TRANSPARENCY INTERNATIONAL BANGLADESH

Social movement against corruption

Workshop on Improved Access to Green Climate Fund

Designing Appropriate Project for Direct Access Entities and Executing Entities

Organized by

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CCDB Hope Foundation

Ashulia, Savar, Dhaka

Workshop Proceedings

Improved Access to Green Climate Fund: Designing Appropriate Project for Direct Access Entities and Executing Entities, 22- 24 December 2018, CCDB Hope Foundation, Ashulia, Savar, Dhaka.

This proceeding is the outcome of the three-day workshop on "Improved Access to Green Climate Fund: Designing Appropriate Project for Direct Access Entities and Executing Entities". It contains the discussion of session moderators, experts and participants compiled from the notes taken by the respective rapporteurs.

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BACKGROUND OF THE WORKSHOP

The Green Climate Fund (GCF) is created as a global financial mechanism of the United Nations Framework Convention on Climate Change which aims to deliver equal amounts of funding to mitigation and adaptation. The main objective of GCF is 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. However, to avail GCF fund and projects, potential Executing Entities (EEs) need to meet the stringent GCF fiduciary and safeguard standards and criteria of compliance along with the capacity to design comprehensive project proposal that can achieve GCF target of paradigm shift through effective implementation at local level. And there is a major concern about the capacity of potential Direct Access Entities (DAEs), particularly, in terms of complying with the complicated and lengthy process of accreditation and dealing with complex formats and templates.

Considering the challenges, TIB organized a workshop on 22th to 20th September 2018 aiming to improve the capacity of potential national institutions to access GCF. As further demand raised from the participants of previous NIE workshop to organize a series of workshops to build capacity of organizations to design and develop appropriate GCF projects, this workshop invited potential DAEs, EEs and Partners for providing them with supplementary assistance, guidelines from the successful DAEs and experts to help them developing robust and fundable project proposals. Through this capacity building initiative, participants were able to receive critical feedback from the experts to produce GCF project proposals. For concept note and programme schedule, please see here.

WELCOME AND OPENING REMARKS

By M. Zakir Hossain Khan, Senior Programme Manager, CFG, TIB

Key objectives of the workshop and the background of TIB's involvement in climate finance is discussed in the session. The workshop has the following key objectives:

1. Sharing the updated status of climate funds & challenges in accessing fund from GCF;
2. Providing insight about the requirements of GCF project proposal and supporting documents;
3. Building capacity of EEs to develop concept notes and detailed proposals with special focus on sectoral prioritization/needs/activities to achieve paradigm shift;
4. Providing expert's suggestion on the proposal to fix the conceptual and technical aspects to submit a robust project proposal to GCF;
5. Creating a network among successful and potential DAEs, EEs and partners to exchange knowledge to guide in accessing GCF fund.

PARTICIPANTS EXPECTATIONS FROM THE WORKSHOP

Participants also outlined their expectations as follows-

1. Inclusion of GIS/Remote Sensing to prepare GCF project proposal
2. Scope of using remote sensing technology in GCF funded project implementation
3. Identify and discuss funding challenges and way of addressing the challenges
4. Identify gaps and linkage of GCF process
5. Areas of cooperation in doing paperwork to prepare funding proposals
6. Direct access for small institutions e.g. local NGOs, ethnic and minority groups
7. GCF project preparation for disaster management
8. Learn writing a concept note/project/funding proposal in an easy way and its process of approval
9. Learning the process of accessing and delivering GCF fund within a short timeframe
10. Learning the critical areas to prepare GCF funding proposal and writing
11. Learning the gaps in the existing proposals and reasons for failure to access in GCF.

SESSION 1: CLIMATE CHANGE AND CLIMATE FINANCE

Facilitator- Dr. Fazle Rabbi Sadeque Ahmed, Director, Environment & Climate Change, PKSF

There is no accepted definition of climate finance agreed by all parties. Usually, climate change-related expenditure for adaptation and mitigation is considered as climate finance. Therefore, linking climate change and integrating development issues with it has great significance in preparing a good funding proposal. Funding for climate change was first discussed in 2001 in CoP 7, where the Least Developed Countries Fund, the Special Climate Change Fund, and the Adaptation Fund were established. Later, GCF was established in 2010 and became operational in 2013 as a dedicated climate fund with an equal ratio of funding for adaptation and mitigation. It is also important to understand the thematic focus of climate funds. Such thematic focus of funding can be an adaptation, mitigation, climate-linked. These funds can be bilateral and multilateral and can channel through NGOs, banks, private institutions, and annual development budget.

SESSION 2: ESSENTIAL TO KNOW ABOUT GCF

Facilitator- M. Mosleh Uddin, Assistant Vice President & GCF Unit Head, IDCOL

The discussion evolved around governance of GCF and process of working with GCF along with the following points-

1. It is important to explore the GCF website to know details on GCF governance, funding mechanism and receiving regular updates on GCF. GCF is headquartered in Songdo, South Korea. The fund is different from other climate funds which plan to collect USD 100 billion/year and deliver them through projects in climate vulnerable countries. So far 106 projects has been approved from GCF. The approved project proposals are available in the website including the list of the projects (e.g., the Business loan programme for GHG emissions reduction project in Mongolia which is discussed during the session).

2. It is important to understand the process of working with the GCF. Working with GCF is two-way mutual learning process where applicant organizations learns about GCF procedures and GCF learns about applicant country context and country needs. GCF is designed to address country driven issues of climate change and, therefore, capable organizations can apply to GCF for funding through the National Designated Authority (NDA).

3. Each country has a National Designated Authority (NDA) for GCF which is the government representative of the respective country. Economic Relation Division (ERD) works as the NDA in Bangladesh. Organizations interested to be Direct Access Entities-DAEs/National Implementing Entities-NIEs need to apply through ERD for GCF accreditation. The step by step process of accreditation as Direct Access Entity (DAE) can be found in ERD website. PKSF and IDCOL from Bangladesh are accredited as DAE for direct accessing GCF fund. There are about 12/13 Multilateral Implementing Entities (MIEs) operating in Bangladesh (e.g. Word Bank, UNDP, KFW, GIZ, IUCN) those are accredited in GCF. However, organizations interested to be an Implementing Entity (IE) can submit project proposal through DAEs such as PKSF, IDCOL, Word Bank, UNDP, KFW, GIZ, IUCN.

4. There is a difference between Executing Entity (EE) and Implementing Entity (EE). For example-if an organization implement IDCOL project supported by GCF, they will be considered as Implementing Entity (IE) while IDCOL will remain as Executing Entity (EE).

5. The process of preparing a project proposal for the Department of Forest (DoF) with IDCOL, which is under development, is discussed with participants for better understanding. Learning to differentiate adaptation and mitigation projects is crucial. GCF proposals are reviewed based on the criteria of investment which are country ownership, country commitments for mitigation and INDC, gender assessment etc. Representing the evidence and statistics of climate change is important for preparing a good project proposal to describe national climate change scenario. GCF has eight results areas where first four are for mitigation (transport, solar, renewable energy) and rest are for adaptation (land use, food, infrastructure, water). The project proposal must properly outline and reflect the result areas.

6. Mongolia has received the highest four projects from GCF while Bangladesh has received three in addition to four grant support. For latest to know on GCF, its website is the major source of information.
7. After collecting no objection certificate from NDA, the process of accreditation and submitting project proposal to GCF stars. It is a lengthy process which starts with sharing a concept note with GCF (Concept Note template here). Generally, concept note is the summary of a planned project proposal (for details, please see Concept Note User Guide). GCF review the concept note to check and match with GCF eligibility such as investment criteria, result areas, paradigm shift potential, country need, and sectoral priority. It takes 3-5 months to get feedback on the concept note from GCF. After getting clearance, then a funding proposal (following the GCF Funding Proposal Template) needed to prepare and submit to GCF Board.

8. GCF is governed by a Board comprising 24 members, equally representing from developed and developing countries. The Board members agree to approve project proposals through a rigorous discussion in the Board meeting. Board members normally meet three times per year (February, July, October). GCF has a secretariat which is fully independent and responsible for executing the day-to-day operations of the Fund. It services and is accountable to the Board.

9. GCF funding proposal template contains nine sections. The size of a full proposal may range from 60-100 pages. Each proposal will accompany some additional mandatory assessment documents such as baseline/feasibility study, environmental impact assessment, gender assessment, etc. Preparation all this documents normally takes 5-6 month. If an organization wants to place their proposal in front of GCF Board for their review and assessment in a meeting scheduled in October, then it is wise to submit it at least four months before the meeting. After receiving board approval of the project, it will take another 2-3 month to submit additional documents and fulfill other requirements. GCF encourage co-founding leverage the contribution of donor and government. It also suggests submitting a project proposal with a holistic approach to ensure maximum impact of the money to achieve the paradigm shift.

10. For GCF country programme, concern ministries of Bangladesh submitted about 300 concept notes from where 71 were initially selected. After further filtering, the number stands at 43. GCF country document for Bangladesh provides information on potential projects, the processes required for fostering country ownership, collaboration between national designated authorities/focal points and accredited entities through structured dialogues. It also listed potential project and programmes that Bangladesh would like to undertake with the GCF. However, it is found that private sector participation in climate change is very low in Bangladesh. For more about GCF governance please read here- Engaging with Green Climate Fund.

SESSION 3: SECTION A- PROJECT PROGRAMME SUMMARY

Facilitator- Dr. Fazle Rabbi Sadeque Ahmed, Director, Environment & Climate Change, PKSF

1. Different climate fund such as Adaptation Fund, The Special Climate Change Fund operates under different funding mechanism. There are some national climate funds and bilateral funds. Each of the funds has special focus based on which grant, loan, mix of grant and concessional loan is provided. UNFCCC funds are usually mixed of grant and concessional loan.

2. GCF follows the similar mechanism of Adaptation Fund (AF). Bangladesh has no access to AF and projects. However, countries those have accreditation of AF was able to easily access GCF as they needed to follow the similar process of accreditation. Generally, such accreditation requires a lot of documents to be prepared along with investment and time.

3. PKSF didn't hire any consultant during the process of accreditation though they prepared more than 50 documents by their own. Hiring consultant is expensive and often difficult as they come up with inadequate understanding of the country context. They also need to be properly orientated about the organizational context under which it works.

