals—have the full technical capacity and knowledge to evaluate proposals within a variety of sectors, and across both mitigation and adaptation themes. If the technical capacity is not available, then the review bodies will require the ability to co-opt this expertise on an as-needed basis to ensure a comprehensive review is conducted.

**Financial and Capacity Implications:** The coordination of the process, ensuring the technical, legal, and financial review, and the convening of consultations required, could potentially have budgetary implications on top of the capacity required to manage this process. This will need to be taken into consideration by the NDA, and incorporated into budget proposals.

## 10. MONITORING AND EVALUATION

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Activities financed by the GCF must be continuously monitored to ensure their long-lasting success in SVG and so building a system to monitor, evaluate and report on GCF-Financed activities in St. Vincent and the Grenadines is critical. In developing a robust Monitoring & Evaluation (M&E) framework and process, the GCF places specific focus on two core requirements:

- i. **Accountability:** Misconduct can be avoided by creating a clear accounting system where individuals are ultimately responsible for the completion of their assigned task or for the outcome of an assigned group. Assigning definite roles and responsibilities to the NDA/FP is crucial for the success of this principle.
- ii. **Transparency:** To gain support within SVG among all stakeholders, public and private, it is important to intentionally share information regarding the financing mechanisms being accessed and their purpose. Being transparent will help create open communication about climate financing with the goal of creating an atmosphere that encourages the advancement of environmentally sustainable technology and policy. Transparency will be key when creating a communication strategy and public awareness campaign later in this component.

Once an organisation has become accredited through the GCF, it also assumes primary responsibility for ensuring that it has a clear M&E framework and process in place for any project/program funding it receives from the GCF. As an Accredited Entity, the GCF also requires an annual self-assessment review of the AE's operations over the year, for every year that the organisation remains accredited with the GCF. In these reviews, the AE must demonstrate that its institutional standards continue to meet (and ideally exceed) the standards the GCF set for accreditation.

However, the primary focus of the GCF M&E framework is to ensure that GCF financing is delivering its stated outcomes and that funds are not being misused. Therefore, for each project/program that has received GCF funding, the AE is required to provide three sets of deliverables<sup>18</sup>:

- i. A log frame and identification of indicators in the original funding proposal,
- ii. Annual Performance Reports from projects/programmes, and
- iii. Interim and final evaluations at the project/programme level.

These reports and evaluations will rely on the project baselines established in the project/program concept notes, to measure progress towards the stated targets of the GCF funded project/program.

### 10.1. M&E Deliverables During Disbursement of GCF Funds

#### 10.1.1. Accreditation Stage

The GCF Accreditation Master Agreement<sup>19</sup> usually includes a Results Management Framework - Monitoring and Accountability, which defines the large lines of commitment by the AE.

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<sup>18</sup> GCF, "GCF Accreditation Introduction", 2017, page 19

<sup>19</sup> See various Accreditation Master Agreements: <https://www.greenclimate.fund/library/-/docs/list/383065>

### 10.1.2. Project Implementation Stage

M&E framework covers four stages and areas; (i) the project’s first disbursement, (ii) the project’s further disbursements, (iii) a general oversight and overview of implementation by the GCF’s Portfolio Management Unit which oversees the project implementation and work of the AE, and (iv) AE’s performance reports. These four areas are aligned with the project implementation cycle, which could be described as follows:

- The first step in GCF project implementation is the creation of a legal agreement between the GCF and the implementing AE, which is called a Funded Activity Agreement (FAA). Once an FAA has been signed, the GCF then begins transferring financial assistance to the Accredited Entity in the form of a loan, grant, equity, or guarantee - depending on the nature of the approved project.
- Typically, the GCF completes a series of financial disbursements during the life of a project/program, a process that allows the GCF to assess the impact of the climate finance initiatives it supports and monitor its delivery without disbursing all funds immediately. This can also allow the GCF to delay the release of further funds if concerns are raised through M&E reports.
- The GCF assessments are designed to make sure that AE’s projects are effective in dealing with climate change and that they comply with funding’s (grants, loans, equity, guarantee) conditions and covenants, while observing the implementation schedule of the project. This helps ensure timely implementation by the AE.
- By utilizing project timelines provided by the AE, the GCF can maintain an overview of projects stated deliverables, while the GCF can track the project/program progress through the AE’s requirement to produce independent evaluation reports at regular intervals. These reports must be produced at the mid-point of the project, and at the end, where a final evaluation is conducted after the project has closed.



Figure 29: The workflow for initial release of GCF fund

#### 10.1.2.1. First Disbursement

Following the FAA signing, GCF will take steps to ensure the implementation of the FAA agreement is effective. For instance, FAAs covering GCF’s transfer of grant payments will stipulate conditions that must be fulfilled and, in some cases, the recipient AE may have to fulfil certain pre-conditions before the grant or loan is judged to be effective. The GCF will determine if the AE has fulfilled those conditions and once it is satisfied these conditions have been met, it will notify the AE that the grant or loan agreement has become effective.

Once the funding agreement has become effective, payment instructions are sent to the GCF's Trustee and the GCF will inform the Accredited Entity of the expected date of the first disbursement. The trustee will then transfer funds to the Accredited Entity.



Figure 30: Flowchart of first disbursements

### 10.1.2.2. Further Disbursements

Once the project has been approved by the GCF board, an FAA has been signed and the first GCF funds have been released by the trustee, the Accredited Entity can then request further disbursements from the GCF. These requests are normally based on information provided the GCF's its Annual Performance Review and they are based on the requirements outlined in the FAA between the AE and GCF. For example, grant projects normally require that 70 percent of the previous disbursement it has received has been accrued or committed before further funds can be requested. The GCF review also assesses other financial reports provided by the Accredited Entity, for example if they involve project implementation delays.

It is crucial to note that for further disbursements, the primary contact point is the GCF's Office of Portfolio Management, not the secretariat. The GCF Office of Portfolio management is responsible for ensuring that the AE's agreed disbursement goal is achieved and that any implementation delays are addressed. These are the two primary criteria by which the office will decide whether to continue disbursements to the AE for their project(s)/program(s) after the first disbursement has been released.

### 10.1.2.3. GCF Implementation Overview

After the completion of the first disbursement, ongoing interactions with the AE is transferred from the operational units (Division of Mitigation and Adaptation or Private Sector Facility) to GCF's Portfolio Management Unit, which leads GCF's interaction with the AE during the implementation phase of the project to closure.

The purpose is to ensure that a GCF-financed project is being properly implemented and is accomplishing its intended objectives, and also includes the unit's review of regular reports required from AEs, such as financial, audit and evaluation reports. These reviews incorporate performance reviews against the GCF's [investment framework](#), as well as an assessment of whether any local impacts have emerged since project initiation, as well as any updates on variations to the original project, as indicated in the funding proposal. This includes working with the AE on corrective actions and possible restructuring if issues surface during implementation of the project. The AE normally proposes these in its mid-term evaluation report.

### 10.1.2.4. Accredited Entity Performance Reports

While Accredited Entities are primarily responsible for the monitoring and evaluation of the funded activities they carry out, they are also required to report regularly to GCF.



This is done in the form of the various reports such as Annual Performance Reports (APRs) and Mid-term/Final Evaluation Reports. All reporting should align with GCF's Monitoring and Accountability Framework ([MAF](#)) and Performance Measurement Framework ([PME](#)) for adaptation and mitigation.

