

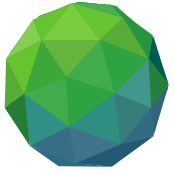
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Project Preparation Facility (PPF)

Thanks to –

Jason Spensley

16 October 2018

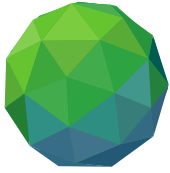


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Overview



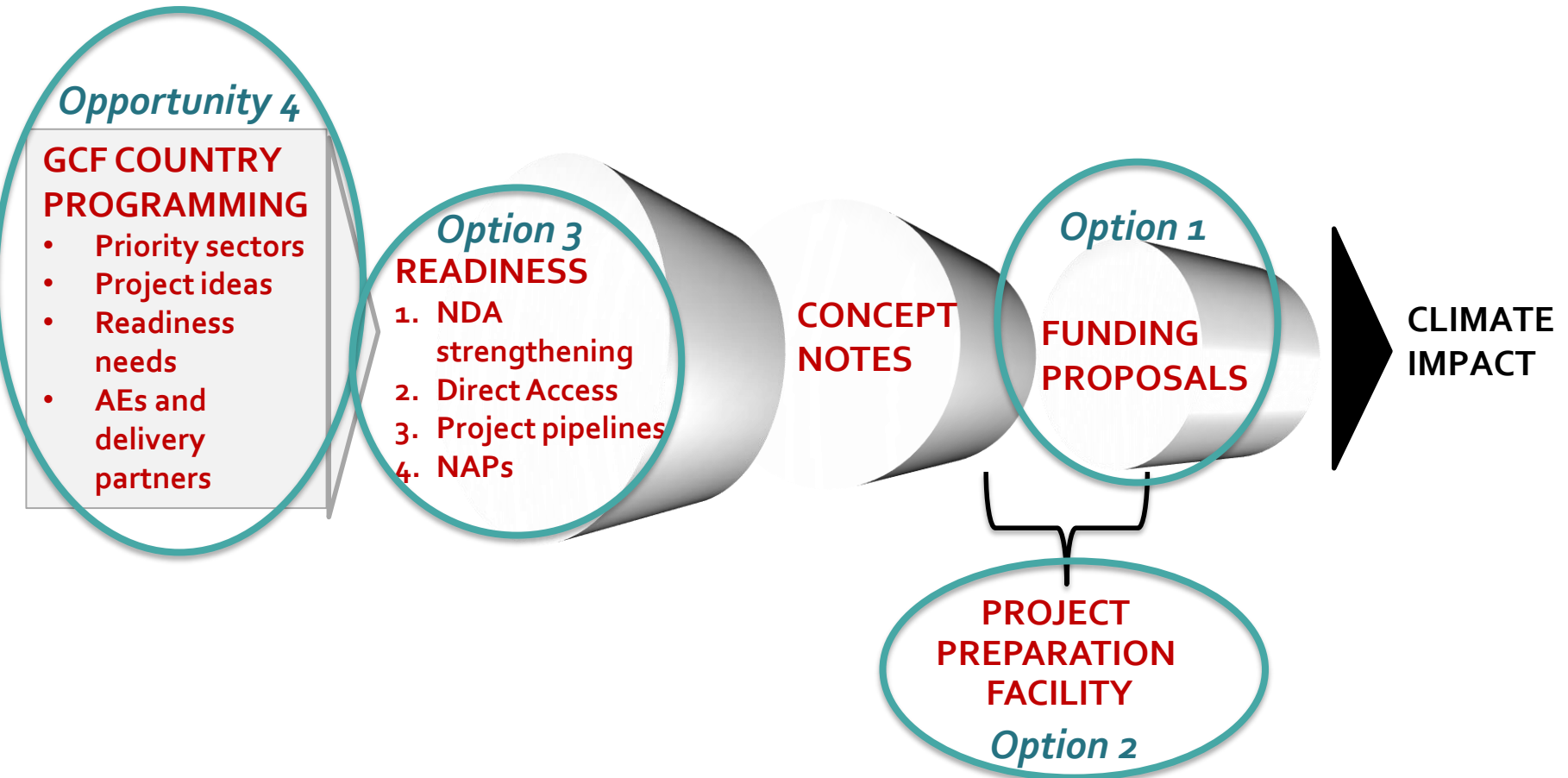
1. Mandate and status
2. Tips and examples
3. New opportunities

