



INDEPENDENT  
EVALUATION OF THE  
GREEN CLIMATE FUND'S  
READINESS AND  
PREPARATORY SUPPORT  
PROGRAM (RPSP)

*OCTOBER 2018*

Final Report



GREEN  
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Unit



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The independent evaluation of the Green Climate Fund's Readiness and Preparatory Support Programme was submitted to the Board of the Green Climate Fund at its twenty-first meeting in Bahrain, September 2018.

GREEN CLIMATE FUND  
INDEPENDENT EVALUATION UNIT

Independent Evaluation  
of the Green Climate Fund's  
Readiness and Preparatory Support Programme

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Final Report

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#### **Suggested citation**

Independent Evaluation Unit (IEU). (2018). *Independent Evaluation of Green Climate Fund Readiness and Preparatory Support Programme*. Evaluation Report No. 1, Green Climate Fund, Songdo, South Korea

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## CONTENTS

Acknowledgements .....	vi
Executive Summary.....	vii
Abbreviations .....	xvi
I. Introduction .....	1
II. Mandate and Context .....	2
A. Board decisions and discussions .....	3
B. Overview of the RPSP portfolio .....	5
III. Methodology .....	11
A. Utilization-focused and participatory.....	11
B. Theory-based evaluation .....	11
C. Methods.....	12
D. IEU database .....	14
IV. Relevance and Coherence .....	16
A. Relevance .....	16
B. Complementarity and coherence.....	24
V. Country Ownership .....	29
A. Framing country ownership .....	29
B. Flexibility for countries to define and pursue country ownership .....	30
C. Insights from case studies .....	31
VI. Effectiveness of the RPSP.....	36
A. Establishing and strengthening NDA/FPs.....	38
B. Strategic frameworks, including the preparation of country programmes.....	41
C. Support for accreditation and accredited DAEs.....	50
D. Formulation of NAPs and/or other adaptation planning processes.....	53
E. Information-sharing and learning.....	56
F. Unintended consequences .....	58
VII. Cross-Cutting – Gender and Environment .....	62
A. Gender .....	62
B. Environmental and social safeguards.....	64
VIII. Efficiency .....	67

IX. Innovativeness and Scaling-Up Potential.....	81
A. Innovativeness and potential for paradigm shift .....	81
B. Replication and scalability .....	84
X. Recommendations and Conclusions.....	87

## TABLES

Table 1	Critical Causal Relationships and Major Learning Needs for RPSP .....	x
Table II.1	Number and value of approved RPSP grants to countries, by year of first submission .....	8
Table II.2	Summary of overall RPSP approvals and disbursement .....	10
Table III.1	Focusing the analysis on selected causal relationships .....	12
Table III.2	Overview of evaluation methods.....	13
Table IV.1	Readiness activities supported by GCF and other climate-related global funds	17
Table V.1	State of country ownership ‘attributes’ as devised for the evaluation, for case study countries.....	31
Table VI.1	Scoring the RPSP contribution.....	36
Table VI.2	Effectiveness of RPSP at a glance.....	37
Table VI.3	Approved RPSP related to establishment of NOP, by country type .....	39
Table VI.4	Approved RPSP related to development of an effective coordination mechanism, by country type.....	39
Table VI.5	NDA/FPs survey responses on NDA strengthening, by country type, 2018.....	40
Table VI.6	Approved RPSP related to country programme development, by country type	42
Table VI.7	NDA/FPs survey responses related to country programme development, by country type .....	43
Table VI.8	NDA/FPs survey responses related to stakeholder consultations, by country type .....	43
Table VI.9	Approved RPSP related to project preparation, by country type .....	45
Table VI.10	NDA/FPs survey responses related to pipeline development, by country type .	46
Table VI.11	Approved RPSP related to crowding-in private sector investment, by country type .....	48
Table VI.12	NDA/FPs survey responses related to crowding-in private sector investment, by country type .....	48
Table VI.13	Approved RPSP related to realization of direct access, by country type .....	51

Table VI.14	NDA/FPs survey responses related to accreditation, by country type .....	52
Table VI.15	NDA/FPs survey responses related to adaptation planning, by country type ....	55
Table VI.16	NDA/FPs survey responses related to information-sharing and learning, by country type .....	57
Table VII.1	Integration of gender in case study countries, RPSP, 2018.....	62
Table VIII.1	Description of temporal steps.....	71

## FIGURES

Figure II.1	Approved amounts of RPSP grants, by country classification.....	9
Figure II.2	Approved numbers of RPSP grants, by region.....	10
Figure IV.1	Shares of eligible countries receiving RPSP grants, by country type .....	20
Figure IV.2	Shares of eligible countries receiving RPSP grants, by region .....	21
Figure IV.3	GCF, GEF, CIF, and AF projects in the nine case study countries.....	26
Figure VIII.1	Median processing times of RPSP grants by year of initial submission.....	72
Figure VIII.2	Costs for Regional Advisors and other DCP Consultants (per USD 1,000) .....	75

## ACKNOWLEDGEMENTS

The Independent Evaluation of Readiness and Preparatory Support Programme (RPSP) of the Green Climate Fund (GCF) was prepared by a large team of staff, consultants, and an external firm led by the GCF Independent Evaluation Unit (IEU). However, this work would not have been possible without the full support of all GCF partners: the Board, the GCF Secretariat, Accredited Entities, GCF's National Designated Authorities and Focal Points at the country level, the Private Sector and the Civil Society Organization (CSO) network and representatives of accredited entities. The GCF IEU especially acknowledges the many people who responded to surveys and interviews, participated in focus groups and helped with detailed inquiries. The GCF IEU also extends its gratitude to the governments, agencies, and many project staff who kindly received RPSP evaluation team members in the field. Our evaluation efforts would have not been possible without this support.

Dr. Jyotsna Puri, Head of the IEU of the GCF provided overall guidance and oversight throughout the evaluation process. Dr. Solomon Asfaw, Principal Evaluation Officer of the IEU of the GCF managed this evaluation. The evaluation report was jointly drafted by the Universalia consulting team led by Dr. Eric Abitbol and by IEU staff and consultants. Other evaluation team members and consultants included Joseph Mutunga, Peter Mwandri, Pamela Urbina Juarez and Dr. Roberto La Rovere from the IEU, and Dr. Ansgar Eussner, Dr. Chris Gerrard, Dr. Archi Rastogi, Jacques Toulemonde, Anne-Marie Verbeken, Esther Rouleau and Corey Pembleton from Universalia. Administrative support was provided by Fatima Moussas and Jihee Kim, IEU Team Assistant. Greg Clough and Toby Pearce edited the report, and Giang Pham designed the publication.

The staff of the GCF Secretariat, Board members as well as Civil Society Observers also provided feedback on findings in drafts of the evaluation, for which the IEU is grateful. The IEU is responsible for all views expressed in this report. Views expressed here do not reflect the official views of the Board of the GCF or its members or of the countries they represent.



# EXECUTIVE SUMMARY

## A. Introduction

This report presents the findings of the Independent Evaluation of the Readiness and Preparatory Support Programme (RPSP) of the Green Climate Fund (GCF).

The RPSP was launched in 2014, less than one year after the GCF officially opened its permanent headquarters in Songdo, Republic of Korea in December 2013<sup>1</sup>. It is a strategic priority of the GCF Board, as stated in decision B.05/14 and again in decision B.08/11. With its decision B.17/07, the Board invited the Independent Evaluation Unit (IEU) to undertake an independent evaluation of the RPSP and approved the Terms of Reference (TOR) of the evaluation as per decision B.19/43.

The evaluation has the following objectives:

- Assess the effectiveness of the RPSP and the extent to which RPSP processes are fulfilling the intended objectives of the RPSP – as contained in decision B.08/11 paragraph (i) – as well as the objectives of country ownership<sup>2</sup>; and
- Review approaches in the implementation of the RPSP with a view to making recommendations for improved alignment with the objectives of the RPSP; and recommend gains in effectiveness, efficiency, country ownership and the likelihood of sustained impact.

The evaluation has used the following criteria to examine the programme: relevance and coherence; country ownership; effectiveness;

cross-cutting issues (including gender and environment); efficiency; innovativeness; and scalability<sup>3</sup>. All other IEU criteria are informed while discussing these main criteria.

Operationally, the evaluation contributes to improving the approval process and the timely disbursement of resources to facilitate the RPSP's implementation, pursuant to GCF Board decision B.11/04. The evaluation also informs deliberations about additional support for the programme, subject to further Board decisions in 2018 and 2019. With the aim of advancing these objectives, the independent evaluation has considered all three dimensions of the RPSP: (i) design and planning; (ii) implementation/performance; and (iii) expected RPSP results. It assesses the RPSP from its creation through to July 2018 (with selective data included through to September 2018).

The independent evaluation of the RPSP was submitted between Board meetings B.21 and B.22.

## B. Methodology

The evaluation team comprised IEU staff and its consultants and staff and consultants from Universal Management Group. The team developed and used several methodological approaches and tools that focused the evaluation on utilization and learning, while engaging key informants at critical steps in the process with the aim of delivering rigorous and credible findings. The overall approach adopted has been that of a Theory-Based Evaluation (TBE), which has included reconstructing the RPSP Theory of Change (ToC). This

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<sup>1</sup> The RPSP is also referred to as the Readiness Programme in this report, with RPSP support referred to as readiness support, as per GCF institutional parlance.

<sup>2</sup> As contained in decision B.10/10 paragraph (c) and (f) and the Guidelines for Enhanced Country Ownership and Country Drivenness decision GCF/B.17/14, Annex II.

<sup>33</sup> The likelihood of sustained impact from the RPSP should be understood as deriving from the following four factors: type and extent of readiness support received prior to the RPSP; country ownership; scaling-up potential; and programme capacity for learning. These are all discussed in different sections of this report, including in the recommendations.

evaluation has employed mixed method approaches using both qualitative and quantitative data types from primary and secondary data sources. The evaluation included a review of programme, policy and project documents, an IEU Database that compiled data from various sources, a global online perception survey of National Designated Authorities/Focal Points (NDA/FPs) with 40 respondents, 362 interviews with key informants, and focus group discussions (FGDs).

A series of country case studies included evaluation missions to Antigua and Barbuda, Bangladesh, Haiti (virtually), Kenya, Mongolia, Namibia, Paraguay, Senegal, and Vanuatu. Data analyses included a time-lapse analysis, benchmarking and meta-analysis. Each evaluation question in the TOR was addressed through systematic process tracing methods that used all relevant information sources. Insights were shared through in-person presentations at key events and through timely webinars.

## C. Findings and possible opportunities for the GCF

### Relevance

The aims, design and activities of the **RPSP are well aligned** with the objectives of the United Nations Framework Convention on Climate Change (UNFCCC), the GCF, the Sustainable Development Goals (SDGs), and the Paris Agreement.

In particular, **the design of the RPSP strongly emphasizes a country-driven and country-owned approach for providing climate finance**, by aiming to help beneficiary countries (i) strengthen their NDA/FPs to lead effective intra-governmental coordination mechanisms; (ii) establish a legitimate and transparent no-objection procedure (NOP); (iii) effectively engage stakeholders (including civil society organizations [CSOs] and the private sector) in the preparation of coherent

country programmes; (iv) support the accreditation/capacity-building of Direct Access Entities (DAEs); and (v) formulate National Adaptation Plans (NAPs) and/or other adaptation planning processes.

The GCF operates in an environment of many global, regional, multilateral and bilateral climate funds, each with their own objectives and characteristics in terms of scope, scale, governance arrangements, funding mechanisms, and organizational processes. To help benchmark the RPSP, the evaluation team conducted a meta-analysis of the Readiness activities of six climate-related global funds (GCF; Global Environment Facility [GEF]; Multilateral Fund for the Implementation of the Montreal Protocol [MLF]; Adaptation Fund [AF]; Climate Investment Fund [CIF]; and Forest Carbon Partnership Facility [FCPF]).

**The comparison shows that the design of the RPSP is broader and more ambitious compared to comparator funds, consistent with the overall ambition of the GCF as a whole.**

Three quarters of eligible countries have so far received RPSP grant approvals. Demand from countries and potential DAEs has also been fairly uniform across different groups of countries. About 77 per cent of Small Island Developing States (SIDS), 74 per cent of Least Developed Countries (LDCs), 80 per cent of African countries, and 72 per cent of other countries (those which fall into none of the aforementioned categories) have so far received RPSP support. However, 35 of 148 eligible countries do not have approved RPSP grants.

**Possible opportunity:** Countries that do not access the RSPP represent a heterogeneous group, and a variety of factors explain their non-participation. If the GCF wants to galvanize a subset of these countries, it will need more tailored approaches and a better understanding of the political, economic and social context of the individual countries.