### 10.1.3. GCF Assessment Documents

Documents utilized by the GCF for assessment include:

- **Inception Report:** helps to review and sequence activities and, if necessary, to reorganise the project work plan and implementation schedule.
- **Annual Performance Report** (yearly and final): records the status of implementation of each project activity, updates achievement indicators against targets and identifies implementation-related problems and mitigation measures.
- **Mid-term Evaluation Report:** presents preliminary or initial evaluation findings, measures, and reports on performance to date and recommends adjustments (activities and outputs) that may need to be made to ensure the successful implementation of the project.
- **Final Evaluation Report:** measures the overall impact, effectiveness, efficiency, sustainability, replicability, and lessons learned of a project.
- **Yearly audits and financial information:** regular financial reports and yearly/final financial statements.
- The **Annual Performance Report** includes a narrative report, accompanied by supporting qualitative and quantitative data as needed, describing progress by the Accredited Entity in implementing the project. The report is based on the logical framework submitted in the funding proposal that specifies project component outputs, outcomes and activities. The APR will also indicate challenges or problems (if any) encountered during implementation, as well as identifying lessons learned.

## 10.2. Accredited Entity Compliance

The accreditation of an entity to the GCF is valid for a fixed term of five years or less, depending on the terms of accreditation. During the five-year accreditation term, the GCF will monitor the compliance of the AE with the standards of the GCF and its obligations, as follows:

- **On an annual basis**, AEs should provide a self-assessment of their compliance with the GCF fiduciary standards, ESS and gender policy. For international entities, the self-assessment, should also include a report on the support provided to DAEs for accreditation, or to build their capacity, as requested by the Board. The GCF Secretariat has developed a standard template for such reports, adequately considering the nature of the entities and their capacities;
- **At the midpoint of the accreditation period**, the Secretariat will undertake a light-touch mid-term review of the compliance performance of the AE. The Secretariat has developed a series of standard terms of reference for the mid- term reviews; and
- **If needed**, the GCF will initiate additional ad hoc compliance reviews. The GCF Secretariat is responsible for programming mid-term reviews and any ad hoc reviews, in coordination with the AE, and producing the relevant reports.

The GCF may decide to undertake additional ad hoc checks to follow up on the reports on compliance and performance submitted by AEs, including site visits that can be arranged in coordination with the NDA/focal point and the AE.

## 10.3. Funded Activity Monitoring

AEs are primarily responsible for the monitoring and evaluation of its funded activities, and will report accordingly to the GCF. Therefore, during the project/programme implementation period, reporting requirements to the GCF may include the following:

- **Annual performance reports (APRs)**, including financial management reports. Among other things, the financial management reports will include dates and amounts disbursed for each funded activity and compliance with financial covenants; and
- **An interim evaluation report and a final evaluation report for each funded activity.** These project/programme-level evaluations should also assess the performance of the funded activity against the GCF investment framework criteria, including financial/economic performances as part of the project/programme efficiency and effectiveness criterion.

To note during the post-implementation period, the submission of APRs might be required. In some cases, it will not be cost-effective to contract the AE to provide post- implementation monitoring.

Contents for APRs should include:

- A narrative report (with supporting data as needed) on implementation progress *based on the logical framework submitted in the funding proposal*;
- Considerations on the *ongoing performance of the project/programme against the GCF investment framework criteria*, including updates on the indicators and a *report on ESS as well as gender*; and
- Alignment with the modalities set out in the GCF results management framework and its performance measurement frameworks for adaptation and mitigation, as amended and updated from time to time. Reporting requirements on ESS in the APR will be consistent with the GCF environmental and social management system.

### 10.3.1. Annual Stakeholder Engagement

At the project/programme level, the AE should include **participatory monitoring**, involving communities and local stakeholders, including civil society organizations, at all stages of the project/programme cycle from the beginning. For participatory monitoring of the overall portfolio of GCF-funded projects and programmes in each country, the NDA/FP is encouraged to organize an annual participatory review for local stakeholders, notably affected people and communities, including women and civil society organizations. The participatory review will adhere to the following:

- The policy of the GCF is to communicate in English. In cases where participatory review requires materials in local languages in order to be effective and meaningful, the NDA, in cooperation with the AE, shall provide such materials in a timely manner in advance of the participatory review; and
- The Readiness Programme, in coordination with the NDA, may provide support to such participatory monitoring and reviews.

## 10.4. Guidelines for Gender<sup>20</sup>

The GCFs Gender policy has **six primary objectives**, that underpin the decisions made by the fund when choosing to approve funding for project/program proposals by AEs. But the GCF also expects that once the funding has been approved, that the AE can continuously demonstrate that the funding it has been allocated is continuing to address its objectives on an operational basis. Where the AE is failing to address these objectives at an operational level, discussions may be held with GCF staff to find ways to alter/adjust the program/project delivery to improve its ability to achieve these objectives. If sufficiently serious, the GCF may even suspend additional payments until a solution can be found. Table 7 lays out the framework of the six objectives.

Table 7: The Six GCF Objectives for Gender

Objective	Description of Objectives
Commitment	<p>By adopting a gender-sensitive approach in its mandate on climate change, the Fund commits to contributing to <b>gender equality</b>, as enshrined in international agreements and national constitutions, and other human rights agreements.</p> <p>The Fund thereby also commits to:</p> <ul style="list-style-type: none"> <li>(a) Understand the sociocultural factors underlying climate change- exacerbated gender inequality, and the potential contribution of women and men to societal changes in order to build resilience to, and the ability to address, climate change;</li> <li>(b) Adopt methods and tools to promote gender equality and reduce gender disparities in its climate funding; and</li> <li>(c) Measure the outcomes and impacts of its activities on women and men’s resilience to climate change.</li> </ul>
Comprehensiveness, in scope and coverage	The Fund applies its <b>gender policy</b> to all its climate mitigation and adaptation activities, whether implemented by international, regional, national or subnational, public or private entities that are accredited to the Fund.
Accountability	After accreditation, and at the project/programme level, the Accredited Entity will be responsible for implementing the gender policy as it relates to the Fund-approved project/programme through <b>in-country project identification and implementation</b> , as well as for <b>results reporting</b> . The application of the Fund’s guidelines on the initial socioeconomic and gender assessments and the Fund’s environmental and social safeguards (ESS) as it relates to the project/programme is mandatory. Gender- related complaints and grievances that may occur in projects and programmes are processed through the <b>Fund’s redress mechanism</b> .
Country ownership	The Fund informs national designated authorities (NDAs) and focal points (FPs) that proposed projects or programmes submitted to the Fund are required to be <b>aligned with national policies and priorities on gender and with the Fund’s gender policy</b> . The Fund requires that women and men be provided with equitable opportunity to be included in stakeholder consultations and decision-making during project and programme preparation, implementation and evaluation.

<sup>20</sup> GCF,2018, “Annex XIV: Gender action plan 2015–2017”, GCF/B.09/23, Page 90 found in doc: “1.8\_-\_Gender\_Policy\_and\_Action\_Plan”.

Competencies	The Fund's accreditation process and fit-for-purpose approach recognize that there is a wide range of types of organizations and institutional capacities. In the accreditation process, entities will be required to have policies, <b>procedures and competencies in place</b> in order to implement the Fund's gender policy.
Resource allocation	The Fund's <b>resource allocation</b> for adaptation and mitigation projects and programmes contributes <b>to gender equality</b> and women's empowerment. The Fund seeks to ensure that its projects and programmes support initiatives addressing the inequity of climate change impacts and to provide gender-sensitive solutions to climate change mitigation, adaptation or readiness.

In addition to the GCFs six gender objectives, the fund has **gender requirements under its M&E framework**, which outline a series of actions that it has determined as necessary in order to ensure that its gender objectives are incorporated into program/project designs and subsequently delivered.