4. Amongst the climate funds, GCF is the most promising. Around 40 % of the GCF project is approved for the private sectors which are particularly big renewable projects. Interest rate in the private sector depends on the quality of the project ranging from two to five percent. They also need to prove their capacity to manage GCF project ensuring survivability in the competitive market as their profit generating capacity is low under GCF project.

5. Adaptation projects are mostly grant-based while mitigation are often approved with mixing of loan and co-financing. Loan in mitigation is justified as governments play the role of regulatory organization and private sector implements the action with proven record of leadership and market orientation. However, for the Least Developed Countries (LDCs), the adaptation project should be grant based. Noteworthy that, out of 24 board member of GCF, 12 members are from the developing countries and some of the members have their agenda to the private sector such as China and India.

6. GCF projects can be a mix of grant, loan, and equity. GCF encourage co-financing by the applicant organization, donors and government. Big regional project (e.g., Transforming Financial Systems for Climate in Africa) can design its activities to implement in different countries.

7. The total amount of climate finance that is being spent globally, 90 percent of them is for mitigation and 10 percent is for adaptation. Adaptation activities are usually allocated for nonprofit organizations and, therefore, the private sector is almost nonexistent in adaptation projects. However, the private sector is active in mitigation in GCF and receiving a higher amount of finance.

8. The process of direct access for adaption project is relatively slow in GCF due to the lengthy approval system. The capacity of the applicant organization, political settlement, and size of the adaptation project, which varies for small to medium scale, are the major factor to ensure straightway approval. Each GCF project can receive the highest USD 50 million grant. In such condition, MIEs has a relative advantage to apply for a large number of projects. For example, UNDP has already applied for nearly 30 percent of the total GCF projects. As such, organizations like PKSF, which is accredited to apply for all types of projects, could apply only a few projects compare to other MIEs like UNDP. It creates a difference in the amount of money that PKSF and UNDP can directly access from GCF.

9. It is important to know the estimates of adaptation finance for developing countries to curb climate change impact. A number of organizations have estimated the needs. South Centre estimates 100 - 450 billion USD/ year up to 2030; World Bank estimates 70 – 100 billion USD/year up to 2050; UNFCCC estimates 28 - 67 billion USD/year up to 2030. In NDC Bangladesh, the estimate is around 40 billion USD up to 2030 for adaptation.

10. The system of GCF is still evolving and they are taking time to fully operationalize as an organization. Out of 150 developing countries, 25 have received accreditation and Bangladesh is one of them. Therefore, it is an important achievement. Despite the approval of first GCF project for Bangladesh in December 2015, the fund yet to channel through meeting and signing some legal documents by different parties (among GCF, NDA, NIE etc.). Department of Forest and Department of Fisheries are in the process of preparing project for GCF. Bangladesh received three GCF project through Multilateral Implementing Entities (MIEs).

11. GCF has its own GCF funding proposal format. GCF Board has also issued Requests for Proposals for micro, small, medium and large size funding through establishing several supporting programmes. The funding includes the Project Preparation Facility-PPF that supports Accredited Entities-AEs in project & programme preparation & other relevant documents. The amount for PPF is limited up to USD 1.5 million. This funding especially targets to support DAEs and micro-to-small size category projects.

12. GCF also has Readiness and Preparatory Support (Readiness Programme) programme which allocates up to one million/per year/per country for NDA or DAEs. This funding programme is for capacity building, enhance country ownership and access to the Fund.

13. For small scale projects, there is a different funding namely Simplified Approval Process (SAP) funding which is only accessible for DAEs. DAEs can access up to USD10 million from GCF through SAP funding. This funding has two tires simplified approval process which is different from other funding process aiming to reduce time and effort to go from project conception to implementation. Though in practice it is not so quick.

14. Another funding window is- Enhance Direct Access through which DAEs can submit proposals to the Fund. It is a USD 200 million pilot project. Each DAE can access up to USD 20 million from GCF for a project.

15. PKSF submitted five projects for the above-mentioned funds. The projects fall under C category having a minimum or no environmental impact. Organizations like PKSF can handle B category project

which has a medium environmental impact. However, D category project cannot be done without being accredited for B category. B category project has a different format. Under this category, applicant organizations need to provide details on how they will conduct EIA and how they address the impacts including the examples of their previous experience of handling such projects.

16. Documentation is a major lacking of our national organizations. GCF accept only the explanations that are properly documented and written in an understandable manner. Based on thematic focus (e.g., social and environmental impact assessment panel, adaptation and mitigation panel) GCF has different technical expert panels. After submitting a project proposal, this expert panels assess the documents and provide query in necessary cases. Applicant organization needs to answer all the query and questions with satisfactory explanations and supported by documents.

17. Executing Entity such as PKSF is principally liable for complying with the GCF standards (environmental, social, financial and fiduciary) in favor of GCF. And Implementing Entities (IEs) implements the project at the field level. IEs are fully responsible for preparing the project proposal and other documents and they have to answer the question.

18. *Funding Proposal:* Nine sections of the Funding Proposal need to fill up and the range of the proposal should be 60-100 page. Experience of preparing a complete project proposal will enable an organization to prepare any other proposal for GCF. The supporting documents need to submit along with the proposal are-

a) NDA No-objection Letter
b) Feasibility Study
c) Integrated Financial Model that provides analysis of critical elements (xls format, if applicable)
d) Confirmation letter or letter of commitment for co-financing commitment (if applicable)
e) Project/Programme Confirmation/Term Sheet (including cost/budget breakdown, disbursement schedule etc.) – see the Accreditation Master Agreement, Annex I
f) Environmental & Social Impact Assessment (ESIA)/ES Management Plan (if applicable)
g) Appraisal Report or Due Diligence Report with recommendations (If applicable)
h) Evaluation Report of the baseline project (If applicable)
i) Map indicating the location of the project/programme
j) Timetable of project/programme implementation

19. *Brief Project/Programme Title:* It is better to include the word "Climate Change" in the title considering the requirement of linking the proposal strongly with climate change. Then the other general information such as country, region, Accredited Entity will be filled up properly.

20. PKSF has already received feedback from GCF experts on its two project proposals. Once the feedbacks are incorporated & GCF is convinced, the Independent Technical Advisory Panel-ITAP will review the proposals for their feedback. ITAP consultants are independent and not liable to GCF. ITAP consultants place their feedback to the GCF Board directly. No project proposal can be placed to GCF Board without ITAP review & feedback. After placing the proposal before the Board, one can assume that their proposal is going to be approved. The proposals that fail to get the Board approval after ITAP feedback, is generally for political reason. However, negative comments of ITAP on a proposal is a challenge which may create trouble to receive Board approval. Proposals that get approval despite negative comments from ITAP, often need to comply with additional conditions imposed by GCF Board. The fund channel to the project after fulfilling the additional conditions.

21. *A.1 Brief Project/Programme Information:* In this section very general information will be given such as project/programme title, accredited entity (e.g., PKSF, IDCOL, UNDP, KFW), project size category, the focus of the project, executing entity (e.g., Water Development Board, Department of Forest), beneficiary, result areas. However, Accredited Entity could also be Executing Entity if they execute the project. Executing Entity can engage NGOs as project Implementing Partners. If a university wants to apply for GCF funding, they can also apply for the Project Preparation Facility (PPF) funding which is focused on research related actions.

The process of submitting the Project Preparation Facility (PPF): There is a templet for PPF. A concept note is required to submit with the names of the key studies that would be carried out under the PPF. PPF support is limited to covering the following activities:

- Pre-feasibility and feasibility studies, as well as project design;

- Environmental, social and gender studies;
- Risk assessments;
- Identification of programme/project-level indicators;
- Pre-contract services, including the revision of tender documents;
- Advisory services and/or other services to financially structure a proposed activity;
- Other preparation activities, where necessary, provided that sufficient justification is available.

The PPF application must include a clear paragraph explaining how the underlying project fits in with the country's national priorities and ensures full country ownership. It is therefore highly recommended that the accredited entities consult with the respective national designated authority (NDA) or focal point on the project or programme concept at an early stage.

22. *A.2. Project / Programme Executive Summary:* the most important section of the project proposal is the A.2. Within 300 words, the whole project will be described in this section.

SESSION 4: SECTION B- PROJECT PROGRAMME DETAILS

Facilitator- M. Mosleh Uddin, Assistant Vice President & GCF Unit Head, IDCOL

1. It is useful reviewing the project proposal of Mongolia- Business loan programme for GHG emissions reduction to know better about project programme details and write a focused summary. This is an important section.

2. GCF projects are available in GCF website (https://www.greenclimate.fund/home). Project information can be accessed by clicking *Menu > What we do> Projects + Programmes> Click FP028>* and then go to *Documentation Section*. Following this procedure approved proposal can be accessed.

3. The example project (project proposal for Mongolia) is on mitigation and implemented by XacBank LLC (XacBank). First paragraph of this proposal describes the project which is on SME, renewal energy and market. Second paragraph describes the baseline scenario and national policy. Third part is on gender and woman and fourth part describes the impact of the project. Understanding the sequence of the summary of a proposal is important.

4. When writing the proposal, it's wise to start from Logic Framework (Section-H.1 under Result Monitoring and Reporting). There might be two/three/four components in a project, and in section H.1, the components are needed to be describe logically and rationally. For example, the basic idea of the project of the DoF is afforestation in the coastal belt. In this case, first, we need a stock-taking on existing national policies and include them in contextual analysis. Second- define the project components (e.g. sapling and afforestation, awareness raising, alternative livelihood generation activity for the forest-dependent community, training and sensitizing government to adopt evidence-based policies). Third one is very important which is a comprehensive documentation of the project outcome for knowledge generation, further learning and ensuring the sustainability of the project outcome.

5. *Components of section B* is basically on the description of financial elements, choice of financial instrument, breakdown of cost estimates for total project costs and costs and GCF financing by sub-component in local and foreign currency, project financing information, financial markets overview etc.