## Complementarity and coherence

Prior to the GCF Readiness Programme that started in late 2014, several other bilateral and multilateral agencies were already supporting climate finance Readiness activities for developing countries<sup>4</sup>. Their **prior financial and technical support has helped some countries become front-runners in terms of engaging with the GCF**. Subsequently, the GCF Secretariat and implementing partners<sup>5</sup> agreed on a joint coordination mechanism in April 2015, to maximize the coherence and collective impact of Readiness support provided by all partners.

Strong in-country ownership and capacity, based on well thought-out priorities and strategies, is key to coordinating, in a complementary way, the support provided by the principal climate-related global funds (GCF, GEF, CIF, and AF) as well as other sources of climate finance. To date, the evaluation found that **RPSP-supported country programming has focused primarily on countries' engagement with the GCF, and not more broadly with other sources of climate finance**.

**Possible opportunities:** First, in hosting the Structured Dialogues and other activities of the RPSP that are designed to inform eligible countries of the distinctive features of the GCF, including its project cycle for funded projects, there is an opportunity to support these in cooperation with the UNFCCC and the GEF. These may help to build country-capacities, to monitor and measure their progress toward their Intended Nationally Determined Contributions (INDCs) under the Paris Climate Agreement.

Second, under RPSP countries have a lot of flexibility in institutionalizing their own processes for intra-governmental coordination,

in designing the NOP, and in how they conduct stakeholder consultations, and therefore in determining what country ownership means to them. In the future, the GCF and eligible countries might co-consider other models. One example is that of the Country Coordination Mechanisms set up by the Global Fund to Fight AIDS, Tuberculosis, and Malaria that has helped build country coordination mechanisms with strong in country mechanisms for ownership and firewalls.

## Country ownership

The **RPSP is envisioned to be the main tool of the GCF for enhancing country ownership**. While there is no formal, Board-approved *definition* of country ownership, various decisions and guidelines indicate that country ownership and drivenness is composed of seven attributes. These include, primarily, that the NDA/FP is established and functional; second, that stakeholder consultations are organized by the NDA/FP; third, that a NOP is established and is operational; fourth, that a country programme has been developed and includes a pipeline of concrete projects that has been agreed upon with major stakeholders; fifth, that one (or more) DAE has/have been accredited; sixth, that one (or more) DAE has/have submitted Funded Project proposals and/or seen it/them approved; and seventh, that there is progress on NAP planning and completion<sup>6</sup>.

When all of these elements are in place, or well underway, while varying by degree, RPSP staff believe that a country is empowered to address the challenges of climate change and that it 'owns' the process. Indeed, the RPSP is supposed to assist developing countries in advancing each of these areas.

## The Division of Country Programming (DCP) progress reports on RPSP provide

<sup>4</sup> German Ministry for Economic Cooperation and Development and German Ministry for the Environment, Nature Conservation, Building and Nuclear Safety.

<sup>5</sup> Deutsche Gesellschaft für Internationale Zusammenarbeit, KfW Development Bank, United

Nations Development Programme, United Nations Environment Programme and World Resources Institute.

<sup>6</sup> The last attribute stems only from 2016.

**only input and activity data for all countries;** that is, which projects have been approved for specific areas and for how much, and what has been disbursed as well as activities undertaken. These do not indicate what has been achieved, what has been put in place and what is working in terms of country ownership. It was therefore challenging to make inferences on country ownership across the portfolio. In the absence of a definition, and using the typology presented above, **although the RPSP has not yet strongly contributed to ensuring country ownership in target countries, the Programme holds promise.**

**There has been some success, although it is by no means uniform.** Often the RPSP has strengthened the role of NDA/FPs. The focus of the GCF on DAEs shows some progress. The RPSP has also promoted significant stakeholder engagement and critically assisted the NOP process. However, **country programmes are the exception:** as of 9 August 2018, the GCF had received eight completed country programmes (representative of all regions), from Antigua and Barbuda, Bangladesh, Federated States of Micronesia, Pakistan, Rwanda, Thailand, Togo, and

Zambia. **Support for DAEs is yet to translate into significant GCF pipeline development.** It is unclear if RPSP financial and capacity development support is enough for this objective.

**Possible opportunity:** There are a number of notable obstacles to the RPSP building country ownership, and these are discussed in the report. Although the RPSP is changing and re-directing its efforts, GCF's (hitherto) English-only policy has clearly facilitated activities in Anglophone countries much more than in non-Anglophone countries. This can and should be remedied quickly.

### Effectiveness of the programme

As of mid-May 2018, more than half of the total budget for the RPSP (USD 99.7 million of USD 190 million) had been committed. Of this, USD 25.7 million had been disbursed for country-level grants.

This evaluation focusses on the most critical and challenging causal links in the RPSP ToC. Seven key causal links were identified. These may be considered as critical RPSP learning needs (see Table 1).

**Table 1 Critical Causal Relationships and Major Learning Needs for RPSP**

CRITICAL CAUSAL RELATIONSHIPS AND MAJOR LEARNING NEEDS FOR RPSP	
N1	Extent to which Readiness grants have enabled NDA/FPs to lead effective intra-governmental coordination mechanisms, including the establishment of the no-objection procedure.
N2	Extent to which Readiness grants have enabled NDA/FPs to effectively engage stakeholders in consultative processes, including the preparation of coherent country programmes.
N3	Extent to which Readiness technical assistance has enabled nominated candidates to achieve accreditation as DAEs.
N4	Extent to which information and experience-sharing events and processes have contributed to the ability of countries and DAEs to engage effectively with the GCF.
N5	Extent to which Readiness grants have enabled countries to develop NAPs that build on existing country strategies and plans.
N6	Extent to which Readiness grants have enabled NDA/FPs and AEs to develop concept notes and/or project proposals to access climate finance that address high-impact priorities identified in country programmes.
N7	Extent to which private sector engagement in country consultative processes has helped improve the enabling environment for crowding-in private-sector investments.

**The RPSP has been most effective in organizing information-sharing events that have enabled engagement with the GCF.**

Indeed, the RPSP has supported a range of Structured Dialogues as well as workshops and events around the world. Among those who participate in such events, there is a widespread and strong perception that these initiatives have been very effective in enabling their work, including engagement with the GCF. However, a still too-high proportion of NDA/FPs appear not to have participated in any such events, which suggests that the RPSP should be leveraged more for these purposes. Aside from the higher political momentum generated, by far the biggest and most cited benefit of participating in these events was learning from peers and sharing in the experiences of other countries.

The programme has been more effective in its support of consultations with stakeholders than in the preparation of country programmes, which have only recently been launched in most countries. In particular, stakeholder engagement is planned or underway in all countries, and to a high level. Nonetheless, the **participation of civil society in the RPSP is still rudimentary and inconsistent.**

The effectiveness of the RPSP in helping to strengthen NDA/FPs, in supporting GCF pipeline development and in engaging with the private sector has been uneven across countries. The cited contribution of the RPSP to strengthening NDA/FPs is heterogeneous, and it is least effective among LDC, SIDS, and African countries. This is the case for both establishing NOPs and setting up national coordination mechanisms.

It is unclear whether RPSP provides sufficient support for pipeline development to DAEs, either financially or through capacity building. This may be partially explained by the fact that the process of country programme development and of pipeline development is not linear, at least at the beginning of a country's engagement with the GCF. SIDS and LDC

countries solicit RPSP support for funding project pipeline development the least.

The RPSP is making an effort to engage with the private sector. In a few cases, RPSP funds have been distributed through accredited financial intermediaries, which has proven an important way of working with the private sector. Furthermore, the involvement of the private sector in consultative processes is growing, and the programme has supported the accreditation of private sector actors. However, the success of this endeavour has until now been limited. This may be partly explained by the broader challenge of GCF engagement with the private sector. While ad hoc progress is underway with RPSP support, **RPSP activities are not yet contributing much to the development of domestic policies and institutions that improve the incentive environment for crowding-in private-sector investment. So far, the programme is contributing little in terms of structurally transforming the global system to encourage climate-sensitive private sector investment.**

The RPSP has provided valuable support to countries in *identifying and nominating* potential candidates for accreditation. It has been less effective in moving these candidates through basic or upgraded accreditation, with the exception of SIDS, where the RPSP is considered significantly more effective than in other priority country types. In particular, there is work to be done in Africa on this matter. Unsurprisingly, not only country contexts and types, but also prior Readiness support are key factors that influence RPSP effectiveness with respect to accreditation.

**The NAP window is fairly recent.**

Consequently, there are few demonstrable outcomes, but progress has been made in terms of programme outputs with increasing momentum, particularly from mid-2018. Up to July 2018, NDA/FPs saw NAP funding as contributing very little to national adaptation planning among GCF priority countries. It may very well be that the recent upswing in NAP



approvals and endorsements to GCF priority countries will alter this perception. While most NAP-approved projects and proposals are close to the maximum of USD 3 million maximum, it is increasingly believed that smaller, phased support enables learning and ensures that each proposal builds on the previous one.

**The evaluation notes a few key unintended consequences of the RPSP.** **First**, in supporting the development of both NDA/FPs and coordinating committees, particularly in ways that shift the internal/national balance of power between branches of government, the RPSP has unwittingly supported the emergence of some discord within a subset of recipient countries. **Second**, the programme is structured in such a way as to privilege government authority over other national-level stakeholders such as CSOs. While this is unproblematic in principle, in practice this has at times continued their marginalization. **Third**, the GCF delivery model is based on partnerships at various levels. As a result of recurring long delays in approvals and conflicting guidance provided by the GCF, inefficiencies have been generated, and these negatively impacted partnerships, raised tensions among various actors and their constituencies, and threatened a decline in the social capital of partnership actors. A focus on maintaining and helping strengthen and build these partnerships is a key recommendation of this evaluation.

Other possible opportunities to enhance the effectiveness of the RPSP are discussed in the recommendations section.

### **Cross-cutting: Gender and environment**

**The integration of gender-sensitive considerations has varied considerably among RPSP projects across case-study countries.** The RPSP is lagging behind in terms of integrating gender considerations in its portfolio in Africa, when compared to other regions.

The approach and capacity of the GCF to incorporate Environmental and Social Safeguards (ESS) with particular attention to vulnerable, marginalized and indigenous peoples and local communities is improving, but this expertise in the Secretariat is being under-utilized by the RPSP. Overall, NDA/FPs believe they are able to meet ESS requirements, and that RPSP support is available to provide additional experience if and when needed. **NDA/FPs are aware that their projects must be in line with the policy and act accordingly.** This reflects the business model of the GCF, whereby NDA/FPs are relied upon to ensure that proposed activities comply with their own safeguards as well as those of the GCF. NDA/FPs in turn also rely on accredited entities' own environmental and social management systems to meet the ESS of the GCF. It is too early to say whether this will occur once GCF funding proposals start to get implemented.

**Possible opportunity:** If the RPSP is to continue focusing on countries becoming GCF-ready, this represents an opportunity for the GCF to build stronger capacity for integrating gender and ESS considerations into country processes that align especially with GCF policies.

### **Efficiency**

The evaluation examined various RPSP-specific components including outreach, processes adopted by the Readiness Working Group (RWG), project-approval processes and the roles and responsibilities of different divisions.

Regarding outreach, the **revised RPSP Guidebook has been well received** by the large majority of NDA/FPs. However, some criticism was voiced with respect to the language still being bureaucratic, and to its English-language focus. Similarly, the Structured Dialogues and the DAE workshops have been much appreciated by NDA/FPs and DAEs in creating greater awareness of GCF procedures and processes, but they would like

to see a larger emphasis on peer-to-peer learning.

There is a widespread perception among NDA/FPs that **the RPSP application process requires disproportionate efforts and costs** in relation to the level of support provided for projects. The lack of Standard Operating Procedures (SOPs), for example, regarding turnaround times on reviews, etc. has made it difficult for NDA/FPs and Delivery Partners (DPs) to plan and to make the best use of time and resources for RPSP planning and implementation, **leading to significant inefficiencies.**

Between 2015 and 2017, **the Secretariat significantly reduced the typical processing times for RPSP** grant approval from submission to first disbursement. Typical (or median) processing times reduced from 422 days in 2015, to 254 days in 2016, to 172 days in 2017. For DPs with Framework Agreements (FWAs), which concerns some 50 per cent of the project portfolio, the processing times are significantly shorter. It is expected that the recently signed contract with UNOPS for managing the other half of grants during the post-approval phase, will diminish the workload for DCP and accelerate implementation. When processing times are analyzed by country groups, **significant disparities remain:** processing times for proposals from SIDS and LAC countries are much higher than for others.