Table 8: GCF Gender Requirements for AEs under the Monitoring & Evaluation Framework

The AE gender requirements under the GCF M&E Framework	
Action needed	Reason for action
A mandatory initial socioeconomic and gender assessment	<p>Establishes a set of baseline data, from which the project/programs performance can be measured against.</p> <p>Requires the AE to explain and determine how the project/program can respond to the needs of women and men, in view of the specific climate change issue to be addressed.</p> <p>It helps AEs to identify the drivers of change and specific gender dynamics present in across the project(s)/program(s), thus allowing the AE to develop adaption or mitigation goals.</p> <p>Helps AEs to identify and design specific gender elements to be included within the project/programme activities.</p> <p>Provides an estimate of the implementation budget.</p> <p>May help inform AEs choice of output, outcome and impact indicators for the project(s)/program(s), and,</p> <p>It can help AEs to design project/programme implementation and monitoring arrangements within the existing institutional structure.</p>
Gender equitable stakeholders' consultations	Needed to help set the gender parameters provided in the GCF policy, into the project/programme.
Inclusion of gender perspective in the application	A mandatory requirement to ensure that women's views have been solicited during the design of the project, to mitigate any risks of negative impact on women and to encourage greater socio-economic outcomes for women from the project.

## 11. GCF RESOURCE LIBRARY

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### 11.1. Accreditation

The Green Climate Fund Online Accreditation System (OAS) Account Request Form

(<https://www.greenclimate.fund/document/online-accreditation-system-oas-account-request-form>)

### 11.2. Country Ownership

The Green Climate Fund (July 17) Guidelines for enhanced country ownership and country drivenness

(<https://www.greenclimate.fund/sites/default/files/document/guidelines-enhanced-country-ownership-country-drivenness.pdf>)

### 11.3. Development of Concept Notes

The Green Climate Fund: Concept Note User's Guide

([https://www.greenclimate.fund/documents/20182/239759/GCF\\_Concept\\_Note\\_User\\_s\\_Guide.pdf/64866eea-3437-4007-a0e4-01b60e6e463b](https://www.greenclimate.fund/documents/20182/239759/GCF_Concept_Note_User_s_Guide.pdf/64866eea-3437-4007-a0e4-01b60e6e463b))

The Green Climate Fund Project Preparation Facility Guidelines

([https://www.greenclimate.fund/documents/20182/574766/Guidelines\\_-\\_Project\\_Preparation\\_Facility\\_Guidelines.pdf/f8b62701-a9ca-4b1e-9e23-e67f1b88abd4](https://www.greenclimate.fund/documents/20182/574766/Guidelines_-_Project_Preparation_Facility_Guidelines.pdf/f8b62701-a9ca-4b1e-9e23-e67f1b88abd4))

### 11.4. Development of Funding Proposals

Fayolle, V. and Odianose, S. (2017) Green Climate Fund Proposal toolkit 2017. London: Acclimatise and Climate and Development Knowledge Network (<https://cdkn.org/wp-content/uploads/2017/06/GCF-project-development-manual.pdf>)

The Green Climate Fund 101: Project Funding (<https://www.greenclimate.fund/gcf101/funding-projects/project-funding>)

### 11.5. Gender

The Green Climate Fund (August 2017) Mainstreaming Gender in Green Climate Fund Projects: A practical manual to support the integration of gender equality in climate change interventions and climate finance ([https://www.greenclimate.fund/documents/20182/194568/Guidelines\\_-\\_GCF\\_Toolkit\\_Mainstreaming\\_Gender.pdf/860d1d03-877d-4c64-9a49-c0160c794ca7](https://www.greenclimate.fund/documents/20182/194568/Guidelines_-_GCF_Toolkit_Mainstreaming_Gender.pdf/860d1d03-877d-4c64-9a49-c0160c794ca7))

### 11.6. Green Climate Fund

The Green Climate Fund (June 2021) GCF Handbook: Decisions, Policies, and Frameworks as Agreed by the Board of the Green Climate Fund from B.01 to B.28

(<https://www.greenclimate.fund/sites/default/files/document/gcf-handbook-june2021.pdf>)

Green Climate Fund Policies: <https://www.greenclimate.fund/library/-/docs/list/574034>

GCF Programming Manual: an introduction to the Green Climate Fund project cycle and project development tools for full-size projects: <https://www.greenclimate.fund/document/programming-manual>

## 11.7. Readiness and Preparatory Support Programme

GCF in Brief: Readiness

([https://www.greenclimate.fund/documents/20182/194568/GCF in Brief Readiness.pdf/736d5a20-2945-49fb-a9c3-c0def58ffe45](https://www.greenclimate.fund/documents/20182/194568/GCF%20in%20Brief%20Readiness.pdf/736d5a20-2945-49fb-a9c3-c0def58ffe45))

The Green Climate Fund 101: Readiness and Preparatory Support Programme

(<https://www.greenclimate.fund/gcf101/empowering-countries/readiness-support>)

The Green Climate Fund (March 2020) Readiness and Preparatory Support Programme

Guidebook: A practical guide on how to prepare readiness proposals for the Green Climate Fund

(<https://www.greenclimate.fund/sites/default/files/document/readiness-guidebook.pdf>)

## 11.8. Simplified Approval Process

GCF in Brief: Simplified Approval Process

([https://www.greenclimate.fund/documents/20182/194568/GCF in Brief Simplified Approval Process.pdf/e739cd34-85d0-4495-afa4-c955f74685ff](https://www.greenclimate.fund/documents/20182/194568/GCF%20in%20Brief%20Simplified%20Approval%20Process.pdf/e739cd34-85d0-4495-afa4-c955f74685ff))

## 12. ANNEXES

### 12.1. Annex 1: Key Stakeholders for climate change in St. Vincent and the Grenadines

Table 9: Source: Adapted from St. Vincent and the Grenadines' Country Programme Operations Manual, with additions made upon review from NDA and relevant stakeholders

Public Sector	Private Sector Corporations	Business Associations
<ul style="list-style-type: none"> <li>- The Central Water and Sewage Authority (CWSA)</li> <li>- St. Vincent Electricity Services Ltd (VINLEC)</li> <li>- National Emergency Management Organization (NEMO)</li> <li>- International Airport Authority</li> <li>- Port Authority</li> <li>- Maritime Administration</li> <li>- Tourism Authority</li> <li>- Ministry of Agriculture, Forestry, Fisheries, Rural Transformation, Industry, and Labour</li> <li>- Ministry of Transport, Works, Land and Surveys, and Physical Planning</li> <li>- Micro Finance Business Institute</li> <li>- Ministry of Tourism, Civil Aviation, Sustainable Development, and Culture</li> <li>- Ministry of Health</li> <li>- Ministry of National Mobilization</li> </ul>	<ul style="list-style-type: none"> <li>- Massy (important conglomerate)</li> <li>- WinFresh</li> <li>- ECGC (Flour and Rice Producers)</li> <li>- Eastern Caribbean Group &amp; Co.</li> <li>- Saint Vincent Cocoa Company</li> <li>- Flow and Digicel (Telecommunications Companies)</li> </ul>	<ul style="list-style-type: none"> <li>- Chamber of Industry and Commerce</li> <li>- Hotel and Tourism Association</li> <li>- Inter-American Institute for Cooperation on Agriculture (IICA)</li> <li>- Caribbean Agricultural Research and Development Institute (CARDI)</li> <li>- Caribbean Regional Fishing Mechanism (CRFM)</li> </ul>
	Non-Governmental Organisations	Financial Institutions
	<ul style="list-style-type: none"> <li>- Richmond Vale Academy</li> <li>- Sustainable Grenadines Inc.</li> <li>- Women in Agriculture</li> <li>- National Women's Council Red Cross</li> <li>- Caribbean Youth Environment Network (CYEN)</li> <li>- Rotary Club</li> </ul>	<ul style="list-style-type: none"> <li>- Bank of Saint Vincent and the Grenadines</li> <li>- Republic Bank (formerly Nova Scotia Bank)</li> <li>- First Caribbean International Bank</li> <li>- Courts Saint Vincent</li> <li>- Saint Vincent Insurance</li> </ul>

## 12.2. Annex 2: Roles and responsibilities of various actors concerning climate change adaptation in SVG

Table 10: Source: St. Vincent and the Grenadines' Country Programme Operations Manual