SESSION 5: SECTION C- DETAILED PROJECT DESCRIPTION

Facilitator- M. Mosleh Uddin, Assistant Vice President & GCF Unit Head, IDCOL

6. *Section C- detailed project/programme description (C.1. Strategic Context):* Participants joined in a group session on writing a concept note based on their own idea. The group presentations are-

Group-1 presented on **coastal afforestation** project which includes basic concept and components such as plantation, afforestation, income generation and human resource development aiming to reduce the climate change and salinity impacts. Measures will be taken to prohibit the cutting of planted trees which will act as a carbon sink and reduce the carbon emission. Such measures will also ensure the sustainability of the project. After completion of the project, the DoF would take care of the forest using its own manpower. However, this concept needs strong link and rationality why GCF would fund this project? what is new and what would be the long term benefit of this project?

Group-2 presented on **installing 50 megawatts solar panel on water bodies in CHT for renewable energy.** The component of the project will be solar and hydro energy. One of the major goals of the government is to substantially increase the use of renewable energy which is outlined in Renewable Energy Policy 2008. It also aims to generate at least 10 percent of its total energy from renewable energy. At present, the contribution of renewable energy in Bangladesh is only 560 megawatts and there is shortage of land to install solar system. Being a land of river, Bangladesh has huge potential for generating hydropower alongside installing solar system on waterbodies. Therefore, a pilot project on installing solar panel on water body will benefit the ecosystem, protect local fish species and create an alternative livelihood for the fisheries community. If the pilot project is successful, then it will be implemented on a large scale by the Power Development Board. The project will be implemented in CHT and Barisal. Fisheries community will be engaged in all phase of the project.

Group-3 presented on **Boro rice cultivation & reduction of carbon emission by introducing solar irrigation system project**. One of the major concerns of global scientific community is huge carbon emission during the process of rice production & processing in developing countries. Rice under waterlogged condition amplifies the amount of carbon emission. Therefore, the project will focus on alternative ways of wetting and drying system for processing rice using solar system. Surface water will be used for wetting rice and solar system will be installed on the water body. The project will work with farmers to create user groups to install the system. Introducing a new system for wetting & drying rice will consume less water. Focus will be given to reduce the use of land for the irrigation system. The project will be implemented in all over the country or some selected areas where rice production is high. Full grant is not necessary. Loan and revenue generating opportunity will be explored. Department of Agriculture will be the Implementing Entity. Government subsidy for the farmers those using the system can further encourage and incentivize the farmers to ensure the sustainability of the project.

Group-4 presented on **coastal afforestation for adaptation and mitigation** through creating the green belt on embankments and polders. The project components are social afforestation and creating bio-shield on the existing embankments and polders. By reducing the investment for increasing the height of the embankments, the project will help to reduce carbon emission and disaster prevention. It will also impact the community by saving life and livelihood in the adjacent communities. Loan will be introduced for the project. Local people will be involved. However, Water Development Board and IDCOL can work together to explore options of installing solar and wind energy system along the embankments, polders and rivers.

Group-5 presented on **installing protean solar system on water bodies**. As planned in the concept, a study will be commissioned to identify the feasibility to install protean solar system along the river banks and water bodies in haor areas. Haor areas remain inundated for six months and rest of the time it remains dry. The protean solar system can operate in both rainy and dry conditions. A pilot study will be implement to identify success of the system on water bodies in haor areas. Based on the success, a proposal will be developed to expand and implement the system in coastal areas. Financing through loan and equity is feasible for the project. Since this is a power generation project, PDB and relevant actors of Ministry of Power will be involved for regular maintenance & servicing and other activities.

Group-6 presented on **community-based multi-storied green building** project. This is a “one tower one village” concept. Available land for agriculture is gradually decreasing in Bangladesh. Cooperative-based multi-storied green building incorporating the solar system can reduce the use of land for construction purpose. Collected kitchen & human waste from the households will be used for generating energy and manure. Rainwater harvesting system will supply water for drinking and rooftop agriculture and contribute to combat climate change. The village will run under a cooperative. Resource will be mobilized for training the users. Mix of grant and loan will be required while flat selling money will generate own fund. However, grant is required for subsidizing other costs. The project can be executed by a real estate company. The concept has potential implication in garments industry in Bangladesh to reducing carbon emission. However, the financing instrument for such project is very important.

Group-7 presented the concept of **reduction of carbon emission from the brick field in Savar areas**. There are more than 120 brickfields in the area. The project will focus on eco-friendly brick production in the brickfields. Review of relevant policies and acts will be done while the procurement of environment-friendly and emission control technology will be the preference. Byproduct of brickfields will be processed for producing fertilizer. Alternative fuel will be promoted in the brick field. Livelihood

support and community awareness training will be given to those who supply wood and coal for ensuring the sustainability of the project. Concerned communities will be engaged to implement the project. The project duration will be three years. Experts suggested that these types of project will be potential and exclusive for GCF funding.

7. *C.2. Project/Programme Objective against Baseline:* This section of the proposal describes the baseline scenario that includes the emissions baseline, climate vulnerability baseline, key barriers, challenges and/or policies, outcomes and the impact that the project aims to achieve in improving the baseline scenario. For a baseline, a feasibility study is a prerequisite. If someone has already done such baseline, that can be also shown as a baseline. For example, KFW has used the data from the World Bank baseline study for the Climate-Resilient Infrastructure Mainstreaming in Bangladesh project. However, GCF checks the authenticity and public availability of such baseline documents.

8. *C.3. Project / Programme Description:* This section will contain the description of major activities & the planned measures of the project. The discussion will revolve around the components of the project. Such components are discussed in the group work.

9. *C.4. Background Information on Project/Programme Executing Entity:* This section describes the quality of the management team, overall strategy, financial profile of the EE and how it will support the project/programme to ensure equity investment, management, operations, production, and marketing.

10. *C.5. Market Overview:* It describes the market of the products or services including the historical data and forecasts. In applicable cases, this section should include a competitive environment, pricing structures, price controls, subsidies available and government involvement.

11. *C.6. Regulation, Taxation and Insurance:* This section describes applicable taxes, foreign exchange regulations, insurance policies that are related to project/programme.

12. *C.7. Institutional/Implementation Arrangements:* The role of government bodies, NIE and MIE will be described here. It will also include the organizational structure, responsibilities of the project management unit and contractual agreements with organizations. This is a total diagram of how the project will work and operate.

13. *C.8. Timetable of Project/Programme Implementation:* This section will contain a table describing the time table of the implementation of the components, activities planned under the project.

SESSION 6: SECTION D- RATIONAL FOR GCF INVOLVEMENT

Facilitator- M. Mosleh Uddin, Assistant Vice President & GCF Unit Head, IDCOL

There are five reason for why fund is requested from GCF is detailed out in Section D (for an example, please see the document titled *Session 06-Funding_Proposal_Rational*).

1. *D.1. Value Added for GCF Involvement:* In the above mentioned document, the value added section has the below description.

- 1st paragraph of this section describes that the available loans for renewable energy project have less payback time/schedule & higher interest rest. From GCF it is asking a long payback time and schedule for the loan.
- The second para describes concessional loan support from GCF which has lower interest rate compared to the loans that are available in the market.
- The third para describes consistent electricity supply which will enhance health, economic, and social benefits for the end-beneficiaries.
- The fourth part describes the risks and lack of expertise in Financial Institutions (FI) in this sector and GCF's extensive experience and support will encourage local FI to increase their involvement in RE financing.
- The fifth para describes the capacity building of the financial institutions through GCF funding.

Understanding the chronology is helpful for writing this section

2. *D.2. Exit Strategy:* this section describes how the project will end and what will be the exit strategy.

SESSION 7: SECTION E- EXPECTED PERFORMANCE AGAINST INVESTMENT CRITERIA

Facilitator- M. Mosleh Uddin, Assistant Vice President & GCF Unit Head, IDCOL

Understanding the expected performance against interment criteria is important. This section describes the expected performance of the proposed project against each of the Fund's six investment criteria.

1. *E.1. Impact Potential:* This section describes the potential of the adaptation and mitigation project/program to contribute to the achievement of the Fund's objectives and result areas. Department of Archeology is preparing a project to preserve around 60 archeological sites in coastal districts which are climate vulnerable. The adaptation project is designed to protect cultural heritage. The key indicators of the impact potential need to be described in number. For example, an adaptation project would describe how much life and livelihood of the people will be saved. In mitigation project, it would describe the projection of reduction of carbon emission through planned activities. GCF also counts how much carbon will be reduced against per dollar allocation from GCF. However, it is important to establish a very strong logic against the information in this section.

2. *E.2. Paradigm Shift Potential:* There are four sections under paradigm shift potential (innovation, knowledge, and learning, enabling environment and regulatory framework and policies). GCF project need to innovate and add new components that will have long term impact; generate new knowledge having the potential of shaping new policy which will contribute in future as well; will have sustained participation of different sectors, and improve climate-responsive planning and development. Overall the project need to catalyze impact beyond a one-off project investment. However, there is argument and ambiguity about the definition of a paradigm shift which may vary from country to country depending on the diversity of knowledge, culture, practice. Example of paradigm shift potential is available in the approved funding proposal titled "Ground Water Recharge and Solar Micro Irrigation to Ensure Food Security and Enhance Resilience in Vulnerable Tribal Areas of Odisha".

3. A project may have all the paradigm shift potentials (innovation, knowledge, and learning, enabling environment and regulatory framework and policies). Participants brain stormed in a session on their own concepts to find the paradigm shift potential as below-

Group-1- Coastal Afforestation: *replication*-best utilization of resources, proper land utilization in coastal areas. If the project becomes successful, it will be replicated in other coastal districts; ecosystem will be restored and aquaculture will be possible; development of human resource through training, alternative livelihood and income generation; land and tree ownership & contribution to the national policy of DoF.

Group-6- Community Based Multi Storied Green Building: *replication*- capacity building of existing companies and replication; *knowledge and learning*- solar system, rainwater harvesting system and waste management will be environment friendly and if the system becomes successful, then it will contribute adaption and mitigation as well as in the *national policy*; wide acceptance of "one tower one village" concept will contribute to *carbon reduction and adaptation* which will bring paradigm shift.