**Regional Advisors have provided important advice to NDA/FPs on the RPSP and the GCF in general.** In the past there have been a number of obstacles to their efficiency, in particular their previously short contracts. Recently, the RA team has been expanded and their contracts have become more regular. Their role in supporting the Country Dialogue Specialists, Associate Professionals, Operations Assistants and other desk officers, who are covering the same regions, have also been clarified to a certain extent, though greater strategic and operational clarity is needed.

During country visits and in the survey responses, the accreditation process was frequently described as lengthy and complicated, in spite of the generally well-appreciated support by PricewaterhouseCoopers (PwC). A number of accredited DAEs managed the accreditation process without RPSP assistance, and a number of DPs that have no intention or possibility of obtaining accreditation passed the Financial Management Capacity Assessment (FMCA), though some with difficulty.

**The learning curve regarding the RPSP has been steep and the adjustments in the Programme have been continuous.** Two thirds of NDA/FPs responding to the IEU survey agreed or strongly agreed that RPSP mechanisms for screening and approval have improved over time. Nonetheless, many NDA/FPs and also DPs experience difficulty in absorbing all of these changes. In other words, while learning and adjustments have been happening fast, **clarity and communication is required in certain areas of operation,** to ensure that learning is integrated and absorbed effectively across all key actors of the RPSP.

**Possible opportunities:** As the staff, size and capacities of the Secretariat change over time, it is important that the Secretariat clearly define the roles and responsibilities of different divisions, as well as their complementarities. Furthermore, RAs remain an important resource in the absence of regional presence. Overall, their integration into policy formulation, communicating policy change and understanding the work of the International Accredited Entities in countries could be strengthened. The explicit recognition of non-Anglophone countries is especially necessary as the Secretariat designs its outreach and capacity strengthening strategies for RPSP.

### **Innovativeness and scaling-up potential**

While the RPSP was not explicitly designed for enabling a paradigm shift and scaling, it comprises elements with the potential to

contribute to a paradigm shift beyond individual projects. The RPSP has been evolving continuously, from a programme with a narrow original remit to a broader instrument that aims to support a country-driven pipeline of transformational projects through increasing emphasis on diagnostic work and comprehensive strategies, learning, targeted capacity building and more engagement with the private sector.

**Possible opportunity:** For the RPSP to serve as a tool that supports paradigm shift and scale, diagnostic work needs to be targeted to identify gaps, barriers and opportunities; capacity building needs to be customized; learning and planning needs to be supported with suitable tools; and the needs of the private sector must be recognized explicitly including in mitigating potential obstacles related to policy. Additionally, greater understanding of what capacity is required for paradigm shifts at the policy, institutional, and personnel level is required. Further analytical work and targeted action in this area will be useful, including an examination of the attributes of other transformational change and paradigm-shifting experiences<sup>7</sup>.

## D. Recommendations

The RPSP is an important programme of assistance offered to help countries get ready, or to become readier, to access climate finance. In its design, it is meant to empower countries to manage their climate change mitigation and adaptation activities in an autonomous and effective way, thus fully realizing the country ownership that is the driving force of the programme. The programme has enormous potential that still needs to be harnessed. Many of its goals are achievable through changes in implementation.

*The first group of recommendations* focus on changes that are critical for the RPSP and should be implemented by the Secretariat.

These are immediately required changes that are focused on ensuring ease of access, decreasing financial costs and improving the overall efficiency of the RPSP. These are divided into three sub-groups of recommendations. The first sub-group presents changes related to improved capacity building, outreach and support to GCF countries. These include translating the readiness guidebook, exploring opportunities for peer learning, providing post-accreditation support and provision of advisory services in specific areas. The second sub-group focuses on country programmes and in-country support. This focuses on building stronger country programmes that have well articulated results, providing pre-accreditation support and building strong in-country coordination mechanisms that recognize, and mitigate, conflicts of interest and build strong firewalls. The third sub-group of recommendations suggests Secretariat level changes. These focus on allowing for some post-approval flexibility to countries to accommodate changes in contexts and needs, specifying roles and responsibilities clearly within the secretariat, and developing SOPs along with expected turnaround times, and managing for results rather than for activities and outputs. The evaluation also recommends an open, accessible monitoring database that allows countries to see the status of their grants and disbursements in real-time.

*The second group of recommendations* suggests that going forward, the RPSP must define its *vision, strategy, niche and overall targets and expected results* clearly. These are currently missing. The recommendation is targeted at improving the effectiveness of the RPSP. The RPSP must define its vision and strategy, what 'Readiness' *means* for the GCF, and make choices with respect to this. Is the GCF readiness program getting countries ready for GCF finance or for climate finance overall? When is a country 'ready'? How will the GCF

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<sup>7</sup> As is being undertaken by the IEU.



know *when* a country is ‘ready’ and how will the RPSP be *managed for results*? In its next incarnation, the RPSP needs to manage the RPSP for results and not just for activities and outputs. This overall focus on sustainability will also require that RPSP define its niche and comparative advantage especially in light of other bilateral and multilateral climate programmes and organizations. The RPSP’s comparative advantage in its design, delivery and results must also be defined. Indeed, far greater effort is also necessary to articulate the contribution of the RPSP to ‘Readiness’, and to communicate targets and overall achieved results (distinct from its current focus on activities and outputs). The RPSP is improving its efficiency, but if it wants to enhance its effectiveness some key areas articulated in this evaluation will require dedicated focus. The evaluation also offers choices for the Programme to consider in this context.

**The third is a strong recommendation from the evaluation is that the current business-as-usual pathway discontinues.** In keeping with the evaluation’s learning objective, two scenarios for the future development of the RPSP are presented that will need to be examined closely by the Secretariat and choices will need to be made in informing its subsequent strategy and workplan. In the first scenario, the evaluation recommends a *business-as-usual plus* pathway with important short-term but significant adjustments. In this scenario, the overall modalities of the programme need to focus on specific areas that help ease access, decrease transaction costs and improve the overall effectiveness and efficiency of the RPSP. This is a sine qua non for the RPSP. In the second scenario, the RPSP will need to *customize its strategic focus to national needs, contexts and results and works*, and provides differentiated services based on

country needs and types. In this alternative, the RPSP would recognize a self-identified segmentation by countries, that is based on national contexts, needs and results. This stems from the evaluation’s overall finding that the readiness of countries and the results of the RPSP vary greatly between countries and that the pace of RPSP progress is dependent on overall vulnerability, prior readiness support, institutional capacity, the strength of national leadership and high-level government commitment. In this scenario, groups of countries may be requested to self-identify/select themselves to belong to one of several groups depending on needs and in-country capacity. More details on how this scenario could progress are provided in the main report. Overall, the recommendations and scenarios underscore the tremendous potential the RPSP represents and encourage the Secretariat to harness it effectively and efficiently in its next incarnation.

## E. Conclusion – build for the long term

The RPSP is an important programme of assistance offered to countries to help them get ready, or readier, for full access to climate finance. It is meant to empower countries to manage their climate change mitigation and adaptation activities in an autonomous, strategic and effective way, thus fully realizing the country ownership that is at its heart. This will likely take longer for LDCs, SIDS and at least some African countries, which might receive readiness support for a longer period and in more flexible ways based on targeted capacity building. This evaluation recognizes the overall strength of this vision and recommends actions for the RPSP in its next incarnation.

## ABBREVIATIONS

<b>ABDB</b>	Antigua & Barbuda Development Bank
<b>ACT</b>	Action on Climate Today
<b>aDAE</b>	Accredited Direct Access Entity
<b>ADB</b>	Asian Development Bank
<b>AE</b>	Accredited Entity
<b>AEWP</b>	Accredited Entity Work Programme
<b>AF</b>	Adaptation Fund
<b>AfD</b>	Agence Française de Développement
<b>AfDB</b>	African Development Bank
<b>AIDS</b>	Acquired Immune Deficiency Syndrome
<b>AMA</b>	Accreditation Master Agreement
<b>AusAID</b>	Australian Agency for International Development
<b>B.19</b>	Nineteenth meeting of the Board
<b>BCCRF</b>	Bangladesh Climate Change Resilience Fund
<b>BCCSAP</b>	Bangladesh Climate Change Strategy and Action Plan 2009–2018
<b>BCCTF</b>	Bangladesh Climate Change Trust Fund
<b>BMU</b>	Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety
<b>BMZ</b>	Federal Ministry of Economic Cooperation and Development (Germany)
<b>BUR</b>	Biennial Update Report
<b>CAF</b>	Development Bank of Latin America
<b>CBD</b>	Convention on Biological Diversity
<b>CBIT</b>	Capacity Building Initiative for Transparency
<b>CBNRM</b>	Community Based Natural Resource Management
<b>CBO</b>	Community-Based Organization
<b>CBP</b>	Convention on Biological Diversity
<b>CCBD</b>	Climate Change and Biodiversity
<b>CCCCC/5Cs</b>	Caribbean Community Climate Change Centre
<b>CCPIR</b>	Climate Change in the Pacific Island Region
<b>CCD</b>	Climate Compatible Development
<b>CCDRR</b>	Climate Change and Disaster Risk Reduction
<b>CCG</b>	Country Coordinating Group
<b>CCGAP</b>	Climate Change and Gender Action Plan 2013
<b>CCM</b>	Country Coordinating Mechanism
<b>CCPIU</b>	Climate Change Project Implementing Unit (Mongolia)
<b>CDB</b>	Caribbean Development Bank
<b>CFCCU</b>	Community First Cooperative Credit Union
<b>CFO/DSS</b>	Chief Financial Officer and Director of Support Services
<b>CFTM</b>	Climate Finance Transparency Mechanism
<b>CFWG</b>	Climate Finance Working Group
<b>CIF</b>	Climate Investment Fund
<b>CIS</b>	Climate Information and Services
<b>COMES</b>	Council of Ministers of Environmental Sustainability
<b>COP</b>	Conference of the Parties (UNFCCC)
<b>CP</b>	Country Programme
<b>CPD</b>	Country Programming Division/Division of Country Programming
<b>CRAVE</b>	Climate Resilient Agriculture in three of the Vulnerable Extreme northern crop-growing regions project
<b>CRI</b>	Climate Risk Index
<b>CRIM</b>	Climate Resilient Infrastructure Mainstreaming
<b>CSA</b>	Climate Smart Agriculture
<b>CSC</b>	Country Stakeholder Convention

<b>CSE</b>	Centre De Suivi Ecologique
<b>CSO</b>	Civil Society Organization
<b>CSP</b>	Concentrated Solar Power
<b>CTCN</b>	Climate Technology Centre and Network
<b>DAE</b>	Direct Access Entity (GCF)
<b>DCAP</b>	Direct Climate Action Platform
<b>DCP</b>	Division of Country Programming (used interchangeably with CPD)
<b>DFID</b>	Department for International Development of the United Kingdom
<b>DMA</b>	Division of Mitigation and Adaptation
<b>DOE</b>	Department of Environment
<b>DP</b>	Delivery Partner
<b>DRC</b>	Democratic Republic of the Congo
<b>DRFN</b>	Desert Research Foundation of Namibia
<b>DSPPAC</b>	Department of Strategic Policy, Planning and Aid Coordination
<b>EBD</b>	Eco Banking Department
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>ECF</b>	Environment and Climate Fund (Mongolia)
<b>ED</b>	Executive Director
<b>EDA</b>	Enhanced Direct Access
<b>EE</b>	Executing Entity (for GCF projects)
<b>EIA</b>	Environmental Impact Assessment
<b>EIB</b>	European Investment Bank
<b>EIF</b>	Environment Investment Fund
<b>ERD</b>	Economic Relations Division
<b>ESS</b>	Environmental and Social Safeguards
<b>FAA</b>	Funded Activity Agreements
<b>FAO</b>	Food and Agricultural Organization of the United Nations
<b>FCPF</b>	Forest Carbon Partnership Facility
<b>FGD</b>	Focus Group Discussion
<b>FIC</b>	Free, Prior and Informed Consent
<b>FMCA</b>	Financial Management Capacity Assessment
<b>FP</b>	Focal Point
<b>FSM</b>	Federated States of Micronesia
<b>FWA</b>	Framework Agreement
<b>FYR</b>	Former Yugoslav Republic of Macedonia
<b>GA</b>	Grant Agreement
<b>GCCA</b>	Global Climate Change Alliance
<b>GCF</b>	Green Climate Fund
<b>GDC</b>	Geothermal Development Company
<b>GDP</b>	Gross Domestic Product
<b>GEF</b>	Global Environment Facility
<b>GGGI</b>	Global Green Growth Institute
<b>GHG</b>	Greenhouse Gas
<b>GIZ</b>	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
<b>GoB</b>	Government of Bangladesh
<b>HQ</b>	Headquarters
<b>IAE</b>	International Accredited Entity
<b>ICCCAD</b>	International Centre for Climate Change and Development
<b>IDCOL</b>	Infrastructure Development Company Limited
<b>IEU</b>	Independent Evaluation Unit
<b>IFAD</b>	International Fund for Agricultural Development
<b>IFC</b>	International Finance Corporation
<b>IIU</b>	Independent Integrity Unit
<b>IMF</b>	International Monetary Fund
<b>INDC</b>	Intended Nationally Determined Contribution