Actor	Roles	Responsibilities
Cabinet	Climate champion	- Adopt and promote good cc practices
Parliament	Political orientation	- Creation of the mandate for CC - Approval of the institutional framework - Endorsement of the NAP - Definition of the annual domestic CC budgets - Appointment of the coordination entity and of the members of the NTACCC - Facilitation of the participation of civil society, private sector and academia
SDU	- Strategic orientation - Coordination - Information - Support - Implementation - NFP UNFCCC - OPF GEF - MRV	- Appointed by the Cabinet - Chairs of the NTACCC - Provides: <ul style="list-style-type: none"> <li>o Strategic orientation</li> <li>o Cross-sectoral coordination</li> <li>o Information gathering, management and dissemination</li> <li>o Mobilisation and management of CC support</li> <li>o MRV of CC action in accordance with its mandate</li> </ul>
Dir. Plan., MFEPIT	Focal Point of the GCF	- Mobilisation of GCF resources - Issuance of no-objection letters for the GCF
NTACCC – decision	Advisory	- Advisory on the definition of policies, regulation and technical standards considering CC - Promotion of the coordinated implementation of activities to reduce the impacts of CC by incorporating it
NTACCC – technical	Technical Advisory	- Identification of gaps and needs and of technically sound adaptation actions - Promotion of the coordinated implementation of activities to reduce the impacts of CC by incorporating it - Definition of the guidelines to further mainstream CC into the sectoral planning instruments - Collaborates with the private sector, civil society and academia advising on the technical aspects - Validate media contents related to CC
Meteorological Services	Climatic data, EWS	- Collection and management of weather data - Information of the EWS - Elaboration of climate projections with regional partners - Provision of climate services to farmers and fishers
NEMO	EWS	- Management of the EWS
Departments / Units	Implementation	- Design and implementation of CC actions - Mobilisation of support
Public, Civil Society and Private Sector	Implementation	- Implement CC adaptation and mitigation activities at the community level - Empowerment of local communities in relation to CC - Mobilisation of support - Monitor the implementation of the NAP as independent observers
Academia	Research	- Development and implementation of the CC research plan - Mobilisation of support - Monitor the implementation of the NAP as independent observers
Cooperation partners	Support	- Provision of support (finance, technology and capacity building) - Sharing of experiences
Media	Communication	- Convey CC messages



		<ul style="list-style-type: none"><li>- Coordinate with other actors, promote good practices</li><li>- Monitor the implementation of the NAP as independent observers</li></ul>
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## 12.3. Annex 3: Full List of Responsibilities of the NDA

<b>NDA Function and Associated Tasks</b>
<b>Strategic oversight aligned with national priorities</b>
Provide broad strategic oversight of the Fund's activities within the country
Raise awareness of the GCF within St. Vincent and the Grenadines
Provide advice on how to effectively engage the Fund
Identify and support climate change adaptation and mitigation plans, projects, and programmes that can be funded by the GCF
Ensure alignment with national sustainable development objectives and frameworks
Contribute to and drive national development strategies and plans
Maintain adequate knowledge of national priorities, strategies and plans
Monitor and evaluate in accordance with relevant guidelines of the Fund
Maintain an overview of activities of other relevant multilateral, bilateral, regional and global funding mechanisms and institutions working in the country
Maintain regular communication with the Secretariat through Internet-based correspondence, facilitate country visits and meetings with Fund officials and provide written communication, as required
Disseminate in key operational procedures of the Fund, including its environmental and social safeguards
Retain an overview of all funding proposals relating to the country, and facilitate available information on the projects and programmes through appropriate media and relevant networks, including in local languages
Monitor and provide feedback regarding the impact of Fund operations in terms of the degree to which the Fund's initiatives add value to national development priorities, building institutional capacity, and promoting a paradigm shift towards low carbon and climate resilient development
<b>Convene national stakeholders</b>
Maintain a database of contacts of relevant actors within the government, private sector, academia, civil society and other relevant stakeholder groups or sectors
Convene relevant public, private and civil society stakeholders to identify priority sectors and concerns to be financed by the Fund
Maintain meeting notes or minutes of all stakeholder meetings
Disseminate key documents, information and operational procedures of the Fund, including its environmental and social safeguards, project proposals and no-objection letters
Organise and convene an annual participatory review for local stakeholders, notably project affected people and communities, including women and civil society organizations for participatory monitoring of the overall portfolio of GCF-funded projects and programmes <sup>21</sup>
<b>Nomination letters for direct access</b>
Communicate nominations / no objection of entities (subnational, national or regional, public and private) seeking accreditation to the Fund under the 'direct access' track
Maintain working relationship with national DAEs
Identify potential entities that can be accredited to the GCF
<b>No-objection letters</b>
Implement the no-objection procedure on funding proposals submitted to the Fund, to ensure consistency of funding proposals with national climate change plans and priorities
Review appraisal reports and letters of support from social partners
Responsible for final screenings of project proposals including appraisal reports and letters of support, ensuring consistency with government's objectives
If project is unsatisfactory, responsible for liaising with implementing entity (line ministries, statutory bodies, or development partners etc.) on recommendations for modification.
Prepare no-objection letter and supporting documents
<b>Approval of readiness support</b>
Provide leadership on the deployment of readiness and preparatory support funding in the country
Provide guidance for interested DPs candidates
Responsible for receipt and screening of application and decision on DP and EE nomination

<sup>21</sup> The Readiness Programme, in coordination with the NDA, may provide support to such participatory monitoring and reviews. Please see GCF Board Decision GCF/B.11/10 for further information.

Develop readiness proposals for accessing GCF Readiness support
<b>Additional general tasks</b>
Respond to questions that may arise at varying stages of project development, submission and accreditation
Keep up to date with new developments
Attend and participate in GCF workshops and meetings
Provide relevant feedback through Structured Dialogues at national and regional level including on the NDA's experience of country ownership
Maintain continuous communication with the GCF through the Regional Advisor
Keep up to date on regional and international accredited entities that are suitable for SVG to work with
Maintain up to date knowledge of RfPs that are posted by the GCF Secretariat and inform relevant sectors of those opportunities

## 12.4. Annex 4: What does the Readiness Programme Support?

Objectives	Potential Activities Covered
1: Capacity building for climate finance coordination	<ul style="list-style-type: none"> <li>- Enhance capacity of NDAs, DAEs and key stakeholders including CSOs and the private sector to undertake integrated national programming for mitigation and adaptation</li> <li>- Establish NDA/ focal point</li> <li>- Assist institutional strengthening</li> <li>- Support stakeholder engagement</li> <li>- Hold IE/intermediary dialogues</li> <li>- Enhance coordination mechanisms</li> <li>- Support appropriate oversight of Fund activities at country level</li> <li>- Raise awareness of the Fund's accreditation process</li> <li>- Identify potential IEs/ intermediaries</li> <li>- Conduct an institutional gap analysis of potential applicants</li> <li>- Provide a personalised readiness support for applicant to address identified gaps</li> </ul>
2: Strategic frameworks for low-emission investment	<ul style="list-style-type: none"> <li>- Technical assistance to develop the necessary policies, strategies and mechanisms to plan for, crowd in, and scale up climate finance to meet the long-term goals of the UNFCCC and Paris Agreement</li> <li>- Develop a country programme to identify priorities for engagement with the Fund</li> <li>- Develop Entity Work Programmes, Long-term low-emission strategies and action plans</li> <li>- Enhance or implement NDCs</li> <li>- Improve enabling environments for climate finance, including the engagement of the private sector and developing innovative financial mechanisms</li> <li>- Identify strategic investment priorities and take stock of existing strategies (e.g.,, LEDS, NAMA, NAPs and NAPAs)</li> </ul>
3: Strengthened adaptation planning	<ul style="list-style-type: none"> <li>- Capacity and technical support to ensure national, subnational and/or sector adaptation planning processes are based on solid data relevant to the local context and drive increase investment</li> <li>- Catalyse private sector engagement in climate finance</li> </ul>
4: Paradigm-shifting pipeline development	<ul style="list-style-type: none"> <li>- Technical assistance support for countries to identify, prioritise and develop transformational investment based on climate priorities as outlined in NDCs, NAPs, and other strategies</li> <li>- Identify programmes and projects aligned with national priorities and the Fund's results management framework</li> <li>- Support development of concept notes</li> <li>- Support programme/project preparation and costed action plans for projects or priority documents such as NDCs</li> <li>- Support Risk assessment</li> <li>- Identify programme and project level indicators aligned with the Fund's results management</li> </ul>
5: Knowledge sharing and learning	<ul style="list-style-type: none"> <li>- Enable lesson-learning among applicants</li> <li>- Conducts workshops with NDAs, EEs, CSOs and private sector</li> <li>- Convene stakeholders at a regional level to share lessons and experiences</li> <li>- Develop tailored knowledge products</li> <li>- Distil lessons from readiness programme experience and facilitate access to knowledge products (e.g. online platforms, webinars)</li> </ul>