Group-5- Installing Protean Solar System on Water Bodies: *Replication*-Scale up of successful protean solar system as there is no such system in Bangladesh; *knowledge and learning*-protean solar system on water bodies will also generate new knowledge on production, production cost comparison with existing solar system, funding needs and seasonal variation of production, etc.; *enabling environment*-if the model is viable and efficient then government will *adopt new policy* on energy sector, and set new regulatory framework for water body management like formulating new building code for renewable/solar system;

Group-7- Reduction of Carbon Emission from Brick Field in Savar Areas: *replication*-scaling up the best practice to other areas of Bangladesh will contribute to reduction of carbon; *Knowledge and learning*-PPT will be the model in this project which will generate new knowledge, disseminated in the corporate sector, especially, for those who are utilizing fuel based large scale power generation technologies; change will occur in their actions including the brickfields; policy will be change alongside in public and private sectors including environmental laws; tangible implementation will ensure the enforcement of environmental laws which will be a paradigm shift; creating enabling environment- emission control along with carbon, dust and toxic elements which will reduce air pollution. However, controlling air pollution will not be considered a paradigm shift rather it will help to ensure sustainable development.

****Important note from resource person:** Pilot project cannot be requested from GCF. Rather all the pilot experience and knowledge will be properly documented in the feasibility study for further demonstration through a new project which will be scaled up through GCF funding.

4. *E.3. Sustainable Development Potential:* This section will contain the social, economic and environmental co-benefits of the project including the gender-sensitive development impact. For example, Ground Water Recharge project of Odisha aims at ensuring environmental benefit through groundwater recharge; creating new job with the help of the project &; reducing the use of deiseal for pumping water & save foreign currency. Government subsidy for oil will be reduced. Safe water will be ensured in the water scarce areas; improve the air, soil and water quality and bringing environmental benefit. It is noteworthy that sustainable development potential is different from the paradigm shift.

5. *E.3. Social, economic & environmental benefits:* Rest of the groups brainstormed on sustainable development potential (social, economic, environmental benefit) based on their concepts as below-

Group-4: Coastal Afforestation for Adaptation and Mitigation: *Economic*- Bangladesh has 6000 -10000 km. embankment administered by BWDB. These embankments require maintenance each year, costing a huge amount of money. Bringing the slopes of the embankments under the afforestation project will reduce the cost of repair and maintenance. It will also create new job opportunity for the adjacent community people. *Environmental*- afforestation or green belt can reduce the impact of cyclones, floods, and erosion alongside its role to reduce the cost of production ensuring agricultural benefit to the adjacent communities. Afforestation will act as carbon sink for mitigation. *Social*- forced migration and displacement will be reduced; agricultural benefit will be enhanced alongside creating a resilient community. Afforestation will help to thrive ecosystem to benefit the community & environment as well.

Group-3: Boro Rice Cultivation & Reduction of Carbon Emission by Introducing Solar Irrigation: *Economic*- this programme will be implemented through partnership. In agriculture, most of the cost (two third) is involves in irrigation. GCF assistance to the farmers to install solar irrigation system under such project will reduce the cost of agriculture. Less laborious effort, low cost, high production, all around use of the system will motivate more farmers in agriculture. It will also create new jobs. *Social*- farmer's community will be created to provide co-benefits such as exchanging technical knowledge. Female farmers will be involved to empower them in the community. *Environmental*- less use of diesel will contribute to low carbon emission. Efficient use of surface water will reduce the stress on groundwater and soil erosion will be less. Alternative use of the system during rainy seasons such as connecting the system with national grid or household will ensure more co-benefit. In the Barind Multipurpose Development Authority (BMDA) area, connecting the system for nursey use will ensure more co-benefit.

**** Important note from resource person:** GCF project issue should be broad and comprehensive. Rigorous group work, discussion, collecting feedback from relevant sectors, experts and professionals can ensure inclusiveness of multidimensional issues to enhance the quality of the project proposal.

Group-2: Installing 50 Megawatt Solar Panel on Water Bodies in CHT for Renewable Energy: *Social* - not all the areas are under the coverage of electricity in Rangamati, Kaptai. The project will ensure electricity coverage in the unserved areas and enhance access to electricity contributing to increasing the quality of life, rate of education and uplifting the social status. *Economic* - electricity coverage will create a new opportunity for economic activity in rural areas by setting up small businesses and creating job opportunities. *Environment* - proper utilization of agricultural land will be ensured. 30 percent of the water body can be used for installing solar system to ensure the optimum use of available space without hampering fish production. Through the integrated water management approach, it will enhance the quality of water, water ecosystems & provide other environmental & economic benefits. GIZ is working on similar projects in Bangladesh & they can provide more information on these types of projects.

Group-7: Reduction of Carbon Emission from Brick Field in Savar Areas: *Economic benefit* - production of the eco-friendly brick will boost the business by reducing the actual cost of brick production. *Social benefit* - eco-friendly environment will positively impact the quality of life of the workers. As such, best practice will be widely used, attracting more jobs seekers and supplying semi-skilled and skilled workers. Women employment and empowerment will benefit other sectors such as school dropout will be decreased. *Environmental benefit* - reduction of carbon emission and soil and air pollution will enhance water, soil and air quality contribute to the reduction of air and water pollution-related disease.

6. *E.4. Needs of the Recipient:* This section describes the scale and intensity of vulnerability of the country and beneficiary groups. Elaborates will be given on how the project/programme will addresses climate risks for the beneficiary country, groups and people of different income levels. This section should include the description of vulnerability of the country and beneficiary groups including the description of financial, economic, social and institutional needs of the country and the beneficiaries.

7. *E.5. Country Ownership:* This section describes whether all the project activities are aligned with government needs in accordance with the national climate strategy and ensures coherence with existing plans and policies, including NAMAs, NAPAs, and NAPs. For example, the DELTA project has been recently approved with the potential of implementing 80 projects where 15 are for research. Amongst them, relevant organizations can request at least 6-7 project from GCF. For DELTA project, organizations don't need to conduct a feasibility study as they already exist. For an energy-related project, proposing a five percent reduction of carbon emission as outlined in INDC can strengthen the logic to ensure the country ownership.

8. *E. 5.2, the capacity of accredited entities and executing entities* is important issue. Concern ministry needs the capacity to deliver and implement the project. Otherwise, GCF would not approve their project despite having the merit of the proposal.

9. *E.5.3. Engagement with NDA, CSOs and relevant stakeholders* is GCF prerequisite. In this section, the proposal will describe the steps that would be taken to ensure country ownership, engagement with NDA for review of the funding proposal and collecting No-objection Letter. The proposal also needs to describe the CSO engagement (discussion with private, public, NGO sectors and experts) during the project preparation time. Such discussion normally takes place during the feasibility study. A report on the feasibility study is required to submit to GCF. Participants brainstormed during the session to find ways of engaging stakeholders in their planned proposals as below-

- *Afforestation Project in Coastal Area* will engage forest stakeholders including local people, politicians, fisheries community, government actors and NGO actors.
- *Installing Protean Solar System on Water Bodies:* National Energy Policy, Haor National Plans and INDC will be followed to prepare this project proposal. Power generation companies, electricity regulatory bodies, root level institute and local benefices will be involved for stakeholder consultation. A beneficiary group will be formed for sponsoring the system to create a new model, and to give more ownership to the stakeholders.

10. *E.6. Efficiency and Effectiveness:* this section describes economic and, if appropriate, financial soundness of the proposed project. It also states (6.1) cost-effectiveness and efficiency, (6.2) co-financing, leveraging and mobilized long-term investments, (6.3) financial viability, (6.4) application of best practices and (6.5) key efficiency and effectiveness indicators.

Sections 6.2 *on co-financing* describes the ratio of co-financing (total amount of co-financing divided by the fund's investment in the project) and/or the potential to catalyze indirect/long-term low emission investment by other institutions. GCF encourage co-financing to leverage GCF contribution.

Section 6.3 on financial viability checks financial and economic viability of the project. However, the term 'economic' and 'financial' viability has a slight definitional difference. For example, an adaption project may not be viable financially for its non-revenue generating character. However, such a project has economic viability to reduce vulnerability and saving life and livelihood.

Section 6.5 on key efficiency and effectiveness indicators provides a breakdown of (a) total finance (b) GCF finance and (c) expected lifetime emission reductions over time. By which (d) estimated cost per tCO2eq can be calculated (d=a/c). GCF contribution to emission reduction can be calculated by following the equation. However, it is difficult to measure such contribution in afforestation project due to the shortage of experts in Bangladesh. Such an assessment can be done by hiring a consultant.

******* For financial viability, GCF compares the amount of carbon reduction with a similar project and funding that is done in other countries. Such comparison provides them the estimation about the viability of the investment for the proposed project. Requesting less finance from GCF and suggesting better contribution can enhance increase the financial viability of the projects. Outlining concrete impact areas in a logical manner can enhance the chance of getting GCF approval.

SESSION 8: INTEGRATING ADAPTATION, MITIGATION & VULNERABILITY: GCF PERSPECTIVE

Facilitator- Dr. Saeikh Tawhidul Islam, Dept. of Geography & Environment, Jahangirnagar University

The session focused on the discussion on the data sources, types, sector-specific needs and priorities for adaptation and mitigation. Possible sources of data, specific policies, addressing development and climate change to prepare a good proposal is also discussed.

1. *Integration:* Integration means injecting a certain issue through comprehensive knowledge on the subject of concern and allied fields. Better integration is often known as mainstreaming. The Planning Commission of Bangladesh has formulated the Climate Public Expenditure & Institutional Review (CPEIR) for mainstreaming climate change and development. Climate Protection & Development: Budget Report with budget coding is also done by the Ministry of Finance for similar reason. Understanding the mentioned documents and including the suggestions will be helpful to address the development and climate change issues under the GCF project.

2. *Functional connection among sectors:* A better understanding of the environmental problems, poverty, and disaster continuum will lead to establishing the functional connection among sectors and issues. Linking disaster and vulnerable groups is pivotal to prepare a good GCF project proposal.

3. *Scale to determine the scope of work:* Determining the scope of the work and scale of the problems with a clear understanding of macro and micro framework helps in writing good proposal. For example, a shortage of a certain amount of water/rain may have a huge impact on the overall production of rice in a certain area. Understanding such micro, but critical problem; & designing a GCF proposal addressing the problem can benefit the affected community. A clear understanding of the problem and the pyramid of the stakeholders can also help to identify solutions that have a global implication. Often we fail to gather such information before writing a proposal. Such information can be extracted from the feasibility study.