<b>INGO</b>	International Non-Government Organization
<b>IPCC</b>	Intergovernmental Panel on Climate Change
<b>IUCN</b>	International Union for Conservation of Nature and Natural Resources
<b>JICA</b>	Japan International Cooperation Agency
<b>KfW</b>	Kreditanstalt für Wiederaufbau
<b>KPMG</b>	Klynveld Peat Marwick Goerdeler
<b>LAC</b>	Latin America and the Caribbean
<b>LDCs</b>	Least Developed Countries
<b>LGED</b>	Local Government Engineering Department
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MAWF</b>	Ministry of Agriculture, Water and Forests (Namibia)
<b>MBA</b>	Mongolian Bankers Association
<b>MEA</b>	Multilateral Environmental Agreements
<b>MEPA</b>	Marine Ecosystems Protected Areas Trust
<b>Trust</b>	
<b>MET</b>	Ministry of Environment and Tourism (Namibia)
<b>MET</b>	Ministry of Environment and Tourism (Mongolia)
<b>MGFC</b>	Mongolian Green Finance Corporation
<b>MIE</b>	Multilateral Implementing Entity
<b>MLF</b>	Multilateral Fund for the Implementation of the Montreal Protocol
<b>MME</b>	Ministry of Mines and Energy (Namibia)
<b>MoCC</b>	Ministry for Climate Change Adaptation, Meteorology, Geo-Hazards, Environment, Energy and Disaster Management
<b>MoEF</b>	Ministry of Environment, Forest and Climate Change
<b>MoF</b>	Ministry of Finance
<b>MSME</b>	Micro, Small and Medium Enterprises
<b>NAB</b>	National Advisory Board on Climate Change and Disaster Risk Reduction
<b>NABARD</b>	National Bank for Agriculture and Rural Development
<b>NAMA</b>	Nationally Appropriate Mitigation Action
<b>NAP</b>	National Adaptation Plan
<b>NAPA</b>	National Adaptation Programme of Action
<b>NCCAP</b>	Namibia Comprehensive Conservation Agriculture Programme
<b>NCCSAP</b>	National Climate Change Strategy and Action Plan
<b>NCM</b>	National Coordinating Mechanism
<b>NDA</b>	Nationally Designated Authority (GCF)
<b>NDC</b>	Nationally Determined Contribution
<b>NDMO</b>	National Disaster Management Office
<b>NDP</b>	National Development Plan
<b>NERM</b>	National Energy Road Map
<b>NGEF</b>	National Green Energy Fund
<b>NGO</b>	Non-Governmental Organization
<b>NIE</b>	National Implementing Entity
<b>NOA</b>	Notice of Agreement
<b>NOL</b>	No-Objection Letter
<b>NOP</b>	No-Objection Procedure
<b>NPCC</b>	National Policy on Climate Change
<b>NRSP</b>	National Rural Support Programme
<b>NSDP</b>	National Sustainable Development Plan
<b>NZMFAT</b>	New Zealand Ministry of Foreign Affairs and Trade
<b>ODA</b>	Overseas Development Assistance
<b>OECD/DAC</b>	Organisation for Economic Co-operation and Development/Development Assistance Committee
<b>OECS</b>	Organization of Eastern Caribbean States
<b>OGC</b>	Office of General Counsel
<b>OPM</b>	Office of Portfolio Management (formerly Portfolio Management Unit)

<b>ORMC</b>	Office of Risk Mitigation and Compliance
<b>P&amp;I</b>	Privileges & Immunities
<b>PAA</b>	Priority and Action Agenda
<b>PFM</b>	Public Financial Management
<b>PKSF</b>	Palli Karma Shohayak Foundation
<b>PMC</b>	Project Management Committee
<b>PMO</b>	Prime Minister's Office
<b>PMU</b>	Portfolio Management Unit (now Office of Portfolio Management)
<b>PMU</b>	Project Management Unit
<b>PPF</b>	Project Preparation Facility
<b>PRECIS</b>	Providing Regional Climates for Impact Studies
<b>PSAG</b>	Private Sector Advisory Group
<b>PSF</b>	Private Sector Facility
<b>PT</b>	Process Tracing
<b>PwC</b>	PricewaterhouseCoopers
<b>RA</b>	Regional Advisor
<b>RBC</b>	Royal Bank of Canada
<b>RD&amp;D</b>	Research, Development and Demonstration
<b>RPSP</b>	Readiness and Preparatory Support Programme (GCF)
<b>RWG</b>	Readiness Working Group
<b>SC</b>	Standard Conditions
<b>SDGs</b>	Sustainable Development Goals
<b>SIDS</b>	Small Island Developing States
<b>SIRF</b>	Sustainable Island Resource Framework
<b>SOP</b>	Standard Operating Procedures
<b>SPC</b>	Secretariat of the Pacific Community
<b>SPREP</b>	Secretariat of Pacific Regional Environment Programme
<b>SRES</b>	Special Report on Emission Scenarios
<b>SUNREF</b>	Sustainable Use of Natural Resources and Energy Finance
<b>TA</b>	Technical Assistance
<b>TAC</b>	Technical Advisory Committee
<b>TBE</b>	Theory-based Evaluation
<b>ToC</b>	Theory of Change
<b>TOR</b>	Terms of Reference
<b>UAE</b>	United Arab Emirates
<b>UN</b>	United Nations
<b>UNCCD</b>	United Nations Convention to Combat Desertification
<b>UNDAF</b>	United Nations Development Assistance Framework
<b>UNDP</b>	United Nations Development Programme
<b>UNEP</b>	United Nations Environment Programme
<b>UNFCCC</b>	United Nations Framework Convention on Climate Change
<b>UNOPS</b>	United Nations Office for Project Services
<b>REDD</b>	Reducing Emissions from Deforestation and Forest Degradation
<b>USAID</b>	United States Agency for International Development
<b>VAF</b>	Vulnerability Assessment Framework
<b>VBRC</b>	Vanuatu Business Resilience Committee
<b>VCCI</b>	Vanuatu Chamber of Commerce & Industry
<b>VMGD</b>	Vanuatu Meteorological and Geo-Hazards Department
<b>WFP</b>	World Food Programme
<b>WMO</b>	World Meteorological Organization
<b>WRI</b>	World Resources Institute



## I. INTRODUCTION

This report presents the findings of the Independent Evaluation of the Readiness and Preparatory Support Programme (RPSP) of the Green Climate Fund (GCF).

The RPSP was launched in 2014, less than one year after the GCF officially opened its permanent headquarters in Songdo, Republic of Korea in December 2013.<sup>8</sup> It is a strategic priority of the GCF Board, as stated in decision B.05/14 and again in decision B.08/11. With its decision B.17/07, the Board invited the Independent Evaluation Unit (IEU) to undertake an independent evaluation of the RPSP and approved the Terms of Reference (TOR) of the evaluation as per decision B.19/43.

This evaluation has the following objectives:

- Assess the effectiveness of the RPSP and assess the extent to which RPSP processes are fulfilling the intended objectives of the RPSP, as contained in decision B.08/11 paragraph (i), as well as the objectives of country ownership<sup>9</sup>; and
- Review approaches in the implementation of the RPSP with a view to making recommendations for improved alignment with the objectives of the RPSP; and recommend gains in effectiveness, efficiency, country ownership and likelihood of sustained impact.

The evaluation has used the following criteria to examine the programme: relevance and coherence; country ownership; effectiveness; the likelihood of sustained impact; cross-cutting issues (including gender and environment); efficiency; innovativeness; and the potential for building scale. All other IEU evaluation criteria are informed while discussing these. Operationally, this evaluation has aimed to contribute to improving the approval process and timely disbursement of resources to facilitate Readiness Programme implementation pursuant to GCF Board decision B.11/04. The evaluation is also expected to inform deliberations over the additional funding of the programme, subject to further decisions of the Board in 2018 and 2019.

With the aim of advancing these objectives, the independent evaluation has considered all three dimensions of the RPSP: (i) design and planning; (ii) implementation/performance; and (iii) expected RPSP results. It assesses the RPSP from its creation through to July 2018 (with some data included through to September 2018, where noted). The independent evaluation of the RPSP was submitted between Board meetings B.21 and B.22. A timetable of consultations and dates during which key findings were shared with the GCF Board and advisers, staff of the GCF Secretariat, CSO and PSO representatives and accredited observers is provided in Annex I.

<sup>8</sup> The RPSP is also referred to as the Readiness Programme in this report, with RPSP support referred to as readiness support, as per GCF institutional parlance.

<sup>9</sup> As contained in decision B.10/10 paragraph (c) and (f) and the Guidelines for Enhanced Country Ownership and Country Drivenness decision GCF/B.17/14, annex II.



## II. MANDATE AND CONTEXT

The Sixteenth Session of the United Nations Framework Convention on Climate Change (UNFCCC) (COP 16) meeting in Cancun, Mexico, in December 2010 decided to establish the GCF as an operating entity of the financial mechanism of the Convention under Article 11, and adopted the Governing Instrument of the GCF at the COP 17 meeting in Durban, South Africa in December 2011. According to the Governing Instrument, the purpose of the GCF is “to make a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change”, and the objectives of the GCF are:

- To contribute to the ultimate objective of the UNFCCC of stabilizing greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system;
- To promote the paradigm shift towards low-emission and climate-resilient development pathways; and
- To provide support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change, taking into account the needs of those developing countries particularly vulnerable to the adverse effects of climate change.

The Governing Instrument also stipulates that the GCF will be guided by the principles and provisions of the UNFCCC, including:

- Operating in a transparent and accountable manner guided by efficiency and effectiveness;
- Playing a key role in channeling new, additional, adequate and predictable financial resources to developing countries;

- Catalyzing climate finance, both public and private, and at the international and national levels; and
- Pursuing a country-driven approach and promoting and strengthening engagement at the country level through effective involvement of relevant institutions and stakeholders.

In September 2015, the UN General Assembly adopted a set of 17 Sustainable Development Goals (SDGs) which are an integral part of the 2030 Agenda for Sustainable Development, among which is Goal 13: “Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy.” This emphasized that economic development and climate change are inextricably linked, particularly around poverty, food insecurity, gender equality, and energy. Only a very ambitious climate deal in Paris in 2015 could enable countries to reach SDG 13 on climate action. Then COP 21 of the UNFCCC, meeting in Paris in December 2015, adopted the Paris Climate Agreement “to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty”. The Agreement confirmed that the GCF along with the Global Environment Facility (GEF) should serve the Agreement – as two of the entities entrusted with the operation of the Financial Mechanism of the Convention – and specifically requested that the GCF “expedite support for the least developed countries and other developing country Parties for the formulation of national adaptation plans”.

As a designated operating entity of the Financial Mechanism of the UNFCCC, the GCF provides equal funding for climate change mitigation and adaptation projects and programmes to developing countries, with a particular focus on countries that are vulnerable to the adverse effects of climate change. The



RPSP is also an important part of the GCF funding and support modalities aimed at helping countries advance their climate change adaptation and mitigation priorities.

## A. BOARD DECISIONS AND DISCUSSIONS

The basis of the RPSP is defined in the Governing Instrument of the GCF, paragraph 40, which states:

*The Fund will provide resources for readiness and preparatory activities and technical assistance, such as the preparation or strengthening of low-emission development strategies or plans, Nationally Appropriate Mitigation Actions (NAMAs), National Adaptation Plans (NAPs), National Adaptation Programme of Action (NAPAs) and for in-country institutional strengthening. This also includes the strengthening of capacities for country coordination and to meet fiduciary principles and standards and environmental and social safeguards, in order to enable countries to directly access the Fund.*

At its fifth meeting in October 2013, the Board underlined in decision B.05/14 the importance of the RPSP in the context of promoting country ownership of GCF activities and access to funding. It decided that the GCF will provide readiness and preparatory support to:

- Enable the preparation of country programmes providing for low-emission, climate resilient development strategies or plans;
- Support and strengthen in-country, Fund-related institutional capacities, including for country coordination and the multi-stakeholder consultation mechanism as it relates to the establishment and operation of national designated authorities and country focal points; and

- Enable implementing entities and intermediaries to meet the Fund's fiduciary principles and standards, and environmental and social safeguards, in order to directly access the GCF.