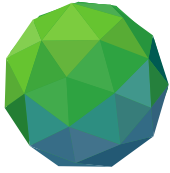


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GCF Programming Cycle

(and opportunities for water-related programming)

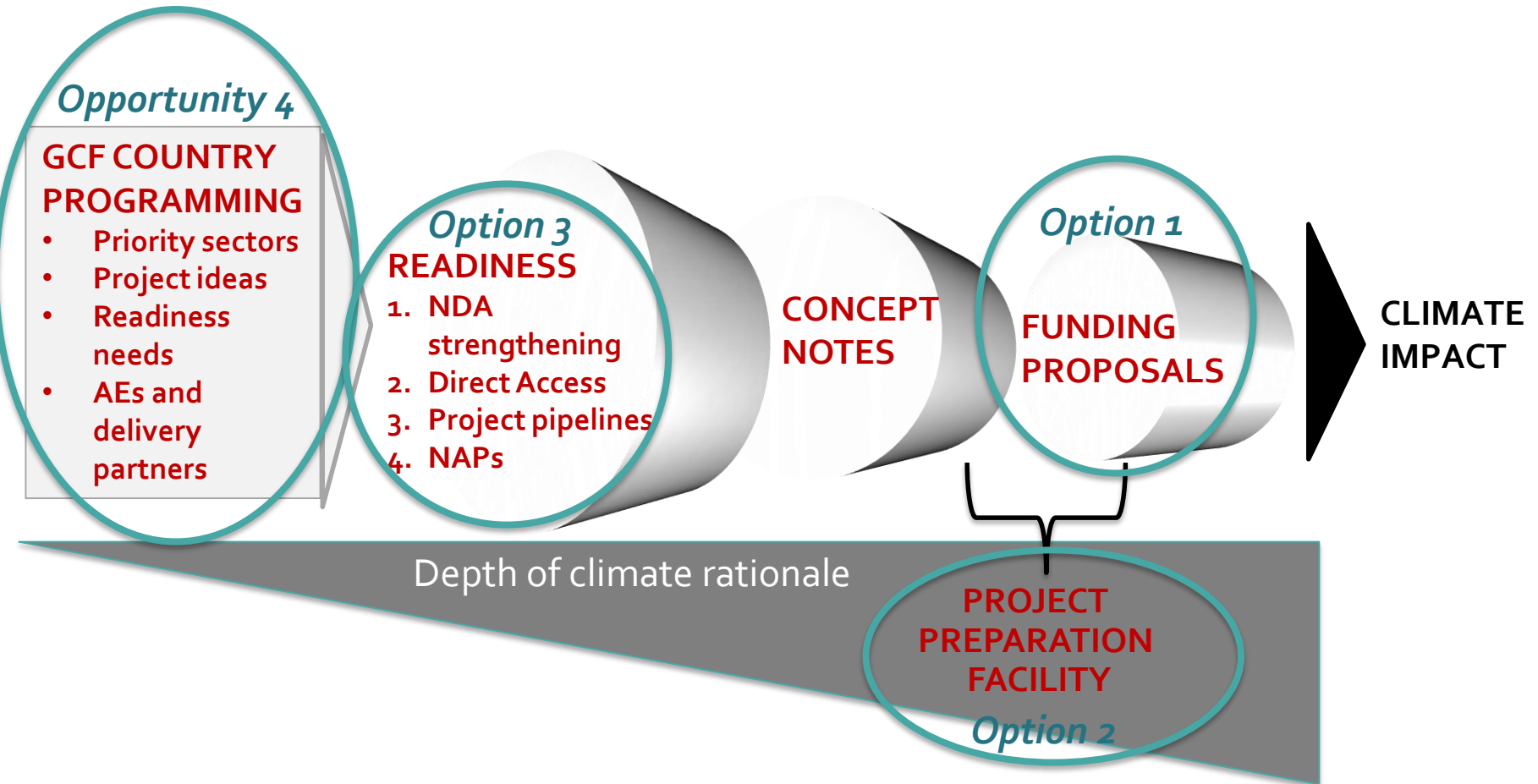


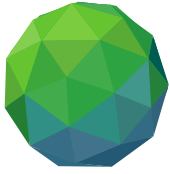


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GCF Programming Cycle

(and opportunities for water-related programming)





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PPF Mandate

What is available?