4. *Understanding policy, institutional agreements and budgetary processes:* Better understanding of policy, institutional arrangement, and budgetary processes can help design a good proposal. GoB conducted Community Risk Assessment (CRA) to implement climate change-related actions at the local level and formulated the Risk Reduction Action Plan (RRAP) based on CRA. Proposals that came out from the community under CRA are considered for funding of LG institutions. If we don't understand the process of budgeting for the LG institutions such as Union Parishad, then it will be difficult to design the budget and interventions. Therefore, understanding the process DPP for climate change is also important.

5. *Ability to express problems:* If we cannot convince the GCF experts, sitting in the Secretariat in Korea, by expressing our problem in a succinct, neat and clear way, then the possibility of getting GCF fund is less. Usually, GCF experts don't know much about our values, society, dynamics of the problems and institutional structure. They want to see the merit of the project and relevant information. Therefore, writing a proposal by excluding emotional statements on the problems is crucial.

6. *Differentiating adaptation and mitigation* is sometimes difficult. For example, introducing saline tolerant variety in an adaptation while growing such variety using solar irrigation is mitigation. So, a project may have both components. Sometimes differentiating them is difficult but important.

7. *Data type and sources:* Different institutions such as BBS, BANBEIS, SoB can supply climate change related data. Understanding the types of data can help to collect it from the sources. Environmental data, particularly, hydro-meteorological and physical data has different characteristics and they change over time. Climate Change in Bangladesh: A Closer Look into Temperature and Rainfall Data could be a useful reference. Geospatial data can be generated using GIS, remote sensing and GPS tools. Use of GIS tools such as images and maps can help to state the problems and enhance the quality of reports. GIS can be one of the sources of environmental data. Unpublished community series data can be collected from BBS. Bangladesh has detailed agriculture census which even computes the domestic animals. National Disaster Risk Management Report is an important reference for writing GCF proposal. BANBEIS has recently finished the education census which can provide relevant information. Climate change education for sustainable development in Bangladesh is also a source of relevant information.

8. *Other Sources:* Media reports and literature review is an important source of information for writing proposal. Agricultural, hydrological and meteorological data is not available sufficiently. However, WARPO and BMD can provide time series data and historical records related to hydro-meteorology, water discharge, polder, sedimentation to state climate change problems. To generate new ideas for writing an innovative proposal, technical support by specialized institutions, experts, attending training, workshop and meeting is helpful. Networking among individuals and institutions is also important for building rapport and collect data. Many departments such as the Department of Disaster Management (DDM) has huge information which needs to be validated by BBS as a focal institution for supplying census related data. Due to bureaucracy, it's not possible to publish such authentic information by DDM. Besides, BBS does not have such expertise and manpower to generate and handle environmental data. Nonetheless, Bangladesh Environmental Statistics Framework (BESF) 2016-2030 and Compendium of Environmental Statistics of Bangladesh 2009 provides information on environmental issues.

9. *National and international targets, progress and gaps:* Available policy documents such as Sendai Frame work for Disaster Risk Reduction, Sustainable Development Goal (SDG), Paris Agreement, 7th Five Year Plan outlines the goals and targets. Disaster Risk Management Reports, National Communication to UNFCCC focuses on reporting of the progress and gaps of environment and climate change goals and targets. Progress are documented in the progress reports including adaptation & mitigation. Heterogeneity of the targets, goals, progress, & gaps of the reports can provide good understanding on adaptation and mitigation issues.

10. *Sectoral Priority:* BCCSAP and INDC have included maps in the reports for representing vulnerability, vulnerable areas and risk and to identify the priority for areas and sectors. The Bangladesh Country Investment Plan for Environment, Forestry and Climate Change (EFCC CIP) is a cross-sectoral investment framework which underlines the sectoral priorities, indicators of climate change and environment and development. However, consideration of hydro-meteorological models, the impact of temperature and rainfall fluctuation and impact areas should get more focus on our works. Providing information on micro/local level dynamics such as temperature, rainfall, sunshine, wind speed, which are major variables for crop production can enrich a project proposal. Requesting fund from GCF on "Data Readiness Project" will be a potential project in the context of unavailability of climate change data. Human-induced climate change such as the disappearance of Chakaria Forest that has driven land use change (deforestation, channel clogging, siltation, shrimp cultivation, salt production, leasing) in the area can be easily understood from historical images.

11. To maximize the benefit of the community *Proper understanding of climate change impacts* and its linkage with socio-economic infrastructures is important. Focusing more on sustainable development and reduction of vulnerability of the community can make a project proposal outstanding. Interlinking their relation increases the change of getting the project. For example, sediment and sand from the river bed are regularly discharged in the agricultural land to ensure the flow of water. However, sedimentation is accelerated by climate change over the years and discharging a huge amount of sediment in agricultural land can reduce the productivity of crops. Therefore, differentiating climate change impact and development activities, and based on that, taking care of the river flow with proper sediment management can prevent harm to agricultural land and ensures sustainability. Use of technology such as google map, GIS, GPS can help to identify the impact areas and take integrated measures to solve the problem.

SESSION 9: SECTION F- APPRAISAL SUMMARY

Facilitator- Dr. A. K Enamul Haque, Department of Economics, East West University

Theoretical and practical aspects of the economic, financial and technical appraisals of GCF project is discussed in the session along with social, environmental & gender perspectives for writing a proposal.

1. *F.1 Economic and Financial Analysis* describes rationale, narrative for economic and financial analysis and models. This section also provides the economic and financial justification of the project.

2. *Considering national policies to rationalize GCF funding:* Nationally Determined Contribution (NDC) of Bangladesh focus on reducing 5% carbon from energy, transportation, agriculture by 2020 using its own resources. The reduction target is 15 % depending on the availability of resource from external sources. Using regular technologies, the target of reducing 5 % carbon will not cost much to the government. However, for achieving the 15% target, Government can apply to GCF to supply resources.

3. *Considering socio-economic viability:* The aim of the economic and financial analysis is to examine two sides of a project- consideration of project proponent and; social acceptance and wellbeing. Financial analysis focuses on rationalizing the project proponents and economic analysis describes societal wellbeing. Examining the two elements can be done using the same method but the components are different. For example, VAT is considered as expenditure to the project implementing entity. From the society perspective, VAT is a mechanism of transferring money for the greater wellbeing and benefit of the society which is the most important consideration. Along with social consideration, financial aspects of the project such as revenue, profit, cost are also an important element to organizations. Because the idea of revenue is different to suppliers and consumers. Rightly pricing of electricity can ensure economic wellbeing and social acceptance while pricing is also important to generate revenue to the government. If a project is financially feasible and socially acceptable, then it is expected that the project will be economically viable and society will be benefited equally.

4. *Considering risk factors:* For example, while farmers notice fish farming is financially profitable than agriculture, they will try to shift from agriculture to fish farming. This may cause damage to society. Such as the price of rice will go high and it will shrink the social wellbeing. However, there is a high risk of financial loss in fish farming and individual/institution will try to avoid financial risk. Therefore, a project should consider such risk factors to make it successful. Despite profitability, some project may not be successful due to high risk. In such projects, the marginalized community can receive support from the project to ensure greater social wellbeing.

5. *Considering technical aspects of technology:* There are many popular projects which need external support such as improved cooking stove and solar home. In many countries the technological solutions are not performing well for various cause varying from country to country. Sometimes, the design & the size of the cooking stove is not enough large for households to serve whole family needing them to cook several times for a single meal making it non-feasible. Institutions are also facing difficulties to promote solar home system due to several setbacks. Apart from social consideration, any system also needs to consider environmental issues such chance of pollution from the system and its mitigation measures.

6. *Financial analysis:* The method of financial analysis varies but a project should analyze the basic components such as profitability, cash flow, liquidity, affordability, recovery, condition of recovery, long term financial sustainability, solvency, sensitivity, technological & litigation risks in the design phase.

7. *Economic analysis:* Profitability, wellbeing, public good, cost-benefit analysis of environmental pollution, etc. are the major components of economic analysis. Analyzing the net value of projects in terms of its present economic value is crucial. In development projects, community benefit is viewed in economic values while in the businesses sector such economic value is known as revenue/profit. Projects also have intangible economic benefit which goes beyond society. For example, use of the card for supplying water can reduce misuse of water in the household and irrigation sector. The system can ensure efficient use of electricity by reducing wastage of water and increasing coverage of irrigation which helps to reduce the electricity bill, increases farmer's income, purchase power and investment capacity in education and enhance environmental sustainability by reducing groundwater use. Such expenditure is not considered as a cost rather it's an investment for the wellbeing of the society.

8. *Logical Steps:* Before starting the financial and economic analysis, it is imperative to understand the type of the project and identify its components and stakeholders. It is also wise to engage the same people in writing the proposal who were involved in the feasibility study for better designing the project and conducting financial and economic analysis.

9. *Measuring Net Present Value:* Net project value can be calculated based on government declared discount rate. The equation of measuring net present value is- (1) Net Present Value = PV (Benefits) – PV (Costs); → (2) Benefits include direct + indirect benefits; → (3) Costs include direct + indirect costs.

10. *Cost benefit Analysis:* A good project has three indictors- (1) NPV > 0 [the project increases social welfare]; (2) BCR > 1 [the project derives more than 1 BDT benefit per 1 BDT cost] (3) IRR > d [the project is socially desirable for the given rate of discount].

11. *Measuring benefits & costs:* the benefit of a project can be measured using the following system (i) Consumer's Surplus and willingness to pay; (ii) Producer's surplus and willingness to accept**;** (iii**)** Social welfare = CS + PS.

12. Other methods of measuring the welfare, changes are comparing before and after scenario of projects, counterfactuals with and without project scenarios. For details, please see the presentation.

13. *F2. Technical Evaluation* is the assessment of the project from the technical perspective which includes technical feasibility and process feasibility based on the project concept and design. Any technological or technical solution, such as assessment of solar home and roof top solar system will be described in this section with its appropriateness for the project. The roof top system has failed to yield good results in Bangladesh which is designed to connect with the grid system. Net metering system, & categorizing electricity bill can make the system successful. Enabling to pay 20-25 % less electricity bill for those who are contributing 10% of electricity from roof top solar can make the system successful.