The Board also noted:

c)...the importance of engaging with existing readiness initiatives and programmes at international, national and regional levels to enhance learning and ensure coherence, and mandates the Secretariat to play a leading coordinating role in this regard.

And it further noted:

- The scope of readiness and preparatory support could evolve over time and be tailored to address countries' specific circumstances; and
- The importance of readiness and preparatory support for effective private sector engagement, particularly for small- and medium-sized enterprises and local financial intermediaries in developing countries, and activities to enable private-sector involvement in Small Island Developing States (SIDS) and Least Developed Countries (LDCs).

These principles have guided the RPSP ever since, with some amendments in later decisions and the constant attention of the Board to the progress of this programme, which is considered a crucial part of GCF operations. The Board approved the operationalization of the RPSP in October 2014, at its eighth meeting. In decision 08/11, the Board defined the modalities of the RPSP as follows:

- Decides that all developing countries will have access to readiness support and that the Fund will aim for a floor of 50% of the readiness support allocation to particularly vulnerable countries, including SIDS, LDCs and African States;

- Also decides that readiness commitments to individual developing member countries will be capped at USD 1 million per calendar year; and that the Fund can provide up to USD 300,000 of direct support to help establish a National Designated Authority/Focal Point (NDA/FP);
- Affirms that readiness requests will be assessed to ensure complementarity with existing readiness activities if any; and
- Decides that progress in meeting these objectives will be subject to an independent evaluation after two years to assess lessons learned.

Annex XVI of the Eighth Meeting Report provides an indicative list of activities to be included in the Readiness Programme. It outlines in some detail the various activities considered to be an integral part of the RPSP. An updated list was approved at the 13th meeting of the Board (for the list, see appendix II). In subsequent years, at nearly every Board meeting, the GCF Board has discussed progress reported by the Secretariat and made further decisions about the programme's implementation, while reaffirming its principles. Notably, decision 11/04 in November 2015:

- Recalls that, in accordance with decision B.08/11, paragraph (j), progress in meeting the objectives of the RPSP will be subject to an independent evaluation;
- Underscores the importance of significantly increasing the approval and timely disbursement of resources to support developing countries in undertaking country programming processes, and strengthening national institutions from the public and private sectors to access the GCF and to build country programmes and pipelines; and
- Requests the Secretariat, in consultation with NDA/FPs and Readiness Delivery

Partners (DPs), to present to the Board at its twelfth meeting a proposal to improve and simplify the process to access funds for country programming and Readiness and Preparatory Support.

Decision B.12/32 in March 2016 allowed the RPSP to provide up to USD 300,000 for establishing and strengthening the NDA/FP every year, rather than every two years.

Decision B.13/32 in June 2016 underscored the desires of the Board to simplify access to RPSP resources, and to analyze the difficulties encountered:

- (a) Reaffirms the resource allocation framework for the RPSP as contained in decision B.08/11;
- (b) Also reaffirms decision B.06/06 on the initial parameters and guidelines for allocating resources during the initial phase of the GCF, that decided that sufficient resources should be provided for Readiness and Preparatory Support activities;
- (c) Further reaffirms the important role of the GCF RPSP in the development of country programming frameworks;
- (d) Welcomes the simplification of the readiness support template;
- (e) And encourages the Secretariat to continue to expedite the approval and disbursement of RPSP resources;
- (f) Adopts the revised indicative list of activities that can be supported by the RPSP as contained in annex VII;
- (g) Requests the Secretariat to present, in their report to the Board at its fourteenth meeting, analysis of the challenges identified so far in the effective and efficient implementation of the RPSP, and an assessment of actions taken as well as progress achieved to date on the implementation and outcomes of approved readiness activities;

- (h) Notes difficulties that have been encountered in the conclusion of readiness grant agreements; and
- (i) Agrees to simplify the readiness grant agreement with a view to developing an arrangement for country programme framework agreements to expedite the disbursement of readiness resources.

In its 15th meeting in December 2016, the Board provided additional resources and repeated the request to present the results of the independent evaluation of the programme no later than the last meeting in 2017. Decision B.15/04 of the Board:

- (a) Decides that, from the resources available in the GCF Trust Fund, up to an additional USD 50 million is to be made available for the execution of the Fund's RPSP ("Programme");
- (b) Requests the Secretariat, recalling decision B.08/11, paragraph (j), and decision B.13/03, to present the results of the independent evaluation of the Programme to the Board no later than the last meeting in 2017, and to ensure that the results of the evaluation are taken into account when considering requests for resources for the Programme subsequent to the evaluation; and
- (c) And also requests the Secretariat to present the draft terms of reference for the independent evaluation of the Programme for Board consideration at the sixteenth meeting of the Board.

Decision B.18/09 in September–October 2017 requested the Secretariat to implement immediate measures to address the quality issues identified in the RPSP progress report. The Secretariat was also requested to present a revised work programme for the RPSP, including a request for funding for 2018, for the Board's consideration at its nineteenth meeting, based on the outcome of the initial

review by the Secretariat of the RPSP. After further discussions at the 17th and 18th meetings of the Board, an agreement was reached at the 19th meeting (B.19) about the TOR for the independent evaluation (decision B.19/16). At B.19 in February 2018, the Board approved the Revised 2018 Readiness Work Programme (doc. GCF/B.19/32/Rev.01) and measures for programme improvement (decision B.19/15). The list of these measures is included in appendix XIV. They are to a large extent based on the Dalberg Global Development Advisors Report submitted to B.19 as an Addendum to the Revised 2018 Readiness Work Programme (GCF/B.19/32/Add.01), and were taken up or supplemented by the Division of Country Programming (DCP).

At B.19, the Board approved an additional amount of USD 60 million to be made available for the execution of the RPSP. It also requested that the Secretariat submit to the Board a proposal for improving the RPSP, based on the outcome of the conclusions of the Secretariat's initial review and of the independent evaluation of the RPSP as soon as it is concluded.

## B. OVERVIEW OF THE RPSP PORTFOLIO

### Objectives, activities and design of the RPSP

The overarching objective of the RPSP has been to help countries strengthen their institutional capacities to engage effectively with the GCF over the long term, including preparing country programmes and enabling implementing entities to meet the fiduciary standards and Environmental and Social Safeguards (ESS) of the GCF.

**Eligible activities:** The RPSP is a work in progress, reflected in the evolution of its eligible activities. Based on the most recent Readiness and Preparatory Support

Guidebook<sup>10</sup>, the following activity areas have been targeted for support provision:

- (i) Establishing and strengthening NDAs or Focal Points (FPs);
- (ii) Strategic frameworks, including the preparation of country programmes<sup>11</sup>;
- (iii) Supporting the accreditation and accredited Direct Access Entities (DAEs)<sup>12</sup>; and
- (iv) Formulation of national adaptation plans and/or other adaptation planning processes.

Activities (i) and (ii) have been implemented in the form of grants to beneficiary countries, requested by NDA/FPs, reviewed by the GCF Secretariat on a rolling basis, and implemented either by the NDA/FP itself or by a DP. For activity (iii), the Secretariat has put in place a service contract with PricewaterhouseCoopers (PwC) to provide technical assistance at the request of an NDA/FP to regional, national, and sub-national entities, to help them meet the accreditation standards of the GCF. This support has typically included an in-depth assessment of the nominated entity, followed by the preparation of an action plan to help it get ready to apply for GCF accreditation. Prior to B.13, such support only covered pre-accreditation and was delivered primarily through PwC. B.13 introduced post-accreditation support for Accredited Entities (AEs), which has been delivered primarily through grants. Finally, the Secretariat has supported information sharing, mainly through Structured Dialogues and also through other regional and national events.

Starting in 2014, the RPSP has provided grants of up to USD 1 million per country per year for activities (i) and (ii), including stakeholder

consultations, developing pipelines of programmes and project proposals, and project preparation. Countries could also request up to USD 300,000 every two years (as part of these grants) to help establish or strengthen an NDA/FP to deliver on GCF requirements, including the establishment of a no-objection procedure (NOP) under which the NDA/FP had to sign off on each Funded Project proposal to the GCF. This was subsequently expanded to USD 300,000 every year at B.12 in March 2016.

Since B.13 in June 2016, countries can also apply for a grant of up to USD 3 million for the preparation of a NAP and/or other adaptation planning processes. In addition, the RPSP budget provides funds for Structured Dialogues in all regions, as well as for workshops and the travel of GCF staff and experts to individual countries to transfer knowledge and share experiences.

The GCF Secretariat has so far prepared four versions of the RPSP proposal template, from May 2014 to June 2017. The third version of the template, dated 28 July 2016, was the first to include a logical framework with pre-defined outcomes/sub-outcomes in order to provide a framework to compare countries. This specified the five major intended outcomes of RPSP support, as follows:

- Country capacity strengthened;
- Stakeholders engaged in consultative processes;
- Direct access realized;
- Access to finance; and
- Private sector mobilization.

The fourth version in June 2017 was the first to include support for up to USD 3 million per

<sup>10</sup> Available at [https://www.greenclimate.fund/documents/20182/574766/Guidelines\\_Readiness\\_and\\_Preparatory\\_Support\\_Guidebook.pdf/9e5a580f-a109-4d90-b281-c54695114772](https://www.greenclimate.fund/documents/20182/574766/Guidelines_Readiness_and_Preparatory_Support_Guidebook.pdf/9e5a580f-a109-4d90-b281-c54695114772).

<sup>11</sup> Formerly, there was a sixth activity called “developing initial pipelines of programmes and project proposals”, which has now been subsumed under activity (ii).

<sup>12</sup> A list of AEs is available at <https://www.greenclimate.fund/how-we-work/tools/entity-directory>.

country for activity (iv) – the formulation of NAPs and/or other adaptation planning processes by NDA/FPs – and support for DAEs that were already accredited, the second part of activity (iii). While pre-accreditation support to nominated DAEs has been delivered primarily through PwC, post-accreditation support has been delivered mainly through grants.

**Administration:** The RPSP is administered by the DCP of the GCF Secretariat. A Country Team administers the regular RPSP grants to countries, and an Entity Team administers the accreditation process for entities to prepare and implement Funded Projects. Both teams report to the Deputy Director and Head of Programming. The Countries Team comprises the Country Relations Manager, a Country Dialogue Specialist for each of the four GCF regions – Africa, Asia-Pacific, Eastern Europe, and Latin America and the Caribbean 11 Regional Advisors (RAs), and Associate Professionals and Operations Assistants. The Entities Team comprises the Entities Relations Manager, an Accreditation Specialist, and Entities Relations Specialists. The processes for submitting, reviewing, and approving grant applications are described in greater detail in the 'Efficiency' section below.

### Grant approvals and disbursements

The GCF Board initiated work on operationalizing a Readiness phase at its third Board meeting (B.3) in March 2013. It identified key activities at B.5 in October 2013 and conceptualized a detailed work programme at B.6 in February 2014 (see appendix I), a revision of which was subsequently requested. Then the Board considered the revised work programme at B.8 in October 2014 and took the decision to operationalize the programme at that time. As of 15 May 2018, the Board had

allocated a cumulative total of USD 190 million to the RPSP (starting with B.6), of which USD 99.7 million had been committed by that date to all RPSP activities (including Structured Dialogues and national adaptation planning).

The first grant proposal was submitted by Mali in May 2014, for developing strategic frameworks to engage with the GCF. It was approved in April 2015, and its first disbursement was issued in May 2015. As of 15 May 2018, the Secretariat had approved 165 regular RPSP grants in 109 countries, and 26 applications for in-kind technical assistance delivered by PwC to help nominated entities achieve accreditation as DAEs<sup>13</sup>. By 15 May 2018, the Secretariat had only approved 14 grants for adaptation planning compared to 151 grants for activities (i) and (ii) (noting that national adaptation planning was included as a recognized activity at the June 2016 Board meeting, and is thus relatively recent).

Since the programme's launch in 2014, the Secretariat has steadily increased the grant amounts approved from USD 10.4 million for country grant proposals submitted in 2015, to USD 56.8 million for grant proposals submitted in 2017). The total approved amount for the 165 country grants was USD 93.4 million, of which USD 25.7 million had been disbursed as of 13 July 2018. Grants approvals have been given for an average of 99 per cent of requests, and grant disbursements have represented 28 per cent of approved amounts. Fourteen of the 165 grants were for national adaptation planning, amounting to USD 38.2 million and representing 41 per cent of the approved amounts but only 9 per cent of disbursements (USD 2.3 million), because this component of the RPSP started later.