Optional support for project preparation leading to catalytic Funding Proposals

Especially for Direct Access Entities and micro-small size projects

Grants, repayable grants or equity (typically USD 250-600k)

How to apply?

Accredited Entities (especially DAEs) submit (especially) for micro and small projects

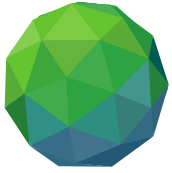
Request submitted with Project Concept and NDA no-objection

What is assessed?

Underlying project assessed against GCF investment criteria

Project preparation activities assessed against budget, counterpart, justification

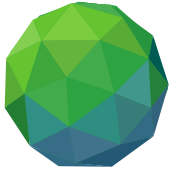
Approval by Executive Director



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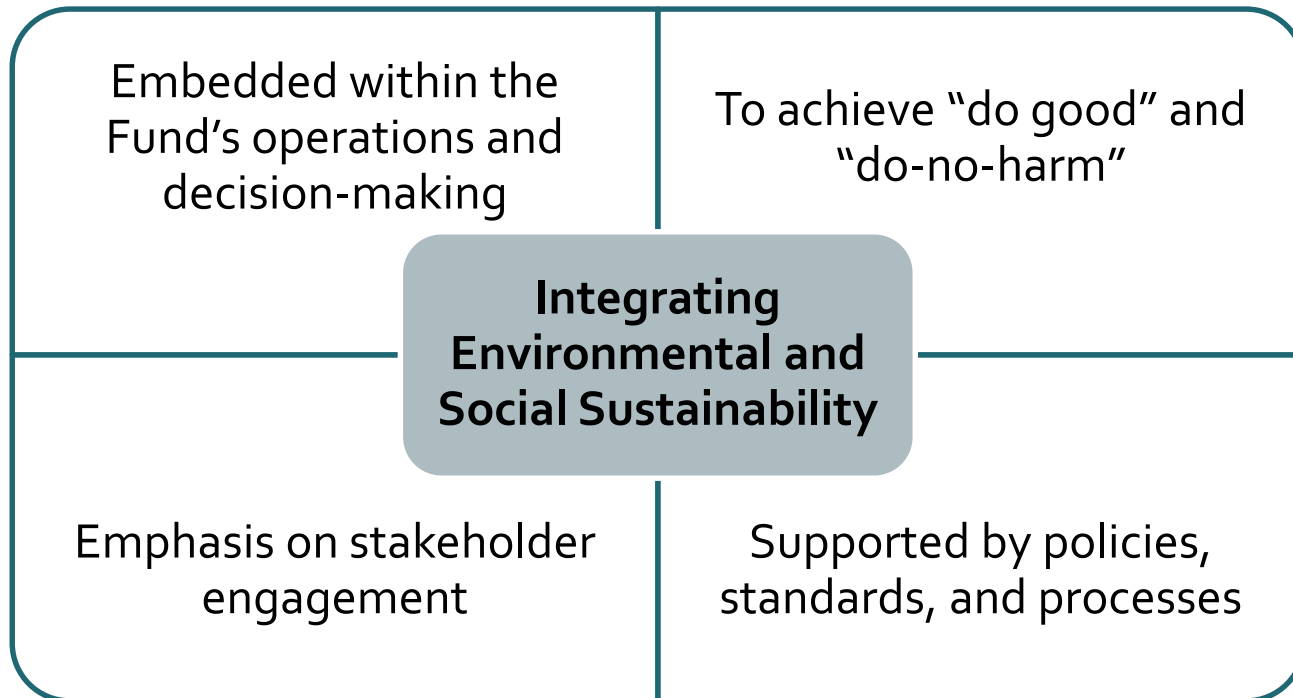
PPF activities supported

1. Feasibility studies
2. Environmental, social and gender studies
3. Risk assessments
4. Identification of project indicators
5. Design of tender documents
6. Financial structuring
7. Other activities



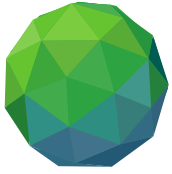
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ESS in the context of GCF