14. *Considering pollution risk:* The risk of battery pollution is high in the solar system. The price of a new battery is BDT 8000. The return price of the used battery to its supplier is BDT 300 while its price in open market is +-BDT 1400. Households prefer selling it in the open market rather than returning it to its supplier. Selling the battery in the open market has the higher chance of chemical and acid pollution as buyer would not ensure proper discharge system. Notably, there are already more than 5 lakh batteries in Bangladesh. Technical evaluation of such risk factors through a project is important and we can ask GCF & other external donors for financial help. Including such concept in a project make the rational stronger. Therefore, while designing a project, it is recommended to consider not only profitability but also environmental sustainability. technical evaluation sections will contain the summary of such discussion.

15. *Considering value addition:* Solar irrigation system in Bangladesh can use only 13 % of its capacity despite the availability of sunlight throughout the year. However, a project needs to explore how it can be used all around the year. Connecting the system with national grid can ensure best utilization of the solar irrigation. External finance can be requested from GCF for this types of projects considering the potential of profit and making the system more efficient and usable throughout the year.

16. *F.3. Environmental, Social Assessment and Gender Considerations:* This section outlines the main outcome of the environment & social impact assessments, specifically, the Environmental & Social Management Plan. It also describes how the project will avoid/mitigate negative impacts at each stage (preparation, implementation, operation) in accordance with the Fund's Environmental & Social Safeguard (ESS) standard. Through the assessment GCF wants to ensure that the implementation of a project does not cause any harm to environment. If there is a chance of negative impact, this section outlines the method of mitigating such impact. Agriculture project has a less environmental impact. However, the energy sector has a higher chance of environmental impact for which EIA is required. To prepare the assessment report, we should sincerely follow the EIA procedure rather than tick boxing.

17. *Gender:* The section outlines the gender aspect in accordance with the Fund's Gender Policy & Action Plan. Gender is not only sex & avoids writing 'he/she' 'his/her' 'man/woman' in the proposal is also recommended. Broadly, gender means the role of a person in a society conditioned by society, religion & other socio-economic factors. A project should highlight how to include marginalized & excluded groups with their perfect role in a project. Ensuring the role-playing opportunity of men & women according to their capacity from different groups of society is gender inclusion.

18. *Gender mainstreaming:* Uplifting gender-related practices from one step to another step that supports empowerment is gender mainstreaming. For example, daycare system, maternal and paternal leave is now widely practiced in Bangladesh. However, in garments, the daycare system is not successful since mothers come to their workplace walking on an average 1-2 km. Carrying baby to and from the office of such distance is difficult and unrealistic. Relevant association and economic factors such as lunchtime for which they have to travel to their home is not considered in the daycare system. Despite offering canteen facilities by some garments to overcome the shortcomings, the system is not working due to the high price of canteen food which workers cannot afford. However, designing a GCF project making this system functional in the garments industry can make the real difference to address gender issue.

19. *F.4. Financial Management and Procurement* will be a summary of the procurement strategy and policy with a clear description of financial accounting, disbursement and auditing systems. A country procurement system may not fit with GCF system, & standards may vary country to country. Therefore, a project proposal needs to describe the system in a proper and acceptable manner ensuring accountability. Now a day, the third party monitoring system is getting more acceptance to the fund providers and including the system would add great value to the project.

SESSION 10: UNDERSTANDING GCF REQUIREMENTS

Facilitator- M. Zakir Hossain Khan, Senior Programme Manager, Climate Finance Governance, TIB

Project Design Elements

1. *GCF requirements for social and environmental safeguard:* being new, GCF didn't have all the safeguards ready. Gradually they are introducing the safeguards. GCF adopted the International Finance Corporation (IFC) performance standards for social and environmental safeguards and financial and fiduciary standards which includes;

PS1: Assessment and Management of Environmental and Social Risks and Impacts
PS2: Labor and Working Condition- such as labor and working conditions including gender balance and their payment system
PS3: Resource Efficiency and Pollution Prevention- measures for ensuring effective utilization of resources along with measures for pollution prevention
PS4: Community Health, Safety, and Security- chance of creating health hazard due to implementation of GCF project and measures to prevent the health hazard. Baseline survey can assess such information
PS5: Land Acquisition and Involuntary Resettlement- should depict the practical application of the existing laws and policies and measures for conflict mechanism
PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources-Should ensure the application of the existing policy and laws in priority basis. If there is challenge to conserve natural resources, then project should look for more innovation which can create example
PS7: Indigenous People- GCF has its own Indigenous Peoples Policy. Their consent, identity and right should be preserved while considering any development project/activity
PS8: Cultural Heritage- cannot be altered which is worldwide interlinked and has great value of preservation for the society.

2. *Gender Assessment and Gender Action Plan:* In addition to IFC performance standards, the GCF wants to see that institutions are considering gender impacts in their activities along with giving high importance on gender balance. The applicant organization should demonstrate its own employment record and project activities incorporating the objectives outlined in GCF Gender Policy and Gender Action Plan. There are Gender Analysis and Assessment format too. A UNDP project for Bangladesh titled "Enhancing adaptive capacities of coastal communities, especially women, to cope with climate change induced salinity" was not approved and initially. The proposal suggested that women would maintain and manage the water facilities. Initial query from GCF was how women would maintain the facility effectively if their role is the society is not established. Then UNDP submitted the revised project rationalizing the role of women and children and their benefit from the project. GCF was satisfied with the answers leading to approval of the project. So it is suggested read the Gender Action Plan and the Approved Funding Proposal for the Ministry of Women and Children Affairs (MoWCA) of UNDP to know the way of addressing gender issues. Gender, social and environmental safeguards should rationalize the project's value to the community and to the project developers.

3. *Environmental & Social Management System (ESMS):* ESMS follows IFC performance standards (PS1-PS8). For GCF-ESMS, environmental degradation, land acquisition and evacuation and other critical issues are addressed in this section with description of remedy and resettlement systems. Resettlement issues need to be standardized following the universal human rights; preserving community values and; placing an effective conflict redress mechanism to avoid the delay of project implement and increase of project cost. To achieve paradigm shift, a project proposal should look beyond business as usual scenario and create example to be followed by others. Organizations should review their own social and environmental management system for standardization. Description on ESMS should include organizational capacity and competency (e.g., addressing corruption, mitigating grievance), process for monitoring and evaluation (e.g., third party monitoring, monitoring process, monitoring groups, interim audit, IMED audit) and external communication mechanism. However, ESMS requirements for different accreditation categories are as follows;

Element of ESMS	Low risk	Medium or high risk
Policy	Not required	Must be consistent with PS 1-8
Identification of risks & impacts	Process to screen & categorize risk	Process & implementation track record consistent with PS 1-8
Management programme	Process to identify & manage risks	Process & track record for mitigating identified risk
Organizational capacity & competency	Staff members able to categorize activities by risks	Clear roles & authority for implementation; includes senior management
Monitoring & review	Monitoring for unforeseen impacts or risks	Process & track of monitoring mitigation actions; include senior management

4. *Risk Screening:* A project need to carefully assess its activities for not creating new social and environmental risk during its implementation. To avoid such, proper risk screening and identification of accurate stakeholder is prerequisite. Based on the stakeholders, direct and indirect risk will be analyzed and mitigation measures of the risks will be included in the proposal. For addressing the social and environmental risks it is important to detail out the project management strategy and job descriptions. GCF adopted IFC risk categories which are;

- Low risk activities = Category C
- Medium risk activities = Category B
- High risk = Category A

When the institution will act as a financial intermediary, these categories are;

- Low risk = I3
- Medium risk = I2
- High risk = I1

SESSION 10: SECTION H- RESULT MONITORING & REPORTING

Facilitator- Dr. Fazle Rabbi Sadeque Ahmed, Director, Environment and Climate Change, PKSF

1. A number of annex documents are required to submit with GCF proposal. The list includes documents on gender assessment, feasibility study, social and environmental assessment, environmental management, procurement plan, budget, sustainability plan, etc. Start working with GCF only enables an organization to get a clear picture of the list of the required documents. It may cost one million dollars to prepare all the documents by hiring a consultant. However, to prepare a good project proposal, strong background support is required.

2. GCF funding can be added with an existing or ongoing project. Such a project has a high weight to GCF. Generally, GCF raises concern on the sustainability of a project. But when they see the cofounding opportunity in an ongoing project, they don't even raise the question of sustainability as existing monitoring, evaluation, and other operational setups remain in place. World Bank has recently received USD 80 million dollars, amongst USD 20 million is from GCF as a grant for improved cooking stove project. Long term projects are more suitable for GCF funding rather than short term.

Result Monitoring and Reporting

3. *H.1. Logical framework:* This section describes the logic framework in accordance with the GCF's Performance Measurement Framework under the Results Management Framework.

4. *H.1.1. Paradigm Shift Objectives and Impacts at the Fund level:* This is an important section which describes output, outcomes and impact against activity and input of the project to achieve paradigm shift.

GCF has prescribed format for completing the section. However, the formats may change as they update the templates continuously. PKSF's Haor project is shown below as an example to describe the sections.

5. *Paradigm shift objectives-* Paradigm shift objective contains the following columns to fill up (the column contents are shown based on the Haor project, Table-1);
Expected Result- increased climate resilient sustainable development of the activities
Indicators- understanding of the selected community on climate change is enhanced at moderate to very high from very low and low level
Reporting responsibility- Accredited Entities-AEs
Baseline-5% (perceived)
Target-80%
Assumptions- community people are willing to learn climate change adaptation. They enhanced their capacity to identify CC problems and prepare adaptation action plan through participatory training and awareness sessions.

H.1.1. Paradigm Shift Objectives and Impacts at the Fund level[2]

Paradigm shift objectives

Expected Result	Indicator	Reporting responsibility (annual reporting)	Baseline	Target	Assumptions
Increased climate resilient sustainable development	1. The selected community enhanced understanding on climate change at moderate to very high from very low and low 2. The targeted people changed behavior towards climate change adaptation from disaster risk reduction 3. The targeted HHs made their settlement fully resilient to climate change	*Accredited Entities (AEs)*	5% (percieved) 5% (perceived) 5% (perceived)	80% 80% 70%	Community people are willing to learn climate change adaptation. They enhanced their capacity to identify CC problems and prepare adaptation action plan through participatory training and awareness sessions.
Fund-level impacts					
	Total Number of direct beneficiaries enhanced resilience to climate change induced flood Total number of indirect beneficiaries beneficiaries enhanced resilience to climate change; Percentage of beneficiaries	AEs	0 0	200000 (Female 160000 and Male 40000) 700000 Approx. 15% of	Community people adopted and practiced climate adaptive technology for homesteads as well as

Tabe-1: Paradigm Shift Objectives

6. *Fund-level impacts:* Fund level impact such as total number/percentage of direct beneficiaries that will be resilient to climate change induced flood is described in this section. The assumptions are community people will adopt and practice climate adaptive technology for homesteads as well as livelihoods, and a certain percentage of the total population of the target area will be benefited.