## 12.5. Annex 5: Information on the GCF Financial Management Capacity Assessment

### OVERVIEW OF THE INFORMATION REQUIRED BY THE FMCA:

<b>SECTION 1. GENERAL AND CONTACT INFORMATION</b>
This section must be completed with all relevant information as outlined below. This section outlines general details on the organisation including legal name, registration number, registered address, contact information, and incorporation details.
<b>SECTION 2. LEGAL FRAMEWORK</b>
This section outlines details on the organization’s legal framework and status, and should be substantiated by the organization’s founding legal document, such as a constitution, charter, memorandum of incorporation, etc.
<b>SECTION 3. STRUCTURE AND CULTURE</b>
This section covers the organization’s institutional/corporate structure and provides an outline of its composition, as well as the measures to ensure sound management of human and financial resources.
<b>SECTION 4. FINANCIAL MANAGEMENT</b>
This section contains information regarding accounting and internal control systems. It requests important details and documentation that are necessary to assess the organization’s ability to safeguard financial resources and ensure its systems and policies are designed to prevent, or minimize, the risk of corruption and fraud.
<b>SECTION 5. PROCUREMENT</b>
This section gives an assessment of how procurement is handled by the organization and the overall approach employed in the selection of consultants and the acquisition of goods and services. This is important to ensure procurement is conducted in a manner that optimises value for money and protects the interests of both the organization and the supplier.
<b>SECTION 6. PROJECT MANAGEMENT</b>
This section details how the organization manages its projects and project-related operations. It covers the overall management process including monitoring and evaluating performance.

### SUPPORTING DOCUMENTATION REQUIRED BY THE FMCA<sup>22</sup>:

<b>FMCA supporting documents checklist</b>	<b>Attached</b> (Please mark with an “x”)
Document of legal registration of the entity and founding legal document	<input type="checkbox"/>
The latest annual report of the organization and institutional publications/communications products that help provide a comprehensive understanding or presentation of the organization (e.g., annual reports, links to relevant website, web pages, etc.)	<input type="checkbox"/>

<sup>22</sup> While information has been provided for the requirements of the FMCA, it is advisable to check the GCF website for the latest versions to ensure the most up to date information is being utilised.

Organizational chart describing the hierarchical structure of the organization and illustrating all key functions and relevant staff	<input type="checkbox"/>
Employee code of conduct	<input type="checkbox"/>
Conflict of Interests Policy	<input type="checkbox"/>
Fiduciary assessment report(s)	<input type="checkbox"/>
Internal control framework (ICF), including procedures against fraud	<input type="checkbox"/>
Two latest internal audit reports	<input type="checkbox"/>
Two latest external audit reports	<input type="checkbox"/>
Annual financial statements of the previous 2 years (including auditor's opinion), when applicable: <ul style="list-style-type: none"> <li>i. balance sheet statement</li> <li>ii. profit and loss statement</li> <li>iii. cash flow statements</li> </ul>	<input type="checkbox"/>
Financial guidelines or main accounting policies (e.g. depreciation and amortization, intangible assets, asset impairments, foreign currency transactions, income taxes, etc.)	<input type="checkbox"/>
Procurement policies and procedures	<input type="checkbox"/>
Documents related to past projects the organization has managed and executed: for example, project implementation plan, project expenditures vs project budget, monitoring and evaluation report, etc.	<input type="checkbox"/>
Operations manual (including finance-related sections)	<input type="checkbox"/>
Human resources manual	<input type="checkbox"/>
CVs presenting knowledge and experience of key finance and project staff	<input type="checkbox"/>
Project / Programme implementation manual including monitoring and evaluation guidelines	<input type="checkbox"/>
External evaluation(s) / assessment(s) of past or ongoing projects and programmes	<input type="checkbox"/>

## 12.6. Annex 6: Template for Prospective Direct Access Entities Application Letter to NDA

[Letterhead of Applicant]

Mr. Recardo Frederick  
Director of Planning  
Ministry of Finance, Economic Planning, and Information Technology  
1<sup>st</sup> Floor Administrative Building,  
Bay Street,  
Kingstown, St. Vincent and the Grenadines.

Kingstown, St. Vincent and the Grenadines  
[date]

### Re: Application for Direct Access Accreditation to the Green Climate Fund

Dear Permanent Secretary,

In my capacity as [position] of [organisation], I wish to hereby submit [organisation name] for nomination for accreditation as a Direct Access Entity by the Green Climate Fund:

[Legal name of the applicant entity]

[Contact person: full name]

[Contact details: telephone, address, email address]

[The organisation may wish to include a few paragraphs detailing concrete information on how the entity can contribute to St. Vincent and the Grenadines' programming priorities with the Green Climate Fund and how its track records showcase its capacity to develop and undertake GCF projects.]

Please find attached to this letter supporting documentation for your review.

Yours sincerely,

[SIGNATURE BLOCK OF ENTITY]

## 12.7. Annex 7: Template for the Nomination Letter for Direct Access Entity Accreditation to the Green Climate Fund

[Letterhead of the Government of St. Vincent and the Grenadines]

Executive Director  
The Green Climate Fund ("GCF")  
G-Tower, 24-4 Songdo-dong, Yeonsu-gu  
Incheon City, Republic of Korea

Kingstown, St. Vincent and the Grenadines

[date]

### **Re: Expression of nomination for the application for accreditation to the Green Climate Fund**

Dear Executive Director,

Pursuant to paragraph 47 of the Governing Instrument for the Green Climate Fund, in my capacity as representative of the National Designated Authority for St. Vincent and the Grenadines, duly designated pursuant to the letter from the Government of St. Vincent and the Grenadines to the Fund, after due national review and selection process, I hereby nominate the entity below for accreditation by the Green Climate Fund:

[Legal name of the applicant entity]

[Contact person: name]

[Contact details: telephone, address, email address]

[The NDA may wish to include information on how the entity being nominated can contribute to the country's programming priorities with the GCF.]

Yours sincerely,

[SIGNATURE BLOCK OF NDA]



## 12.8. Annex 8: Template for the Letter of Rejection by NDA to Applicant

[Letterhead of the Government of St. Vincent and the Grenadines]

[Organisation Name]  
[Organisation Address]

Kingstown, St. Vincent and the Grenadines  
[date]

### Re: Application for Direct Access Accreditation to the Green Climate Fund

Dear [sir/madam],

Thank you for your interest in gaining status as an Accredited Entity (AE) to the Green Climate Fund (GCF). [We have had a significant interest from organisations in becoming accredited to the GCF and we appreciate your interest and time spent on this application.]