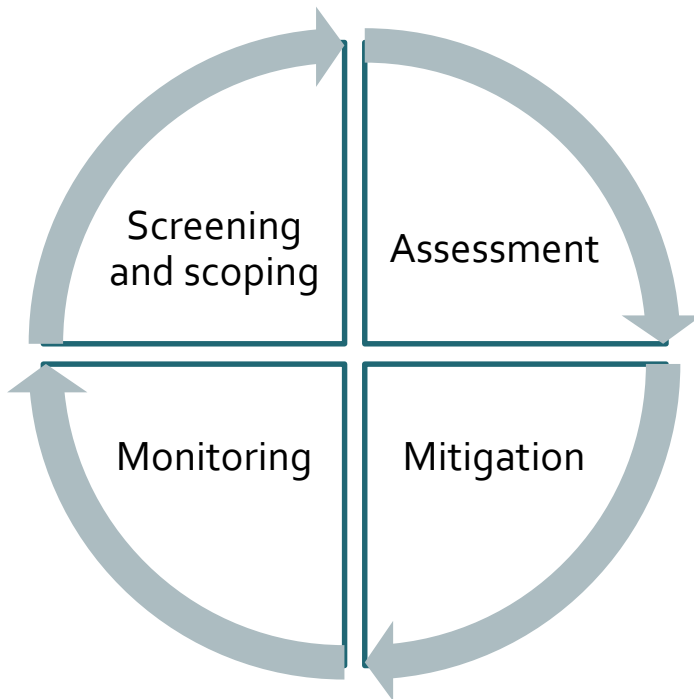
GCF Policies:

- Environmental and social policy
- Indigenous peoples policy
- Gender policy



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Environmental and social due diligence



A) High
risk

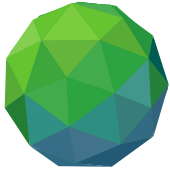
significant adverse impacts that are irreversible, diverse, or unprecedented

B)
Moderate
risk

potential impacts less adverse, limited, site-specific, likely reversible, readily mitigated

C) Low
risk

none to minimal adverse environmental and social impacts easily and fully mitigated



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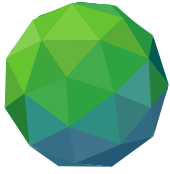
Environmental and social safeguards

Consistent approach and requirements

IFC Performance Standards for Environmental and Social Sustainability (2012)

IFC Guidance Notes on the Performance Standards for Environmental and Social Sustainability

- **PS1:** Assessment and Management of ES Risks and Impacts
- **PS2:** Labor and Working Conditions
- **PS3:** Resource Efficiency and Pollution Prevention
- **PS4:** Community Health, Safety & Security
- **PS5:** Land Acquisition and Involuntary Resettlement
- **PS6:** Biodiversity Conservation and Sustainable Management of Living Natural Resources
- **PS7:** Indigenous Peoples
- **PS8:** Cultural Heritage



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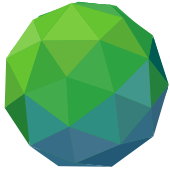
Gender requirements

Mandatory socioeconomic and gender assessment

- Determine how project can respond to women's and men's needs
- Identify drivers of change and gender dynamics
- Design gender elements in project/program activities
- Estimate the implementation budget
- Select outputs, outcomes and impact indicators
- Design implementation and monitoring institutional arrangements

Equitable and meaningful stakeholder consultation

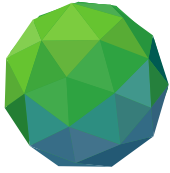
- Active and meaningful participation of women and men
- With voices and issues identified incorporated into the program activities



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Gender recommendations

- Gender expert to conduct gender analysis/ assessment/ action plan
 - Sex-disaggregated data should be collected and **analyzed**
- Ensure action plans are informed by gender analysis
 - Establish baseline and monitor
- Maintain gender expert for technical support during implementation
 - Assess and course correct throughout the project life cycle



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PPF Status

38 Active Applications from AEs

(with NDA No Objection Letters)

Status:

15 (12 approved + 3 endorsed)

DAE/IAE focus:

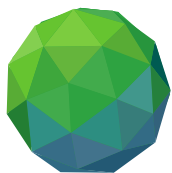
- 70/30% approval rate
- 60/40% of PPF apps