<sup>13</sup> Information was provided to the evaluation team by the Office of Portfolio Management (OPM), subsequent to the analytic cut-off date of 13 July 2018. As of 31 August 2018, the GCF had approved 197 grants to first

disbursement, of which 26 were for PwC technical assistance, and 16 grants were for NAPs. This is provided here for information purposes only.



**Table II.1** Number and value of approved RPSP grants to countries, by year of first submission

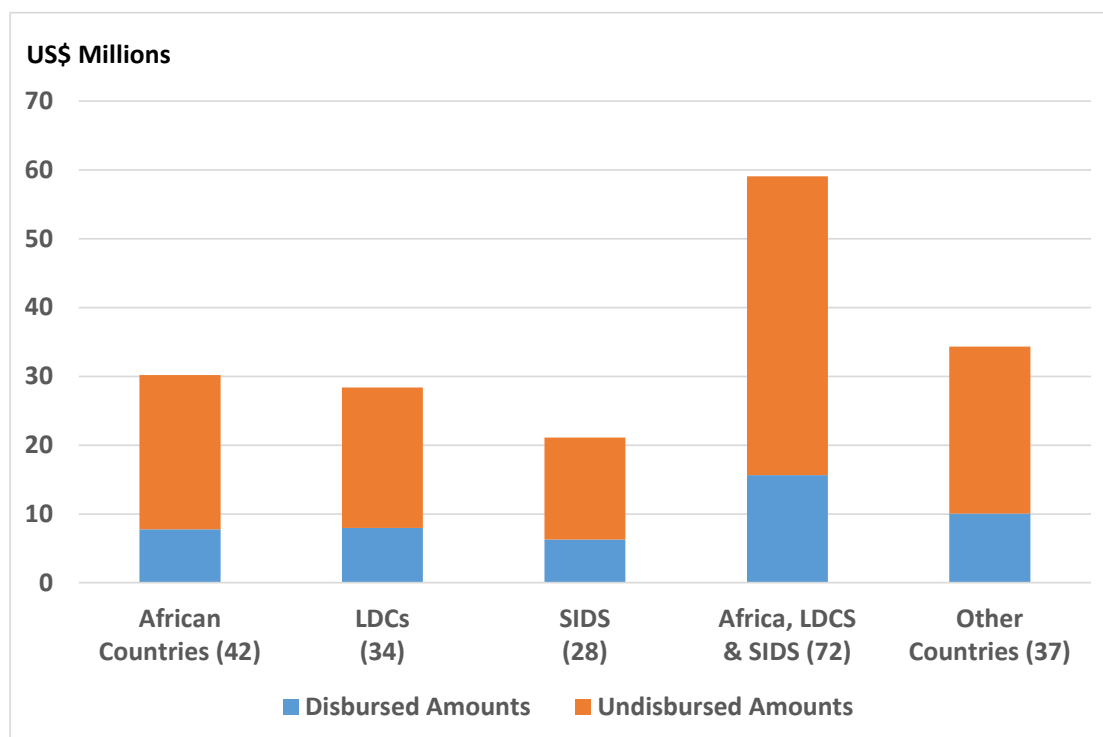
YEAR SUBMITTED	NUMBER OF COUNTRIES RECEIVING GRANTS	NUMBER OF GRANTS	REQUESTED AMOUNTS (USD MILLIONS)	APPROVED AMOUNTS (USD MILLIONS)	DISBURSED AMOUNTS (USD MILLIONS)	DISBURSED AMOUNT (%)
2014	2	2	0.4	0.3	0.3	85
2015	34	37	10.5	10.4	5.5	53
2016	45	46	25.4	25.3	9.5	37
2017	62	79	57.9	56.8	10.5	19
2018	1	1	0.6	0.6	0.0	0
Total	142	165	94.7	93.4	25.7	28

*Notes:* The number and amount of approved grants are current up to 15 May 2018. Disbursement amounts are current up to 13 July 2018, and do not include disbursement for PwC grants since these were not available on or before the day. Disbursement percentages (last column) are shown as a percentage of “Approved amounts” in Column 5. The table only includes grants submitted by NDA/FPs and implemented by NDA/FPs or a DP. It does not include structured regional dialogues, DAE workshops, national information sessions, or TA provided by PwC to help nominated regional, national, or sub-national entities achieve accreditation as DAEs. The number of countries adds up to more than 109 because some countries submitted grants in more than one year.

Figure II.1 shows that the RPSP has more than achieved the target established by the Board (at B.8 in October 2014) of having “at least 50 per cent of readiness support allocated to particularly vulnerable countries, including SIDS, LDCs and African states”: 108 of the 165 country grants were for 72 SIDS, LDCs or African states, representing 65 per cent of grant amounts, and constituting two-thirds of all

countries that have received RPSP grants. The approved amount of USD 58.6 million to SIDS, LDCs and African states combined represents 63 per cent of the total grant amounts approved, and the disbursed amounts of USD 15.6 million to these countries combined represents 61 per cent of disbursements (see appendix VII for details).

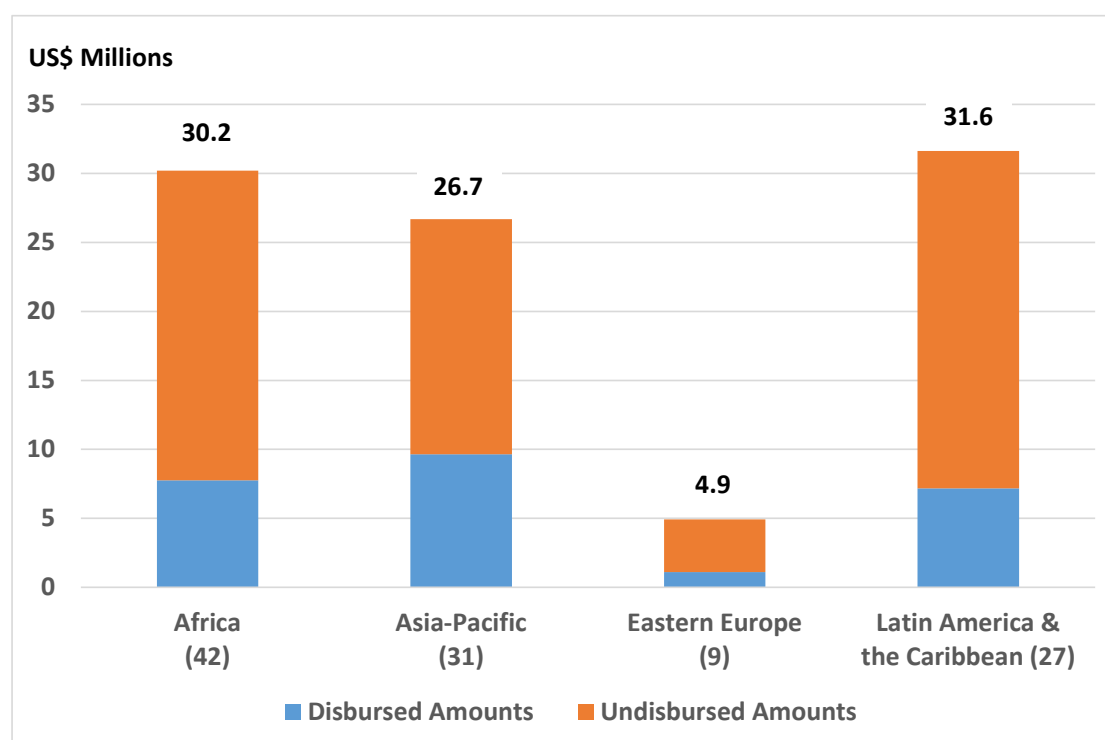
**Figure II.1** *Approved amounts of RPSP grants, by country classification*



*Notes:* The numbers at the top of each column are the total amounts of the approved grants in each category in USD millions. The numbers in parentheses at the bottom are the number of countries in each category that have received grant approvals. The country group categories (first three bars in the chart) include 28 countries that appear in two country categories and two countries that appear in all three categories. The total amount of approved and disbursed grants to African, LDC and SIDS countries combined (fourth bar from the left in the chart) does not double-count these 30 countries. The amounts approved are as of 15 May 2018 and the amounts disbursed as of 13 July 2018.

As of 13 July 2018, 114 grants in 85 countries had been disbursed, representing 69 per cent of the grants to 78 per cent of the countries that had received RPSP grants. Approvals and disbursements by region show that Asia-Pacific, Africa, and Latin America and the Caribbean have received similar approved amounts from USD 26.7 million in Asia-

Pacific, to USD 31.6 million in Latin America and the Caribbean. Eastern Europe has received much less because it has fewer countries eligible to receive GCF grants. The Asia-Pacific region has received a higher share of disbursements (37 per cent of approved amounts) compared to Africa (26 per cent), and Latin America and the Caribbean (23 per cent).

**Figure II.2** *Approved numbers of RPSP grants, by region*

*Notes:* The numbers at the top of each column are the total amounts of approved grants in each category in USD millions. The numbers in parentheses at the bottom are the number of countries in each category that have received grant approvals. The amounts disbursed are as of 13 July 2018.

In addition to providing grants, the GCF also provides support, upon the request of an NDA/FP, to DAEs as a service directly from a firm (PwC) that has been procured by the Secretariat. Similar support has also been provided as a service from other procured firms to help the AEs narrowing the ESS/gender-related gaps. For direct access support through PwC, GCF has supported 26 entities from

23 countries, totalling a committed amount of USD 915,466, of which USD 724,385 (79 per cent) has been disbursed. As of 2018, seven Structured Dialogues and 13 workshops have been or will be held with RPSP support, with an additional USD 300,000 earmarked for platform development, totalling USD 5.3 million in approved amounts (Table II.2).

**Table II.2** *Summary of overall RPSP approvals and disbursement*

FUNDING TYPE	AMOUNT APPROVED (USD)	AMOUNT DISBURSED (USD)	AMOUNT DISBURSED (%)
Country — Grants	93,424,727	25,709,469	27.5
PwC Direct-Access Entity Support	915,466	724,385	79.1
Structured Dialogues and Workshops	5,362,682	4,728,663	88.2
Total	99,702,875	31,162,517	31.3

*Notes:* The amount of approved grants is current up to 15 May 2018. Disbursement amounts are current up to 13 July 2018.



### III. METHODOLOGY

The evaluation team developed and used several methodological approaches and tools that focused the evaluation on utilization and learning and ensured participation at key steps in the process to deliver rigorous and credible findings. This section presents an overview of the methodology for this evaluation. The IEU Database is also discussed. A detailed methodology is presented in appendix III.

#### A. UTILIZATION-FOCUSED AND PARTICIPATORY

Early in the inception period, members of the evaluation team met in Songdo, Republic of Korea, to outline the trajectory and approach of the evaluation. The evaluation team met with staff from different divisions across the GCF as well as with other key stakeholders. These early meetings and consultations were pursued with the intention of informing the team's understanding of the evaluation's purpose, as well as highlighting stakeholder priorities and aspirations for this evaluation, discussing methodological and sampling approaches, and developing questions contained within the evaluation matrix (see appendix III).

A preliminary document and portfolio review were conducted, which served an evaluability function, clarifying what documents and data were available for this study. This preliminary document review was key to informing the proposed sample for the subsequent country missions. Throughout the period of this evaluation, the evaluation team met several times, including at the Asia Structured Dialogue; the DAE event in Songdo, South Korea; the B.20 Board Meeting; the Pacific

Structured Dialogue; and the Eastern Europe and Central Asia Structured Dialogue. The team also met weekly in a virtual meeting room.

#### B. THEORY-BASED EVALUATION

The overall approach adopted for this work has been that of a Theory-Based Evaluation (TBE). This consisted of reconstructing and testing an early version (Version 1) of a Theory of Change (ToC) for the RPSP that had been developed by the evaluation team and informed in part by separate drafts of the ToC created by the DCP and the Office of Portfolio Management (OPM, formerly the Portfolio Management Unit [PMU]). Version 1 of the ToC guided data collection for this evaluation.

Based on its overall analysis of collected data, the evaluation team has proposed a revised version of the ToC covering activities, expected outcomes and impacts, and causal pathways. This version of the theory of change (Version 2) proposes an improved understanding of the logic of the RPSP, which is consistent with observations in the field. Appendix V explains the process of designing and testing Version 1 of the ToC and displays the proposed new version, which is also a theory of implementation. Within this version of the ToC, some causal links have received special attention, since they correspond to critical learning needs or represent potential bottlenecks for the RPSP. The causal links and major learning needs are presented in Table III.1 (the phrases 'causal links' and 'causal relationships' are used interchangeably in this document).