After a substantive review of your application, I would like to inform you that your organisation was not approved to proceed with accreditation with the GCF at this time. Please note the following reasons:

- [list the reasons]

Option 1: Applicant could be a potential DAE in the near future:

[[The organisation's name] has a strong track record of [insert sector/focus] and the NDA will be reissuing calls for applicants in the future. If at this time you will to apply again, our team at the NDA would be able to provide guidance on strengthening your application.]

Option 2: Applicant is/will not in the near future be of interest for the NDA to be accredited:

[Once again, we would like to thank you for your interest and time spent in this application. Further, we at the NDA would like to encourage you and your organisation to stay engaged and involved in the strategic national sustainable development of St. Vincent and the Grenadines and support our drive to a low-emission climate-resilient economy.]

Yours sincerely,

[SIGNATURE BLOCK OF NDA]

## 12.9. Annex 9: Fast track approved Accredited Entities and additional requirements for accreditation

		DG DEVCO entities	Adaptation Fund (AF)	Global Environment Fund (GEF)
Eligibility	1.Accredited before	14 <sup>th</sup> December 2016	14 <sup>th</sup> December 2016	14 <sup>th</sup> December 2016
	2.Compliance standards needed	All EU DEVCO fiduciary standards under the six-pillar assessment	AFs fiduciary standards	GEFs minimum fiduciary standards and minimum standards on ESS
Gaps to address	Fiduciary gaps	Anti-money laundering and anti-terrorist financing (basic fiduciary criteria for the purpose of the transparency and accountability)	Ensure functional independence, by creating an officer with reporting lines to a sufficiently senior level to allow the investigation function of the GCF to be fulfilled objectively. Publish guidelines for processing cases, including standardised procedures for handling complaints received and managing cases through the whole investigative process. Have publicly available TORs that outline the purpose, authority and accountability for the investigation function of the GCF basic criteria. Anti-money laundering and anti-terrorism financing.	Anti-money laundering and anti-terrorism financing.
	ESS gaps	Must demonstrate capacity to assess and manage relevant performance standards one through to eight for the GCFs identified ESS risks and impacts.	1. Must demonstrate capacity to assess and manage relevant performance standards one through to eight for the GCFs identified ESS risks and impacts.	Must demonstrate capacity to assess and manage relevant performance standards one through to eight for the GCFs identified ESS risks and impacts.
Fast track approved for:	Basic Fiduciary criteria and ESS standards	Yes (except for the gaps above)	Yes (except for the gaps above)	Yes (except for the gaps above)
	Specialised fiduciary criteria for project management	No	Yes	Yes
	Specialised fiduciary criteria for grant award and/or funding allocation mechanisms	Yes	No	No
	Specialized fiduciary criteria for on-lending and/or blending	No	No	No

## 12.10. Annex 10: Template for the Technical Review of GCF Funding Proposals by the NDA

Completeness Check and Project Evaluation Sheet for the Technical Review by the National Designated Authority of GCF Concept Notes and Funding Proposals

### Completeness Check

The following documents are required to initiate the review process for the issuance of a Letter of No-Objection. Have they been submitted along with the proposal?

#### General:

- A letter of request from the official representative of the AE for a letter of no-objection for the project/programme signed by the focal point for the AE.
- A full project proposal in GCF template with all sections completed
- Letters of support from relevant stakeholder groups (*optional*)

#### Concept Note<sup>23</sup>: *Optional* supporting documents to be attached to the submission of the concept note:

- Map indicating the location of the project/programme
- Diagram of the theory of change
- Economic and financial model with key assumptions and potential stressed scenarios
- Pre-feasibility study
- Evaluation report of previous project
- Results of environmental and social risk screening

#### Full Proposal<sup>24</sup>: Supporting documents *required* by the GCF to be attached to the submission of a full project proposal:

- Feasibility study - and a market study, *if applicable*
- Economic and/or financial analyses in spreadsheet format
- Detailed budget plan ([template provided](#))
- Implementation timetable including key project/programme milestones (template provided)
- Environmental & Social document corresponding to the E&S category (A, B or C; or I1, I2 or I3): ([ESS disclosure form provided](#))
  - Environmental and Social Impact Assessment (ESIA) or Environmental and Social Management Plan (ESMP) or Environmental and Social Management System (ESMS)
  - Others e.g., Resettlement Action Plan, Resettlement Policy Framework, Land Acquisition Plan etc.
- Summary of consultations and stakeholder engagement plan
- Gender assessment and project/programme-level action plan ([template provided](#))
- Legal Due Diligence (Regulation, Taxation and Insurance)
- Procurement plan ([template provided](#))
- Monitoring and evaluation plan ([template provided](#))
- AE fee request ([template provided](#))
- Co-financing commitment letter, if applicable ([template provided](#))
- Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule

#### Full Proposal<sup>25</sup>: Supporting documents *as applicable* to be attached to the submission of a full project proposal:

- Evidence of Internal Approval ([template provided](#))
- Map(s) indicating the location of proposed interventions

<sup>23</sup> All of the supporting documents for the submission of a Concept Note are optional. This list may vary in the case of a Simplified Approval Process (SAP).

<sup>24</sup> This list may vary in the case of a Simplified Approval Process (SAP).

<sup>25</sup> This list may vary in the case of a Simplified Approval Process (SAP).

- Multi-country project/programme information ([template provided](#))
- Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project
- Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity
- First level AML/CFT (KYC) assessment
- Operations manual (Operations and maintenance)

## Project Evaluation Checklist

GENERAL INFORMATION		
1.0 Full Name of Project (Acronym)		
2.0 Name of Accredited Entity		
3.0 Name of Executing Entity		
4.0 Focal area	<input type="checkbox"/> Adaptation <input type="checkbox"/> Mitigation <input type="checkbox"/> Cross-cutting	
5.0 Does the project fall within the priorities outlined in SVG's GCF Country Programme?	<input type="checkbox"/> NO <input type="checkbox"/> PARTIALLY <input type="checkbox"/> YES  Comment:	
6.0 Is the proposal compatible with the objectives of the Paris Agreement and SVG's NDC?		
PROJECT DESIGN		
7.0 Has there been stakeholder participation? What were the strategies and methods used to engage stakeholders? Proof of this is required.	<input type="checkbox"/> NO <input type="checkbox"/> PARTIALLY <input type="checkbox"/> YES  Comment:	
8.0 Does the project provide details on climate change scenarios based on the most up to date and available national climate change data? Does it adequately take into account climate change consideration?	<input type="checkbox"/> NO <input type="checkbox"/> PARTIALLY <input type="checkbox"/> YES  Comment:	
GCF INVESTMENT CRITERIA		
9.0 Impact potential (Does the proposal support a shift to low-emission climate resilient development? How was it calculated?)	Mitigation	Adaptation
	<ul style="list-style-type: none"> <li>• Low-emission energy access and power generation</li> <li>• Low-emission transport</li> </ul>	<ul style="list-style-type: none"> <li>• Enhanced livelihoods of the most vulnerable people, communities, and regions</li> <li>• Increased health and well-being, and food and water security</li> </ul>

	<ul style="list-style-type: none"> <li>Energy efficient buildings, cities and industries</li> </ul>	<ul style="list-style-type: none"> <li>Resilient infrastructure and built environment to climate change threats</li> </ul>		
	<ul style="list-style-type: none"> <li>Sustainable land use and forest management</li> </ul>	<ul style="list-style-type: none"> <li>Resilient Ecosystems</li> </ul>		
	Comment:			
<b>10.0</b> Paradigm Shift (Does it provide a theory of change? Is it designed to ensure the project impacts will be sustained after financial support?)				
<b>11.0</b> Sustainable Development Potential (Does it maximise synergies with broader development strategies and achievement of the SDGs?)				
<b>12.0</b> Needs of the recipient (Is the proposal addressing vulnerable groups and addressing barriers to financing?)				
<b>13.0</b> Country ownership (Is the project aligned with national priorities? Will the planned outcomes of the proposal support SVG's efforts in meeting its climate change goals as outlined in the NDC, NAP and National Climate Change Policy?)				
<b>14.0</b> Effectiveness and Efficiency (Is it value for money, is co-financing secured upfront?)				
<b>15.0</b> Does the proposal conflict with ongoing projects and programmes?	<input type="checkbox"/> NO <input type="checkbox"/> PARTIALLY <input type="checkbox"/> YES Comment:			
<b>16.0</b> Does the proposal duplicate efforts of an already-existing project or programme?	<input type="checkbox"/> NO <input type="checkbox"/> PARTIALLY <input type="checkbox"/> YES Comment:			
<b>PROJECT FINANCING</b>				
<b>17.0</b> Total project financing				
<b>18.0</b> GCF contribution	<b>Grant</b>	<b>Loans</b>	<b>Equity</b>	<b>Other</b>
<b>19.0</b> Co-financing (if any, please list contributors)				