7. *Outcomes:* Outcome, outcome indicators, targets and assumptions are described in this section in a given format. Major outcomes of a project can be the transfer of adaptation technologies, strengthening of institutional and regulatory systems for climate-responsive planning and development, adaptive capacity and reduced exposure to climate risks, awareness of climate threats and risk reduction processes.

8. *H.1.2. Outcomes, Outputs, Activities & Inputs at Project level:* Based on the project proposal & design, the section will contain below information. Example of Haor project is shown in Table 2.

9. *Expected Result (project/programme outcomes):* Outcomes that contributes to fund-level will be described in this section. For example, one of the expected outcomes of the Haor project is to develop 70% HHs as climate resilient settlement along with other aims such as increasing access to safe drinking water and create a better understanding on climate change. After receiving feedback from GCF, the targets and assumptions may change. The baseline information of this format can be included at the beginning of the project once the resource is available to conduct a baseline. For

H.1.2. Outcomes, Outputs, Activities and Inputs at Project/Programme level

Expected Result	Indicator	Means of Verification (MoV)	Baseline	Target		Assumptions
				Mid-term(if applicable)	Final	
Project/programme outcomes	**Outcomes that contribute to Fund-level impacts**					
Developed climate resilient settlement	70% of the targeted HHs developed climate resilient settlement	Quarterly and annual report by AEs and IEs		40%	70%	
Access to safe drinking water and sanitation increased	80% of the selected household increased access to safe drinking water and sanitation	Quarterly and annual report by AEs and IEs	-	40%	80%	

Tabe-2: Outcomes, Outputs, Activities & Inputs at project level

this, it is also important to explain GCF about resource constraints to conduct such baselines without GCF support. However, relevant documents, policies, update reports can provide some baseline information. Information can be extracted to use in baseline through organizing consultation meetings, workshop, and conference in the targeted areas.

10. *Project/programme outputs (outputs that contribute to outcomes)*: A project may assume several outcomes. Based on the project design, this section will be stated as below table-3. *For example, the Outcome 01* of the Haor project assumes that a large number of the selected HHs/community (in percentage) will be developed as climate resilient settlement through construction of village protection wall, green wall (tree plantation), and excavation works. Frequency of reporting will be also mentioned in this format. Similarly, *other outcome like outcome 02* describes the percentage (%) of the household/community that will receive increased access to safe drinking water and sanitation through construction of climate resilient sanitary latrines, tube-well/semi deep tube-well/submergible tube wells etc. (for details please see the Haor proposal).

Project/programme outputs	**Outputs that contribute to outcomes**					
Outcome 1: **70% of the selected HHs developed climate resilient settlement**						
Village protection wall constructed	20 km	Monthly, quarterly and annual reports	-	10 km	20 km	
Established green wall (tree plantation) round the village/hati	50 km	Monthly, quarterly and annual reports	-	30 km	50 km	

Tabe-3: Outcomes, Outputs, Activities and Inputs at project level

11. *Activities and Description; and Inputs and Description:* In this section (table 4), specific input, resource and support needs (human, financial, logistical, transport, etc.) will be described against planned activities. Based on planned activities, inputs and resources will be identified and described. However, all the information on the prescribed format may not be necessary depending on the project concept and design.

Activities	**Description**	**Inputs**	**Description**
Outcome 1: **70% of the selected HHs developed climate resilient settlement**			
1.1 Construction of village protection wall surrounding the hati	• Develop selection criteria • Selection, validation and carry out community consultations • Develop tools etc.	1.1.1 Human resources	Project staff, Lobor
		1.1.2 Financial resources	Grant
		1.1.3 Logistics	Pen & pencil, paper, printer, computer, camera. measuring tape etc.
		1.1.4 Transport	Car, Motorcycle and local transport

Tabe-4: Activities and Description, Inputs and Description

12. *H.2. Arrangements for Monitoring, Reporting and Evaluation:* It describes the arrangements (semi-annual performance reports) laid out in Accreditation Master Agreements (AMA). It also outlines the project specific institutional setting & implementation arrangements for monitoring, reporting & evaluation. It also indicates on how & when the interim/mid-term & final evaluations will be organized. Result based monitoring will be done NIE & Project Implementing Partner (PIP). Mentioning third party monitoring in very important. Midterm and end evaluation will be also described.

SESSION 12: SECTION G- RISK ASSESSMENT AND MANAGEMENT

Facilitator- Dr. Fazle Rabbi Sadeque Ahmed, Director, Environment and Climate Change, PKSF

1. *G.1. Risk Assessment Summary:* This section provides a summary of main risk factors in a project along with the detailed description of risk factors and mitigation measures. The filled up format from Hoar project is given as an example (table-5). Risks may associate with financial, procurement, social and environmental and operational procedures depending on the design of the project. Such risks need to be elaborated clearly with categorizing them (high, medium and low). Risks may vary based on project implementation areas, size, type, category. Reviewing approved GCF project proposal can hinge such risks. Proposed project proposal on "Climate Resilient Settlement and Water Management in Flash Flood Prone Haor Areas of Bangladesh" is shown for exercise (see Haor_DPP_PKSF_to GCF_24 09 2018 pdf). GCF provides a lot of queries and answering them by a consultant is not possible. Therefore, it is advised to develop the proposals and relevant documents on our own to develop our capacity.

2. *Answering critical questions:* GCF technical teams are supposed to review a proposal critically. As such, a good proposal may receive a lot of critical feedbacks and queries. Therefore, it is wise to share the primary innovative proposal with GCF to keep the room to generate critical feedbacks gradually and answer them systematically.

3. *G.2. Risk Factors and Mitigation Measures:* Reviewing the major activities of Haor project would help to understand risk factors. Major activities of the project are construction of village protection wall, establish green wall (tree plantation) round the village, raise community-based crop threshing and drying areas above flood level, excavation, and re-excavation of canals, extension of village areas, piloting of flood resilient housing, construction of sanitary latrine, etc. Risk Factor associated the activities are (**Risk Factor 1**) loss of agricultural land, erosion of topsoil from earth collection points, damage of trees in and around the earth collection points, temporary occupation of agricultural land for keeping construction materials. **Measures** proposed for mitigating the risks are natural filling of excavated sites by sedimentation, carefully fixing locations for earth collection to minimum loss, select fallow lands for earth collection and keeping construction materials, planting adequate trees around the earth collection point, etc.

G.2. Risk Factors and Mitigation Measures

Please describe financial, technical and operational, social and environmental and other risks that might prevent the project/programme/objectives from being achieved. Also describe the proposed risk mitigation measures.

Selected Risk Factor 1

Description	Risk category	Level of impact	Probability of risk occurring
• Loss of agricultural land or may affect top soil if the earth collection points are not selected properly. • The earth work also may damage some trees in and around the earth collection points. • Some agricultural land may be temporarily occupied for keeping construction materials including brick, iron rod, cement, sand etc.	Environmental	Low	Low

Mitigation Measure(s)

- Natural filling of excavated sites by sedimentation
- Location should be fixed such a way that minimum loss of agricultural land, forest, wetlands
- Alternative location can be considered
- Earth collection points will be selected carefully so that fallow lands are used for earth collection
- Fallow land will be used for keeping construction materials
- Adequate trees will be planted around the earth collection point
- The earth collection points will be used as pond for fish culture.

Tabe-5: Risk Factors and Mitigation Measures

4. One of the major concerns GCF raised on PKSF Haor project was the erosion of topsoil in the flood plain area. They wanted to know the extent of the impact. According to them, the proposed mitigation measures were not sufficient & asked to explain more. PKSF discussed & explained the issue to GCF in a video conference. They became convinced only when it came to know that the proposed locations are alluvial area & alluvial sand is not practically topsoil. After the discussion, the use of alluvial sand for construction is included with sufficient clarification. It also mentioned clearly for not using agricultural land. If GCF does not raise further query in this regard, the sentence "minimum loss of agricultural land" would be replaced by "no loss of agricultural land". However, one should be prepared to receive query whatever the quality of the project is. As GCF accept logical answers, one should provide the best idea & information as clarification. Sometimes GCF may not accept some explanations. In such cases, it is wise to accept their logic if it does not critically impact the design of the project. Besides, the applicant organization must convince GCF in case something is possible or not possible. For example, due to arising the concern of topsoil loss, GCF suggested abandoning the plinth level raising activity which constitutes 40% of the total activity of the project. PKSF considered it an important activity and, therefore, continued the discussion to convince GCF. GCF also had environmental concerns on channel excavation activity which comprises less than one percent of the project. So PKSF decided to abandon it. GCF will also conduct an observer mission in Bangladesh in March 2018 to practically visit the field.

5. *Assessing demands of community:* To prepare a good proposal, we need a clear picture of demands of the community and link their demands with climate change. It will be difficult to prepare an appropriate list of demands by simply asking to describe the impact of climate change and demands to mitigate it. In the Haor project, most of the problems except the arsenic problem are connected with climate change.

6. *Monitoring Reporting and Verification (MRV):* PKSF has submitted four projects to GCF with the role of executing entities in all of them. National NGOs will work as project partner and universities can also work with PKSF. However, all of the partner organizations (government and NGOs) have to follow the PKSF system of monitoring, reporting and evaluation and submit it to PKSF.

7. *Proper budgeting:* Some of the components are often indicated as voluntary activity in the project proposal. In practice, local people deny giving voluntarily services such as giving their land for the use of

construction and soil collection. Often soil is collected from distant areas which involve labor and transportation cost. In such cases, the problem arises when the labor list and grade is fixed in the proposal. Budget can be made more inclusive by considering these circumstances and keeping an additional budget for such components. Placing a grievance redress mechanism and a mechanism to avoid non-transparent selection can enhance the credibility of a project proposal.