**Table III.1** *Focusing the analysis on selected causal relationships*

MAJOR LEARNING NEEDS	CAUSAL RELATIONSHIPS TO BE SUBMITTED TO PROCESS TRACING TESTS
N1	Extent to which readiness grants have enabled NDA/FPs to lead effective intra-governmental coordination mechanisms, including the establishment of the no-objection procedure.
N2	Extent to which readiness grants have enabled NDA/FPs to effectively engage stakeholders in consultative processes, including the preparation of coherent country programmes.
N3	Extent to which readiness technical assistance has enabled nominated candidates to achieve accreditation as DAEs
N4	Extent to which information and experience-sharing events and processes have contributed to the ability of countries and DAEs to engage effectively with the GCF.
N5	Extent to which readiness grants have enabled countries to develop NAPs that build on existing country strategies and plans
N6	Extent to which readiness grants have enabled NDA/FPs and AEs to develop concept notes and/or project proposals to access climate finance that addresses high-impact priorities identified in country programmes.
N7	Extent to which private sector engagement in country consultative processes has helped improve the enabling environment for crowding-in private-sector investments

These causal links have been submitted to Process Tracing (PT: see more below in Methods section and Table III.2) tests for the case studies undertaken in the study that helped the evaluation team assess the strength of any given causal link. In examining the insights generated across case studies, the evaluation team was able to draw transferable lessons about the effectiveness of the RPSP. The full PT methodology used in this evaluation is explained in appendix III.

### C. METHODS

This evaluation has included qualitative and quantitative methods for data collection, dataset building and data analysis. Sources of data used have included both primary and secondary data sources from programme, policy and project documents and a database review; a global

online perception survey of NDA/FPs with 40 respondents; 362 key informant interviews and focus group discussions (FGDs); and a series of country case studies that were purposively selected to provide the evaluation team insights into implementation and structures within countries. These case study countries included Antigua and Barbuda, Bangladesh, Haiti (virtually), Kenya, Mongolia, Namibia, Paraguay, Senegal, and Vanuatu. The evaluation team also performed a time-lapse analysis of grant approval processing times, and undertook benchmarking and meta-analysis. Insights were shared through in-person presentations at key events and through timely webinars. Each evaluation question has thus been addressed through a systematic and traceable use of all relevant information sources, in a way that maximizes triangulation (detailed further in Table III.2).

**Table III.2 Overview of evaluation methods**

METHOD	DESCRIPTION
<b>Inception and planning</b>	
Inception meetings and preliminary document review	A series of meetings were undertaken with 15 high-level stakeholders at the GCF Secretariat, including with Executive Director, Deputy Executive Director and with staff from the DCP, OPM, Division of Mitigation and Adaptation (DMA), PSF, Internal Audit and ORMC. Three evaluation team members participated in a presentation on the Direct Climate Action Platform (DCAP), and two evaluation team members participated in the four-day GCF Structured Dialogue in Asia, as part of the preliminary inception phase.
Evaluation matrix	Developed through a review process among evaluation team members, the evaluation matrix is based upon the TORs and served as the foundation for the evaluation.
Stakeholder and country sampling methods	Stakeholder sampling in this evaluation was purposive. The evaluation team directly approached the GCF Board, RWG members, GCF Secretariat leadership, RAs, NDA/FPs, IAEs, DAEs, DPs, national-level stakeholders and informed external actors (e.g. UNFCCC, GEF, GIZ, etc.). Likewise, country sampling was purposive with the intention to reach the highest degree of diversity rather than statistical representativeness.
<b>Data collection and management</b>	
IEU database	The IEU compiled and developed a quantitative database of RPSP projects for this study, that included manual input of data from all RPSP proposals into a machine-readable form and including ground-truthing and reconciling discrepancies via consultation, document review and further triangulation. The analyses of the IEU database were performed using the open-source R programming language. Scripts were developed so that findings can be replicated and also to enable the continued development of the IEU database.
Data collection and management	Qualitative data collected for this study (including interviews, FGDs, workshop notes) was coded for analysis using the Dedoose data management software. Document review notes were integrated into these into these data through the reporting process in real-time.
Document review	A thorough document review, drawing on a multiplicity of sources, informed every component of the methodology for this evaluation. These documents included GCF-specific programme documents, process-related documents on the RPSP specifically, and a range of country-level documentation and strategy documents. The document review gave specific attention to board documentation and decisions as a means of establishing the context of the evaluation; the progress of the RPSP; the state of the RPSP template and its evolution; and to evaluate guidance documents prepared by the Secretariat.
Stakeholder interviews	During this phase, the evaluation team scheduled and undertook a series of interviews with key, selected, high-level stakeholders who were well positioned to provide insight into the questions and sub-questions of this assignment. A total of 362 interviews were undertaken for this evaluation. Interviewees included GCF Secretariat staff; Board Members; Alternate Board Members and staff; RAs; international experts and organizations; and a diverse range of stakeholders within case study countries, including CSO representatives.
Participation in the Direct Access Entity Workshop	During the week of 28 May to 1 June 2018, the evaluation team participated in a DAE workshop at GCF headquarters in Songdo, Republic of Korea. This workshop provided an opportunity for the evaluation team to engage with DAE representatives directly, through an FGD, and also informally.
Field Mission to Country of Focus—Pilot Testing	Immediately following the inception phase, the evaluation team undertook one field mission to a country of focus, namely Mongolia. The purpose of this mission was to field test the evaluation matrix and the process tracing (PT) approach employed in this evaluation. This informed the retrospective ToC analysis and our approach for the subsequent eight field/country evaluation missions, and helped the team to refine the proposed methodology and overall work plan.

METHOD	DESCRIPTION
Field visits	Field visits or country evaluation missions were undertaken in a joint effort by the evaluation team (that included staff from Universalis and/or IEU team members) in eight additional countries (Antigua and Barbuda, Bangladesh, Haiti [virtually], Kenya, Namibia, Paraguay, Senegal, and Vanuatu), where interviews and FGDs were held, as appropriate. Data collected during this stage was used to test the ToC through PT tests, and to address the range of questions in the evaluation matrix. Case studies were developed for each of the countries visited for this evaluation.
Online survey	Two separate online surveys were distributed to collect insights from NDA/FPs and DAEs. Of 148 countries eligible for RPSP support, the NDA/FP survey had 40 responses, representing 38 distinct countries. The survey had a 25 per cent response rate and these data were analysed. The DAE survey had a very low response rate – only seven surveys were returned. These were not used in the evaluation.
Benchmarking and meta-analysis	A meta-analysis was undertaken to benchmark the RPSP against similar activities being undertaken by other initiatives. This focused on documenting and comparing the GCF and the RPSP with other climate-related global funds and their Readiness activities, to identify similarities and differences with the RPSP. The meta-analysis comprised (i) an overview of the main features of the comparators, (ii) the findings of relevant evaluation reports to the extent that these are available, and (iii) consultations with key responsible staff in each comparable organization.
<b>Data analysis and reporting</b>	
Analysis and synthesis of data	The evaluation team undertook a process of data analysis and synthesis rooted in triangulation across all sources.

## D. IEU DATABASE

The evaluation team compiled and developed an IEU database', which involved the collection of GCF data related to the RPSP that were then manually input and compiled by the IEU into a spreadsheet. This has been the main source of information for comprehensively reviewing the RPSP portfolio. The data consists of qualitative and quantitative information manually extracted from RPSP proposals, RPSP progress reports and from other GCF data storage platforms, such as the GCF website, SharePoint, Integrated Portfolio Management System (iPMS), FLUXX, and Country Portals. The dataset was further 'ground-truthed' through consultations, email records and individual conversations with GCF staff, and compared with data held in different GCF divisions and units, including the Division of Mitigation and Adaptation (DMA), DCP, OPM, and the Finance Office.

The GCF website and SharePoint provided information for Readiness proposals submitted by NDA/FPs, which were entered manually into the IEU database. The dates for the time-lapse analysis and the proposal identification numbers were taken from iPMS and FLUXX, while the Country Portal was the main source providing the NDA/FP contact information used for triangulating and verifying data, and coordinating field missions throughout the evaluation. All information was double-checked, and a percentage of the data was also blindly double-entered to ensure the accuracy of data inputs. Inconsistent data was checked and corrected after discussions with relevant staff at the GCF Secretariat. All this took the IEU approximately five months to put together (not including analyses time). This included a full-time effort from two IEU interns working full time for four months to compile and verify the information while being guided by staff. Time to clean, develop protocols, produce keyword dictionaries, update and re-verify and

analyze was additionally dedicated by two consultants and also required IEU staff time.

As of 13 July 2018, 165 RPSP approved requests had been captured in the IEU database, not including information on Structured Dialogues, DAE workshops or technical assistance for accreditation provided by PwC to nominated regional, national or sub-national entities. The 165 approved requests consist of 109 countries across four regions – Africa (42 countries), Asia-Pacific (31 countries), Latin America and the Caribbean (27 countries), and Eastern Europe (9 countries) – and are further grouped according to GCF country categories such as LDCs (44 grants), SIDS (32 grants), both LDC and SIDS countries (9 grants), and “Other Countries” (those which fall into none of the aforementioned categories) (80 grants).

The IEU database was foundational for a range of analyses performed throughout the evaluation. It includes both qualitative and quantitative information from RPSP proposals. Qualitative information related to the purpose of the RPSP and the GCF review criteria, were analyzed through keyword extraction from RPSP proposals. Many of the keywords extracted related to strengthening capacity; engaging stakeholders and the private sector; enhancing country ownership; NAPs; national strategies and plans; climate impact and vulnerabilities; theory of change/logic framework information; and gender consideration. Analysis was undertaken at varying scales of aggregation (e.g. by grant, country, region, and country classification). Analyses of approved and disbursed grant amounts and date-time calculations were similarly performed at different scales of aggregation.

## IV. RELEVANCE AND COHERENCE

### A. RELEVANCE

Relevance is the extent to which the objectives and design of the RPSP are “consistent with beneficiaries’ requirements, country needs, global priorities and partners’ and donors’ policies”<sup>14</sup>. Accordingly, the evaluation has assessed the relevance of the RPSP along three dimensions:

- Relevance to GCF, UNFCCC and to the wider climate change mitigation and adaptation community;
- Relevance relative to other climate-related global funds; and
- Relevance to beneficiary countries.

#### **Relevance of the RPSP to GCF, UNFCCC and the wider climate change community**

The objectives, design and activities of the RPSP are well aligned with the objectives of the UNFCCC, the GCF, the SDGs, and the Paris Agreement. In particular, RPSP activities strongly emphasize a country-driven and country-owned approach for providing climate finance by aiming to help beneficiary countries (i) strengthen their NDA/FPs to lead effective intra-governmental coordination mechanisms; (ii) establish a legitimate and transparent NOP; (iii) effectively engage stakeholders (including civil society organizations [CSOs] and the private sector) in the preparation of coherent country programmes; (iv) support the accreditation/capacity building of DAEs; and (v) formulate NAPs and/or other adaptation planning processes.

As designed, RPSP activities are appropriately focusing more on the ‘software’ rather than the ‘hardware’ of climate action – that is, on

strengthening institutional processes and building human resource capacity rather than, say, advancing renewable energy and energy-efficient technologies. This is appropriate because climate change is also a cross-cutting development issue. Meaningfully addressing climate change requires collective action, not only at the global level but also at country level, involving all stakeholders in the formulation, implementation, and monitoring of country programmes, NAPs, and concept notes that lead the preparation of GCF Funded Projects.

At this stage of the RPSP, the evaluation found that RPSP activities are not yet contributing much to putting in place domestic policies and institutional frameworks that improve the incentive environment for the private sector (including households) to invest in, for instance, environmentally friendly projects consistent with low-emission and climate-resilient development pathways. The RPSP is nascent in this respect because this takes time to accomplish. However, the evaluation team did observe some RPSP grants that were helping to support the preparation of Funded Project proposals to facilitate green finance (for renewable energy and energy efficiency investments), or to otherwise incentivize renewable energy production (solar and wind power), but these projects were just in the proposal or preparation stage.

The distribution of approved RPSP grants has been well aligned with the focus of the GCF Governing Instrument and the Paris Agreement on developing countries that are particularly vulnerable to the adverse effects of climate change. The GCF Board decided at B.08 in October 2014 that “all developing countries will have access to readiness support with at least 50 per cent of readiness support allocated

<sup>14</sup> OECD/Development Assistance Committee, Glossary of Key Terms in Evaluation and Results Based Management, 2002, p. 31.



to particularly vulnerable countries, including SIDS, LDCs, and African states”<sup>15</sup>: It bears reiterating that 65 per cent of the approved RPSP grant amounts and 63 per cent of disbursements have so far been to SIDS, LDCs, and African states.