23 Not approved or endorsed:

- 16 pending project Concept Note clearance

19 inactive applications:

- 15 by IAEs
- 4 by DAEs



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B.13/21:
“Funding proposals developed with PPF resources should be submitted to the Board within two years of the approval of a PPF request”

PPF status

Accredited Entities	Total Submission	Approved+ Endorsed	Under Review /Revision
ADA	1	1 (1+0)	-
AFC	1	-	1
AfDB	1	-	1
BOAD	1	1 (1+0)	-
CAF	5	2 (1+1)	3
CI	1	1 (1+0)	1
CCCCC	2	1 (1+0)	1
CSE	1	-	1
DBSA	3	1 (1+0)	2
IFAD	1	1 (0+1)	-
IDCOL	4	-	4
IUCN	2	-	1
MoE	3	1 (1+0)	2
NEMA	1	1 (0+1)	-
PKSF	1	-	1
PT SMI	2	-	2
SPREP	2	-	2
UCAR	1	-	1
UNDP	1	1 (1+0)	1
UN Environment	2	1 (1+0)	1
WMO	1	1 (1+0)	-
World Bank	1	-	1
XacBank	1	-	1
TOTAL	38	15	23



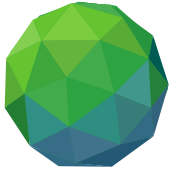
Tips for accessing PPF resources

Associated Concept Note:

1. Ensure the associated project Concept Note meets all GCF Investment Criteria
2. Ensure the accurate ESS screening

PPF application:

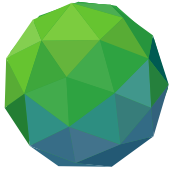
1. Articulate counterpart project preparation resources
2. Use PPF resources for in depth technical feasibility studies, and ESS & Gender studies
3. Justify well why the AE needs GCF resources for project preparation instead of using their own (especially for IAEs)
4. Only request the \$ amounts really needed (\$300k to \$600k)



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Example: ADA for Morocco

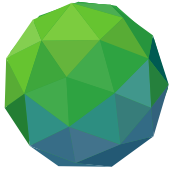
Application Title	Development of an integrated, sustainable and resilient agricultural project to climate change in the Souss Valley
Proposed PPF activities	<p><u>Activity 1</u>: Conduct a feasibility study of an integrated, sustainable and resilient agricultural project to climate change in the Souss Valley</p> <p><u>Activity 2</u>: Preparation of an Environmental and Social Impact Assessment, ESMP, Gender Analysis and Gender Action Plan.</p> <p><u>Activity 3</u>: Development of a Financial Model and Economic Analysis of costs and benefits</p> <p><u>Activity 4</u>: Preparation of a Project Management Plan and a Funding Proposal</p>
Duration	12 months
Budget	USD 717,407
Disbursement plan	<ol style="list-style-type: none">1) 78% upfront2) 22% after final deliverables, audited financial report and completion report are received.



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Example: XacBank for Mongolia

Title	Mini-grid/off-grid solution for Ger Area
Proposed PPF activities	<u>Activity 1:</u> System configuration report <u>Activity 2:</u> Gender Assessment and Environmental and Social Impact Assessment <u>Activity 3:</u> Risk Assessment report <u>Activity 4:</u> Baseline definition report <u>Activity 5:</u> Financial and legal documents (see detailed deliverables in application) <u>Activity 6:</u> Other project preparation activities (see detailed deliverables in application)
Duration	14 months
Budget	\$971,380
Disbursement plan	40% upon effectiveness of the legal agreement, 30% upon delivery of the first progress report, and 30% upon approval of final substantive and audited financial report.