<b>20.0</b> Is co-financing new and additional	( ) NO ( ) YES	If no, then this is not allowed. No parallel financing may be included.
<b>ACCREDITED ENTITY</b>		
<b>21.0</b> What is the status of the Accredited Entity?	( ) Basic Fiduciary ( ) Project management ( ) On-granting ( ) On-lending	
<b>22.0</b> Is the proposal aligned to the Accredited Entity's capability? (If not, the entity should collaborate with another entity that fits the appropriate role.)	( ) NO ( ) PARTIALLY ( ) YES  Comment	
<b>OTHER</b>		
<b>23.0</b> Are there any exceptional circumstances which would make it important to fund the project? What is the rational for GCF involvement?	( ) NO ( ) PARTIALLY ( ) YES  Comment:	
<b>ENVIRONMENTAL AND SOCIAL SAFEGUARD</b>		
<b>24.0</b> Has the proposal assessed potential environmental and social risks? Please describe in detail the methods used to assess the potential risks and how those risks will be mitigated.	( ) NO ( ) PARTIALLY ( ) YES  Comment:	
<b>25.0</b> Have these risks been shared and discussed among stakeholders to identify an agreed approach to address such risks? Please provide as much detail as possible	( ) NO ( ) PARTIALLY ( ) YES  Comment:	
<b>GENDER</b>		
<b>26.0</b> Does the proposal fully incorporate gender considerations into outcomes and indicators and provide equal consideration and opportunity to males and females?	( ) NO ( ) PARTIALLY ( ) YES  Comment:	

<b>DECISION &amp; RECOMMENDATIONS</b>	
<ul style="list-style-type: none"> <li>The NDA <b>approves</b> the project with no-objection.</li> </ul>	[Please provide a short explanation of the decision made.]
<ul style="list-style-type: none"> <li>The NDA will approve and provide no-objection letter <b>once conditions are met.</b></li> </ul>	[Please provide a short explanation of the decision made.]

<ul style="list-style-type: none"><li>• <b>Rejected.</b> The NDA objects to the projects and requests a number of changes.</li></ul>	[Please provide a short explanation of the decision made.]
--	--

**Additional Comments:**

**Date:**

[Signature Block of the NDA]

## 12.11. Annex 11: Template for the Letter of No-Objection for Funding Proposals

[Letterhead of the Government of St. Vincent and the Grenadines]

Executive Director  
The Green Climate Fund ("GCF")  
G-Tower, 24-4 Songdo-dong, Yeonsu-gu  
Incheon City, Republic of Korea

[Place], [Date]

Re: Letter of No-Objection for funding proposal for the GCF by [name Accredited Entity] regarding [name project/programme]

Dear Executive Director,

We refer to the project [or programme] [name project [or programme]] in St. Vincent and the Grenadines as included in the funding proposal submitted by [name Accredited Entity] to us on [date].

The undersigned is the duly authorized representative of the Ministry of Finance, Economic Planning and Information Technology, the National Designated Authority of St. Vincent and the Grenadines.

Pursuant to GCF decisions B.08/10, the content of which we acknowledge to have reviewed, we hereby communicate our no-objection to the project [or programme] as included in the funding proposal.

By communicating our no-objection, it is implied that:

- The Government of St. Vincent and the Grenadines has no-objection to the project [or programme] as included in the funding proposal;
- The project [or programme] as included in the funding proposal is in conformity with St. Vincent and the Grenadines' national priorities, strategies and plans; and
- In accordance with the GCF's environmental and social safeguards, the project [or programme] as included in the funding proposal is in conformity with relevant national laws and regulations.

We also confirm that our national process for ascertaining no-objection to the project [or programme] has been duly followed.

We acknowledge that this letter will be made publicly available on the GCF website.

Kind regards,  
[SIGNATURE BLOCK OF NDA]



## 12.12. Annex 12: Template for the Letter of No-Objection for the Project Preparation Facility

[Letterhead of the Government of St. Vincent and the Grenadines]

Executive Director  
The Green Climate Fund ("GCF")  
G-Tower, 24-4 Songdo-dong, Yeonsu-gu  
Incheon City, Republic of Korea

[Place], [Date]

Re: Proposal for the GCF Project Preparation Facility by [name Accredited Entity] regarding [name of PPF Proposal]

Dear Executive Director,

We refer to the Project Preparation Facility Proposal [name of PPF proposal] for preparation of [Description of underlying project of programme] in St. Vincent and the Grenadines as included in the PPF proposal submitted by [name Accredited Entity] to us on [date].

The undersigned is the duly authorized representative of the Ministry of Finance, Economic Planning and Information Technology, the National Designated Authority of St. Vincent and the Grenadines.

Pursuant to GCF decisions B.08/10 and B.13/21, the content of which we acknowledge to have reviewed, we hereby communicate our no-objection to the Project Preparation Facility activities as included in the PPF Proposal.

By communicating our no-objection, it is implied that:

- The Government of St. Vincent and the Grenadines has no-objection to the Project Preparation Facility request as included in the PPF Proposal;
- The PPF Proposal is in conformity with St. Vincent and the Grenadines' national priorities, strategies and plans; and
- In accordance with the GCF's environmental and social safeguards, the PPF activities as included in the PPF Proposal is in conformity with relevant national laws and regulations.

We also confirm that our national process for ascertaining no-objection to the PPF Proposal has been duly followed.

We acknowledge that this letter will be made publicly available on the GCF website.

Kind regards,  
[SIGNATURE BLOCK OF NDA]

## 12.13. Annex 13: The GCF Environmental and Social Safeguards Standards

### OVERVIEW OF THE INTERNATIONAL FINANCE CORPORATION PERFORMANCE STANDARDS

The eight Performance Standards (PS) and the objectives of each are as follows:

#### PS1: Assessment and management of environmental and social risks and impacts

- (a) Identify funding proposal's environmental and social risks and impacts;
- (b) Adopt mitigation hierarchy: anticipate, avoid; minimize; compensate or offset;
- (c) Improve performance through an environmental and social management system;
- (d) Engagement with affected communities or other stakeholders throughout funding proposal cycle. This includes communications and grievance mechanisms.

#### PS2: Labour and working conditions

- (a) Fair treatment, non-discrimination, equal opportunity;
- (b) Good worker–management relationship;
- (c) Comply with national employment and labour laws;
- (d) Protect workers, in particular those in vulnerable categories;
- (e) Promote safety and health;
- (f) Avoid use of forced labour or child labour.

#### PS3: Resource efficiency and pollution prevention

- (a) Avoid, minimize or reduce project-related pollution;
- (b) More sustainable use of resources, including energy and water;
- (c) Reduced project-related greenhouse gas emissions.

#### PS4: Community health, safety and security

- (a) To anticipate and avoid adverse impacts on the health and safety of the affected community;
- (b) To safeguard personnel and property in accordance with relevant human rights principles.