8. *Unseen costs*: Risks involved with currency fluctuations and in other unseen costs. There are fiduciary and procurement risk. Strict following of the government procurement rules can mitigate such risk. Engagement of NDA and Foreign Aided Project Audit Directorate (FAPAD) in the major procurement processes will reduce the procurement risk. Proposing independent third-party monitoring, audit, and investigation will make the process more transparent.

9. *Other risks:* There are other probable risks such as remoteness, flood and flash flood, political influence, extreme weather events and disaster, loss of biodiversity, community conflict and gender-based violence, etc. Consideration of all these risks in the project design and describing them properly can make the proposal more inclusive. For more about risk factors (from 1-15) and mitigation measures, please see the **Haor_DPP_PKSF_to GCF_24 09 2018 pdf** document**.**

SESSION 13: SUPPORTING DOCUMENTS FOR FUNDING PROPOSAL

Facilitator- Dr. Fazle Rabbi Sadeque Ahmed, Director, Environment and Climate Change, PKSF

Many supporting documents goes as attachment with the project proposal listed in the Annex. Annex document could be thousand pages. ERD host a NDA website to GCF where supporting document related information is available. Some of the supporting documents are discussed below.

1. *No Objection Letter from NDA:* Along with the project proposal, the applicant organization has to send a letter to NDA of GCF, which is ERD in Bangladesh, requesting No Objection Letter. The letter has legal implication, & therefore, it is recommended to follow the supplied format & langue of the letter. Sending the letter to NDA has some challenges. In ERD, there is an advisory committee headed by ERD Secretary. Members of the committee contain thematic experts and bureaucrats. All the documents are required to send online at least two weeks before the meeting of the advisory committee. The committee members also provide feedback online. Applicant organization also provide a presentation on the project proposal in front of the committee. Applicant organization may face critical questions and queries to align the project proposal with national policies and priorities. Sometimes, their feedback forces renaming the proposed project proposal. Once the concern and suggestions are addressed in the proposal, then ERD issues the No Objection Letter. This is a lengthy process and time is a major consideration for applicant organization. The whole process of getting the No Objection Letter can be found here.

2. *Feasibility Study* is a necessary document undertaken at the early stage of a project which establish a project's viability and identify feasible activities. It also contains the information on adaption practice, needs & potential areas of interventions in a particular area. Therefore, such a study should be rigorous (See "Haor_Feasibility Study" an example). Source of information for feasibility study may vary. The Haor Master Plan, stakeholder consultation & meeting were major source of primary information. The feasibility study can be done in a combination of literature review (articles, published reports), consultation of stakeholders and experts. A consultant can be hired to prepare a feasibility study, social & environmental management plan for critical projects related to drought or hydrology. However, in-house human resource should accompany the consultant to extract all outputs & knowledge transfer to implement the project successfully. It is possible to prepare all the documents without hiring any consultant which requires a very dedicated team. Reviewing all the running projects & related documents on targeted area can help avoiding duplication of activities & develop a good feasibility study.

**** GCF website does not contain Annex documents for approved projects. But better knowledge on Annex document is important. It is suggested to collect & review the annex documents submitted by UNDP Bangladesh which is rich in content. There is no problem to collect those documents as they are already approved. With the composition of national & international books & publication, PKSF has already developed a library which contains most of the climate-linked documents required for GCF accreditation. They are accessible to concerned organizations with photocopy facility & PKSF is enthusiastic to support them through establishing communication. GOBESHONA is another resourceful platform on climate change in Bangladesh which contains published works with accessible links.

3. *Environmental Management Framework (EMS):* All institutions seeking accreditation to the GCF must have an Environmental and Social Management Plan. The plan is required to make sure GCF that the applicant entity has an effective mechanism in place. It also ensures that there is a system which adequately identifies, assesses, manages, mitigates and monitor environmental and social risks and respond to problems that may arise due to implementation of the project. The document "Environmental Management Framework_PKSF" is shown as an example to understand the GCF requirements for Environmental and Social Management Plan. Executing Entities (EEs) also need to have the plan and mechanism in place. Absence of this framework/mechanism will weaken the acceptability of the organization/project.

4. *Risk Category of EMS:* The category/strength of the framework varies depending on the accreditation category. GCF ask Accredited Entities to assign the appropriate environmental and social risk categories (see page 22-23 for the categories) to activities in a manner consistent with the accreditation framework of GCF. The categories are (i) high, (ii) medium and (iii) low. Applicant organization defines their project category by their own and GCF experts reviews it with their feedbacks. Environmental Conservation Rules (1997) of GoB also classifies development projects into four categories which categories are: (i) Green (ii) Orange A/Amber-A (iii) Orange B/Amber-B, and (iv) Red. The EMS for GCF also needs to comply with national system. In this document, project activities are reported under different risk categories in the *Environmental Screening* format. The document also mentions reporting provision, format of reporting and methods of reporting. There are some ecologically critical areas/conservation areas/reserve areas in Bangladesh, embargoed for not doing any development activity. Considering such information while developing a project is helpful to avoid risks.

5. *Environmental Safeguard policies* are also described in the EMS based on the project activities along with general principles and measures of mitigation risks. The document will also contain information on (i) Requirements of Environmental Clearance (ii) Potential Environmental Impacts (iii) Environmental Mitigation Measures (iv) Environmental Screening (v) Environmental Review and Approval (vi) Initial Environmental Examination-IEE and steps to be followed to carry out IEE (vi) Third Party Assessment/External Monitoring/Evaluation (vii) Grievance Redress System (viii) Institutional Arrangement & Capacity Development. "List of Negative Attributes" and "Environmental Screening Format" will be include in the document as Annex.

****Developing a skeleton of the proposal is crucial to start writing a project proposal at the initial stage. Then the sections can be developed gradually. This workshop can be considered as starter for starting the work.

6. *Social Management Framework (SMF):* SMF contains social safeguard related information and their implications. It also describes the Social Screening Guidelines and the process of Community/Stakeholder Consultation, SMF Implementation and Institutional Arrangement, Monitoring and Evaluation, Disclosure of information, Grievance Redress Mechanism (GRM). Checklist for Sub-Project with Negative Social Attributes, Social Safeguard Screening Form, Guidelines for using Private and Public Lands, Guidelines for Tribal Peoples Plan, Guidance Notes for Integrating Social and Gender Issues will be included in the SMF. Lodging complaints by the community including marginalized, tribal people to GCF about non-consultation may cause a negative impression about the project. Any activity that may create social unrest (e.g., including government property in the project activity that is occupied by other entities which require acquisition) is recommended not to include under GCF project.

7. *Letter of commitment for co-financing commitment:* If there is co-financing, a "Co-Financing Guarantee Letter" is must attached item in the Annex as supporting document.

8. *Other documents:* Other supporting documents such as Integrated Financial Model, Budget, Procurement Plan and Timesheet goes with the attachment in the project proposal. The budget for each component/unit (such as climate resilient shelter, house etc.) are outlined separately in the attached budget. Such document specifies the cost form monitoring, evaluation, audit, travel, training and other competent (Please see the "Budget on CBAF" xls document as example).

CLOSING SESSION: RECOMMENDATIONS FROM PARTICIPANTS

Ms. Rafiqa Sultana, Department of Forest

1. It would be good if a five-day long residential workshop could be organized outside of Dhaka where nine sections of the funding proposal could be discussed in nine groups for rigorous discussion and proper understanding which could lead the participating organizations to prepare a draft or zero draft project proposal;
2. A good schedule need to be prepared involving the respective departments and office executives so that they are involved in the process of preparing the proposal. Involvement of the office executive is very important to move forward with the proposal to the process of developing a comprehensive proposal and submission.

Mr. Mohammad Alauddin, Power Division

3. Before coming to climate finance and GCF issues, understanding the climate change aspects is important and the climate change issues could be included rigorously in the orientation sessions along with the issue of awareness;
4. Critical analysis of financial technique is very important in the process of developing fundable GCF proposal;
5. The training would be more effective and impactful if participants could attend it along with developing a draft concept note from their respective departments.

Dr. Shamal Ch. Das, Bangladesh Water Development Board (BWDB)

6. This training should include group work so that participants can interact, discuss and collect feedback;
7. Emphasize more at the policy level for effective engagement with the departments/organizations for GCF related activities. Head of the respective departments/organizations should be engaged in the process of developing the project proposal;
8. In the process of developing the GCF proposal, other national policies such as Delta Plan 2100 should be well addressed and integrated;
9. For better understanding, we should define the term 'Improved Access' address the areas where the organizations need to work more to access GCF funds and projects.

Mr. Mrinal Kanti Tripura, Maleya Foundation

10. NDA is the focal point for GCF and an important stakeholder. We should include them in the orientation process for understanding government perspectives on GCF, receiving better support, and developing communication.

Mr. S.N.M Ehsanul Hoque, Ingen Technology Ltd.

11. Organizations could receive better support if a dedicated cell for GCF could established in coordination of PKSF and IDCOL. It would also help the organizations to share knowledge and develop a better network to help each other.

Mr. Jahidul Islam, Department of Disaster Management

12. Government organizations and departments should issue legal letters to develop GCF project proposal which can facilitate respective departments to engage dedicated staffs and resources.

Dr. Fazle Rabbi Sadeque Ahmed, PKSF

13. Developing GCF project proposal is a two-way communication. National Implementing Entities (NIEs)/ Direct Access Entities (DAEs) alone cannot implement a projects. It also requires capable and efficient Implementing Entities (IEs), Implementing Partners (IPs).
14. TIB has the role of facilitating and supporting the interested organizations. In addition, TIB can help the organizations by signing MoU/ToR with relevant organizations to provide better support.

CLOSING REMARKS

Dr. Iftekharuzzaman, Executive Director, TIB

Dr. Iftekharuzzaman thanked everyone for attending the workshop. He outlined the following issues-

1. Workshop mode would be effective if the participating organization attend along with their own draft project proposals for receiving critical feedback and further discussion;
2. A pool of resource person involving the individuals those who have expertise in this field could be organized for providing direct technical support for the interested organizations;
3. TIB has been maintaining close contact with ERD as NDA of GCF and TIB is continuing its consultation with ERD on GCF issues;
4. TIB can organize action oriented and need based consultation meeting/workshop involving the respective Office Executive/DGs for GCF. Participants of this training can work as ambassadors to organize such workshop.

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03. Dr. A.K. Enamul Haque
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