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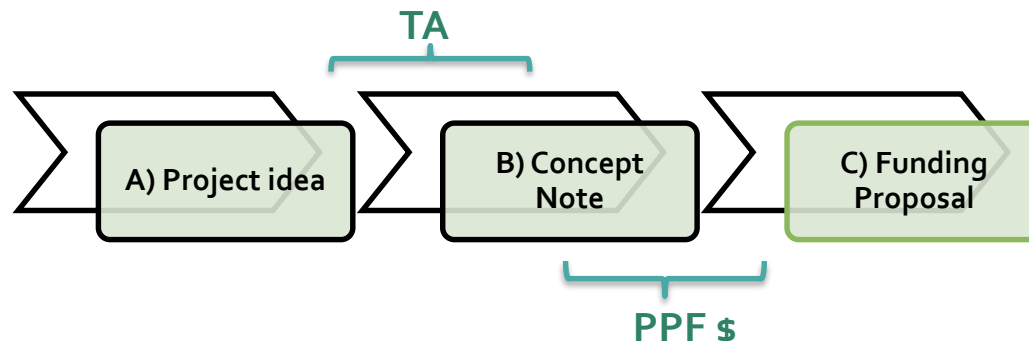
New opportunity A: Pre-procured PPF support

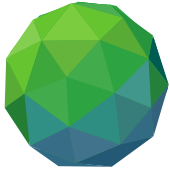
BREAKING NEWS

(Coming soon) Procurement of PPF activities by GCF via firms

Required:

- ✓ *Same Concept Note required*
- ✓ *Same PPF application*
- ✓ *AE's indication of preference for GCF to procure PPF services*





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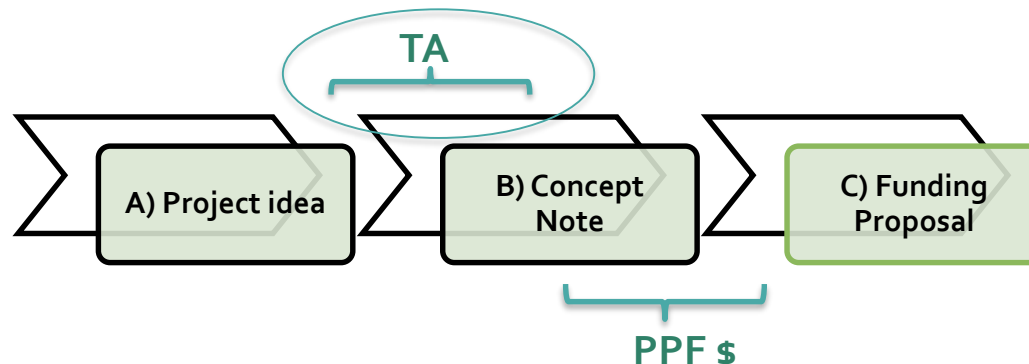
New opportunity B: Upstream technical Assistance for DAEs

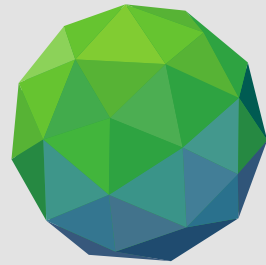


For design of Concept Notes and PPF applications

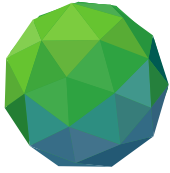
Required:

- ✓ *Project idea with high climate impact potential*
- ✓ *NDA agreement*
- ✓ *Request to Secretariat (ppf@gcfund.org)*