#### PS5: Land acquisition and involuntary resettlement

- (a) Avoid/minimize adverse social and economic impacts from land acquisition or restrictions on land use:
  - Avoid/minimize displacement;
  - Provide alternative project designs;
  - Avoid forced eviction;
  - Improve or restore livelihoods and standards of living;
- (b) Improve living conditions among displaced persons by providing:
  - Adequate housing;
  - (i) Security of tenure.

#### PS6: Biodiversity conservation and sustainable management of living natural resources

- (a) Protection and conservation of biodiversity;
- (b) Maintenance of benefits from ecosystem services;
- (c) Promotion of sustainable management of living natural resources;
- (d) Integration of conservation needs and development priorities.

#### PS7: Indigenous peoples

- (a) Ensure full respect for indigenous peoples':
  - Human rights, dignity, aspirations;
  - Livelihoods;
  - Culture, knowledge, practices;
- (b) Avoid/minimize adverse impacts;
- (c) Sustainable and culturally appropriate development benefits and opportunities;
- (d) Free, prior and informed consent in certain circumstances.

#### PS8: Cultural heritage

- (a) Protection and preservation of cultural heritage;
- (b) Promotion of equitable sharing of cultural heritage benefits.

The International Finance Corporation (IFC) PS can be viewed at:

[https://www.ifc.org/wps/wcm/connect/8804e6fb-bd51-4822-92cf-3dfd8221be28/PS1\\_English\\_2012.pdf?MOD=AJPERES&CVID=jiVQlfe](https://www.ifc.org/wps/wcm/connect/8804e6fb-bd51-4822-92cf-3dfd8221be28/PS1_English_2012.pdf?MOD=AJPERES&CVID=jiVQlfe)

#### Performance Standard Guidance Notes

1. A set of eight Guidance Notes, corresponding to each PS, offers guidance on the requirements contained in the PS. In addition, the World Bank Group Environmental, Health and Safety (EHS) Guidelines are technical reference documents with general and industry- specific examples of good international practice and are linked to the PS through PS2 and PS3.
2. The Guidance Notes and EHS Guidelines can be found at:  
[https://www.ifc.org/wps/wcm/connect/6df1de8f-2a00-4d11-a07c-c09b038f947b/GN1\\_English\\_2012.pdf?MOD=AJPERES&CVID=meSEv.U](https://www.ifc.org/wps/wcm/connect/6df1de8f-2a00-4d11-a07c-c09b038f947b/GN1_English_2012.pdf?MOD=AJPERES&CVID=meSEv.U)

## 12.14. Annex 13: The GCF Gender Standards

### The GCFs Gender policy four objectives:

- I. To ensure that by adopting a gender-sensitive approach, the Fund will achieve greater, more effective, sustainable, and equitable climate change results, outcomes and impacts, in an efficient and comprehensive manner in both its internal and external procedures and activities;
- II. To build equally women and men's resilience to, and ability to address climate change, and to ensure that women and men will equally contribute to, and benefit from activities supported by the Fund;
- III. To address and mitigate against assessed potential project/programme risks for women and men associated with adaptation and mitigation activities financed by the Fund; and,
- IV. To contribute to reducing the gender gap of climate change-exacerbated social, economic and environmental vulnerabilities.

### These four objectives are underpinned by six principles:

1. **Commitment**
  - a. By adopting a gender-sensitive approach in its mandate on climate change, the Fund commits to contributing to gender equality, as enshrined in international agreements and national constitutions, and other human rights agreements.
  - b. The Fund thereby also commits to:
    - i. Understand the sociocultural factors underlying climate change-exacerbated gender inequality, and the potential contribution of women and men to societal changes in order to build resilience to, and the ability to address, climate change;
  - c. Adopt methods and tools to promote gender equality and reduce gender disparities in its climate funding; and
  - d. Measure the outcomes and impacts of its activities on women and men's resilience to climate change.
2. **Comprehensiveness, in scope and coverage**
  - a. The Fund applies its gender policy to all its climate mitigation and adaptation activities, whether implemented by international, regional, national or subnational, public or private entities that are accredited to the Fund.
3. **Accountability**
  - a. The Fund accounts to its Board for gender and climate change results and outcomes, and reports annually in a transparent manner. Qualitative and quantitative gender monitoring, impact, and outcome indicators are included in the results management and performance measurement frameworks (GCF/B.08/07).
  - b. Through the accreditation process and taking into account the fit-for-purpose accreditation approach, entities will be required to meet the Fund's gender policy. They will also be required to have policies, procedures and competencies in place with which to implement the Fund's gender policy. After accreditation, and at the project/programme level, the Accredited Entity will be responsible for implementing the gender policy as it relates to the Fund-approved project/programme through in-country project identification and implementation, as well as for results reporting. The application of the Fund's guidelines on the initial socioeconomic and gender assessments and the Fund's environmental and social safeguards (ESS) as it relates to the project/programme is mandatory.
  - c. Gender-related complaints and grievances that may occur in projects and programmes are processed through the Fund's redress mechanism.
  - d. The Fund's management and staff are accountable for gender results. This is reflected in the Fund's administrative policies and procedures, including human resource management and the procurement of contractors.

#### 4. Country ownership

- a. The Fund informs national designated authorities (NDAs) and focal points (FPs) that proposed projects or programmes submitted to the Fund are required to be aligned with national policies and priorities on gender and with the Fund's gender policy.
- b. The Fund requires that women and men be provided with equitable opportunity to be included in stakeholder consultations and decision-making during project and programme preparation, implementation and evaluation.

#### 5. Competencies

- a. The Fund strives to reach gender balance in key advisory and decision-making bodies, including in the appointments of its members of the Board and Secretariat management and staff. The Secretariat also will appoint a senior staff member(s) with competencies in gender and social development in order to lead the implementation of the policy; the senior staff members(s) will report to the head of accreditation within the Secretariat. In addition, the Secretariat strives for the relevant gender and climate change competencies to be included in the Accreditation Panel, the Investment Committee, the Risk Management Committee and the Private Sector Advisory Group, as well as amongst technical advisers.
- b. The Fund's accreditation process and fit-for-purpose approach recognize that there is a wide range of types of organizations and institutional capacities. In the accreditation process, entities will be required to have policies, procedures and competencies in place in order to implement the Fund's gender policy.
- c. NDAs/FPs and entities may request readiness and preparatory support from the Fund so as to enhance their capacity to implement the gender policy.
- d. The Fund commits to knowledge generation as experience is gained on gender and climate change. It also commits to capitalize on knowledge and expertise gained from other organizations. Such knowledge is to be used to strengthen the competencies of all stakeholders.

#### 6. Resource allocation

The Fund's resource allocation for adaptation and mitigation projects and programmes contributes to gender equality and women's empowerment. The Fund seeks to ensure that its projects and programmes support initiatives addressing the inequity of climate change impacts and to provide gender-sensitive solutions to climate change mitigation, adaptation or readiness. When it is necessary to correct for climate change-exacerbated gender inequality which affects women, the Fund will target funds to support women's climate change adaptation and mitigation initiatives.

## 12.15. Annex 14: Draft Template for Assessing Proposals from invited Delivery Partners

Organisation Code \_\_\_\_\_

CRITERIA	Available	Awarded
<b>1. Organisation Capacity – 15 points</b>		
a. Organisation chart	5	
b. Number of staff/employees – Sufficiency of personnel for the task	5	
c. Location of location/regional offices – Access to project site	5	
<b>2. Expertise – 15 points</b>		
a. Skills sets and qualifications related to targeted area of work, i.e., activities and outcomes of the Readiness Proposal	15	
<b>3. Experience – 20 points</b>		
a. Recent implementation of projects from national and regional organisations and MDBs	5	
b. Recent relevant projects in targeted area of work nationally and regionally	15	
<b>4. Proposal Quality – 50 points</b>		
a. Understanding of required work	10	
b. Adequacy of methodology for conducting required work	25	
c. Adequacy of specific experts proposed for conducting required work	15	
Total:	100	