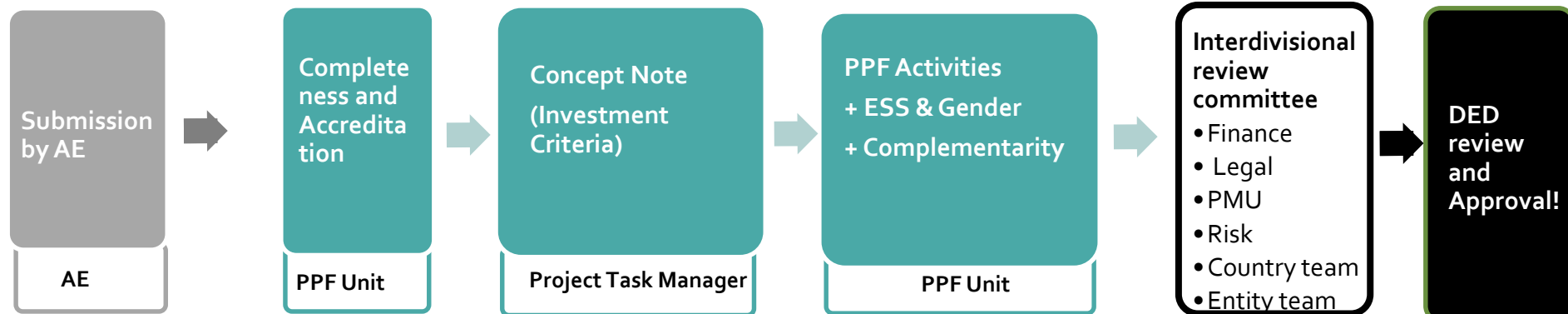


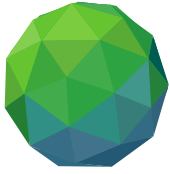
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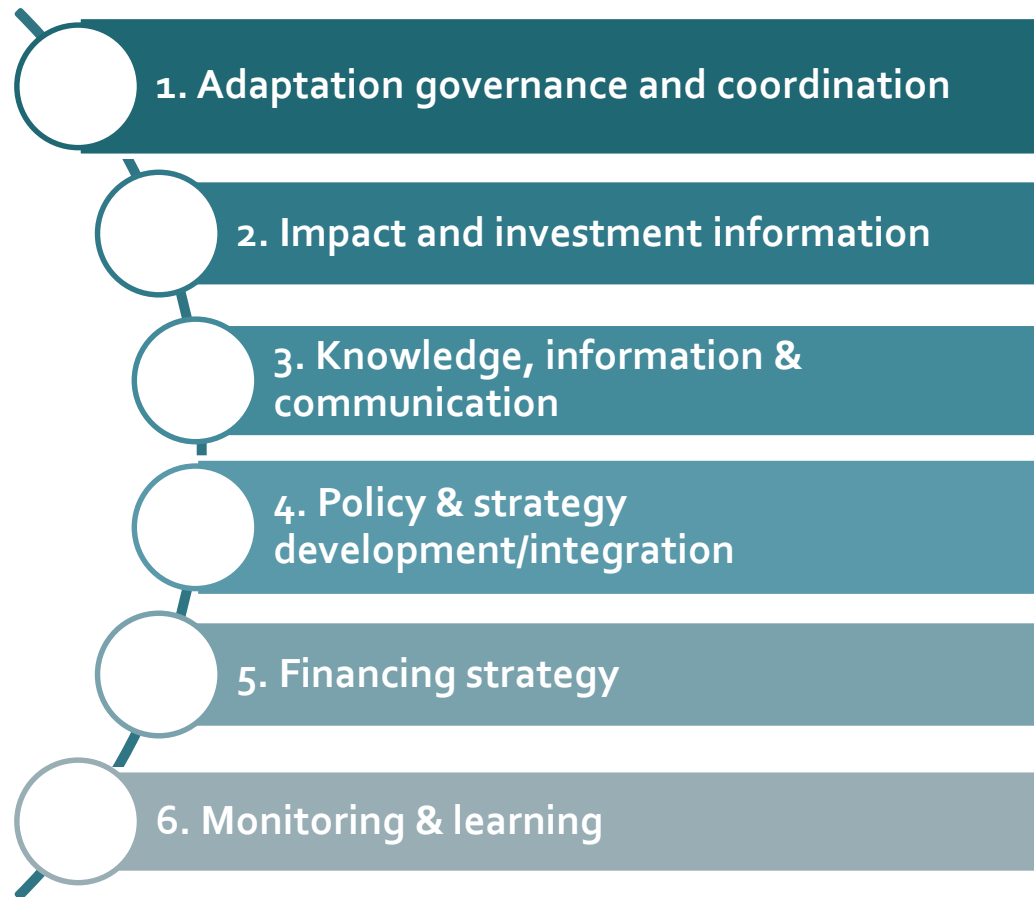
PPF Review process

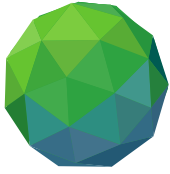




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Adaptation planning outcomes





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Adaptation Planning Review Criteria

1. Focus strategically within a national vision

2. Plan to address specific climate impacts and vulnerabilities

3. Develop financing strategy for each adaptation priority

4. Articulate theory of change

5. Avoid duplication of effort

6. Engage stakeholders proactively

7. Build gender considerations

8. Cultivate private sector investment

9. Monitor and report systematically

10. Coherence and complementarity with other funds