### Relevance of the RPSP relative to other climate-related Global Funds

The GCF operates in an environment of many global, regional, multilateral and bilateral climate funds, each with their own objectives and characteristics in terms of scope, scale, governance arrangements, funding

mechanisms, and organizational processes<sup>15</sup>. The evaluation conducted a meta-analysis of the readiness activities of six climate-related global funds to compare and benchmark the RPSP against similar activities being undertaken by other climate-related global funds. This comparison shows that in its design, the RPSP has been supporting a broader and more ambitious range of readiness activities than the other comparator funds, consistent with the overall ambition of the GCF as a whole. (See Table IV.1 and appendix VIII for more details.)

**Table IV.1** Readiness activities supported by GCF and other climate-related global funds

ACTIVITIES SUPPORTED BY THE RPSP*	GCF	GEF+	MLF	AF	CIF	FCPF
Establishing and strengthening the capacity of NDAs, including establishing the no-objection procedure	√		√			
Developing strategic frameworks for engaging with the GCF, including the preparation of country programmes	√	√	√		√	√
Developing initial pipelines of programmes and project proposals	√	√			√	√
Supporting the accreditation of DAEs, including support for DAEs that are already accredited to upgrade their accreditation status	√			√		
Adaptation planning	√	√			√	
Information sharing, primarily through structured regional and DAE dialogues	√	√	√		√	√

Notes: GEF+ = Global Environment Facility plus the Least Developed Countries Fund for Climate Change and the Special Climate Change Fund, which are operated by the GEF; MLF = Multilateral Fund for the Implementation of the Montreal Protocol; AF = Adaptation Fund; CIF = Climate Investment Funds; FCPF = Forest Carbon Partnership Facility. \* “Developing initial pipelines of programmes and project proposals” was regarded as a separate RPSP activity for the first three years of the programme but has been subsumed under “Developing strategic frameworks” in the latest version of the RPSP Guidebook.

<sup>15</sup> For instance, Australia has recently made significant investment in Pacific and SIDS climate change action, including the provision of readiness support. An overview is available at <<https://dfat.gov.au/about->

<https://dfat.gov.au/publications/Documents/australias-commitment-on-climate-change-in-the-pacific.pdf>>; <<https://dfat.gov.au/geo/pacific/development-assistance/Pages/resilience-pacific-regional.aspx>>.

Like the RPSP, most comparator funds organize centrally-managed workshops and dialogues to share information and experience with beneficiary countries about their programmes. The GEF, for example, as part of its country-support programme that was established in 2002, organizes constituency workshops for its 18 constituencies of countries, to strengthen the capacity of GEF FPs, UNFCCC FPs, and civil society representatives. The MLF is the only other fund that finances institutional strengthening projects to augment the capacities of its national FPs – in its case, the countries' National Ozone Units.

All the funds have their own equivalents of the GCF AEs, which implement both investment projects and readiness activities, but the AF is the only other fund that supports readiness activities to assist the accreditation of DAEs, like the RPSP is doing with the support of procured firms such as PwC and others. Following the lead of the AF, which pioneered direct access to climate financing, the GCF and the AF are the only two funds that have open-ended windows for eligible organizations to seek accreditation to prepare, submit, and implement investment projects. As a result, the GCF has accredited 59 entities (32 of which are regional or national DAEs) to various levels of accreditation as of 30 June 2018, followed by the AF (46), the GEF (18), the CIF (5), the MLF (four international and several bilateral agencies), and the FCPF (3).

The RPSP is the only fund that allows unaccredited entities to serve as DPs for readiness projects. Where the DP is not an accredited entity, the GCF requires that the DP completes a Financial Management Capacity Assessment (FMCA) questionnaire and supplies supporting documents to demonstrate its capacity for strong financial management.

The GCF has also reached Framework Agreements (FWAs) with seven specific international and regional organizations – some accredited and some not – that are serving as DPs in multiple countries to facilitate more efficient implementation, by streamlining legal processing, monitoring/reporting, and disbursements. Of the 165 RPSP country grants approved as of 15 May 2018, the majority of the grants (89 out of 165) are being implemented by DPs that now have FWAs – UNDP (with 30 grants), UNEP (22 grants), GIZ (10 grants), Food and Agricultural Organization of the United Nations (FAO) (9 grants), Global Green Growth Institute (GGGI) (8 grants), Development Bank of Latin America (CAF) (6 grants), and Caribbean Community Climate Change Centre (CCCCC) (4 grants)<sup>16</sup>.

Like the RPSP, the two climate adaptation funds administered by the GEF – the Least Developed Countries Fund for Climate Change and the Special Climate Change Fund – also support adaptation planning. These were established in 2001 because the main GEF Trust Fund is restricted to supporting mostly climate change mitigation activities. One of the three sub-funds of the CIF, the Pilot Program for Climate Resilience, is also supporting adaptation planning as part of its programmatic approach, in which countries prepare national investment plans that include a pipeline of projects before projects are prepared and implemented.

The FCPF and the MLF are the only two funds whose readiness programmes are geared towards assisting countries to put in place institutional arrangements to gauge the outcomes of their follow-on investment projects against measurable targets. That is, the FCPF is supporting countries to establish a nationwide monitoring, measurement and

<sup>16</sup> A small number (seven) of these projects started implementation before their DPs actually formalized their FWAs with the GCF.



verification system capable of monitoring changes in forest cover and forest carbon stocks, in order for them to become eligible to sell emission reduction credits. And the MLF is assisting developing countries to meet their specific compliance deadlines under the Montreal Protocol. This raises the possibility that future RPSP activities might be geared towards assisting countries, in conjunction with the UNFCCC and the GEF, to put in place institutional arrangements to accurately and transparently measure their progress towards their Intended Nationally Determined Contributions (INDCs) under the Paris Climate Agreement.

Indeed, developing country Parties to the Paris Agreement have already agreed to periodically report their progress towards their INDCs – this being the first time that developing countries have agreed to such obligations in a climate-change agreement or protocol. The Paris Agreement also requested that the GEF establish and operate a Capacity-Building Initiative for Transparency (CBIT) Fund to support developing country Parties with tools, training and assistance to meet these enhanced transparency requirements of the Paris Agreement, as well as to enable increased accuracy in measuring GHG emissions (Paris Agreement, paragraphs 85 to 89). Then the GEF Council approved the establishment of the CBIT Trust Fund at its 50th Council meeting in June 2016, and the fund became operational in November 2016, with 11 donors pledging more than USD 50 million to the fund, and with the first three projects approved for Kenya, Costa Rica, and South Africa. But the needs of developing countries in this regard are likely to exceed the capacity and the resources of one fund (the CBIT) to meet them.

### **Relevance to beneficiary countries**

For countries eligible to receive financial support from the GCF, the Structured Dialogues and other RPSP activities are informing them of the distinctive features of

the GCF, including its project cycle for Funded Projects (box 1).

### ***Box.1 Some distinctive features of the GCF cycle for Funded Projects***

The GCF project cycle for Funded Projects has the following distinctive features (discussed in greater detail in appendix VIII):

The GCF Board approves Funded Projects at the full preparation (appraisal) stage, in contrast to the methods of the GEF Council, for example, which approves projects at the concept stage.

Similar to the AF, the preparation of a concept note is currently voluntary. Accredited Entities can submit a full proposal for the approval of the GCF Board, along with the no-objection letter from the NDA/FP, without first submitting a concept note to the GCF for review and comment.

Once a project is approved, the essential contractual agreement – called the Funded Activity Agreement (FAA) for a grant, loan, equity contribution, or guarantee – is between the GCF Secretariat and the AE, not between the AE and the government of the recipient country (for public sector projects). Once the FAA becomes effective, the approved funds flow from the GCF Secretariat to the AE, not to the government, unless the AE is a government agency.

Meanwhile, the GCF has also put emphasis on engaging with the private sector. As of 30 April 2018, 41 per cent of GCF financial commitments had come through the Private Sector Facility (PSF) of GCF.

All the comparator funds except the MLF provide funding to AEs to prepare Funded Projects, irrespective of the type of entity (international or direct access), but the GCF favours DAEs for its Project Preparation Facility (PPF) grants.

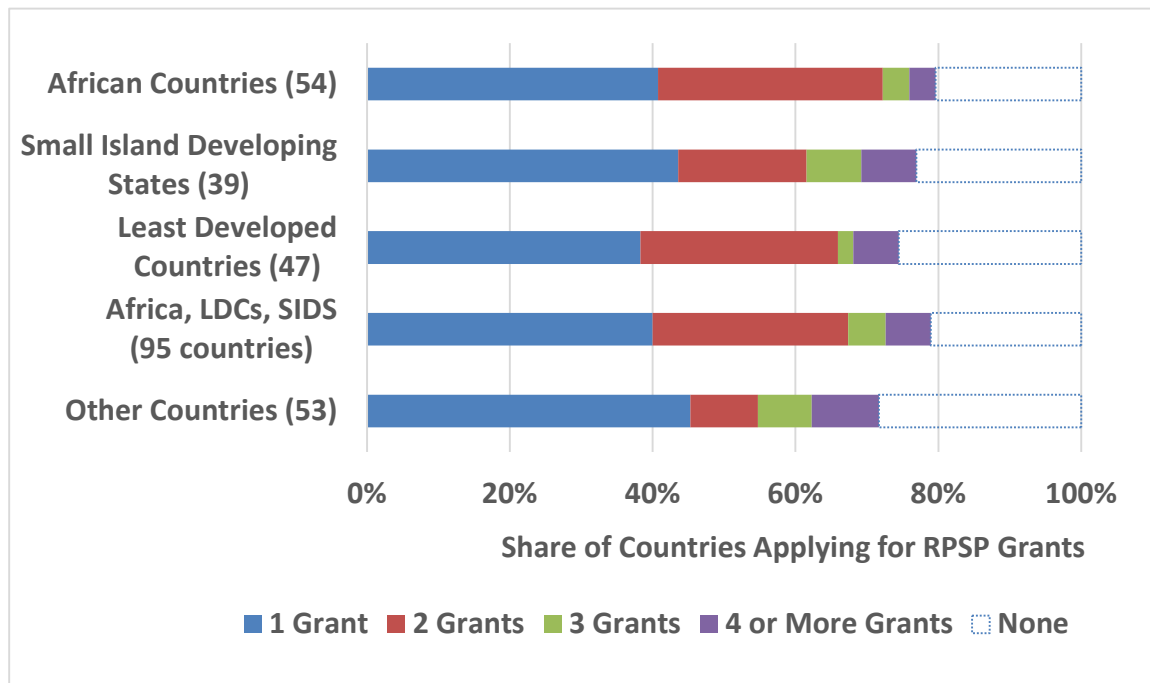
Having engaged with the other climate-related global funds over the years, and having benefitted from their readiness activities, most developing countries have some built-in capacity to engage with the GCF. Countries' participation in the RPSP is voluntary. They are not required to receive readiness support before, for example, working with AEs to prepare Funded Project proposals to submit to the GCF. Indeed, the GCF Board has approved 76 Funded Projects in 79 countries as of

30 June 2018<sup>17</sup>. While some countries and AEs have no doubt benefitted from attending structured regional and DAE dialogues, most Funded Projects have been prepared in the short term without the benefit of readiness grants. As of 9 August 2018, only eight countries had completed preparation of their country programmes with RPSP grant support. Nonetheless, for the long term, it is clear that both the GCF and eligible countries need a common understanding of their rules of engagement, taking into account the distinctive features of the GCF.

**From the perspective of demand from countries and potential DAEs, there is significant evidence of the relevance of the**

**RPSP.** Three quarters of eligible countries have so far received RPSP grant approvals. As of 10 July 2018, the GCF Secretariat had approved 197 RPSP grants to 113 countries, including to 26 entities that are receiving technical assistance from PwC to become accredited as DAEs<sup>18</sup>. This represents grant approvals for 76 per cent of countries eligible to receive such grants. This expressed demand for RPSP support has been fairly uniform across different groups of countries – from 30 of 39 SIDS (77 per cent), 35 of 47 LDCs (74 per cent), 43 of 54 African countries (80 per cent), and 38 of 53 “other countries” (72 per cent) (Figure IV.1).

*Figure IV.1 Shares of eligible countries receiving RPSP grants, by country type*



*Notes:* The numbers in parentheses are the number of eligible countries in each category. The category “African, LDC, and SIDS” does not include double-counting of 39 countries that appear in two categories, and three countries that appear in all three categories.

<sup>17</sup> Two of these lapsed over the course of the evaluation.

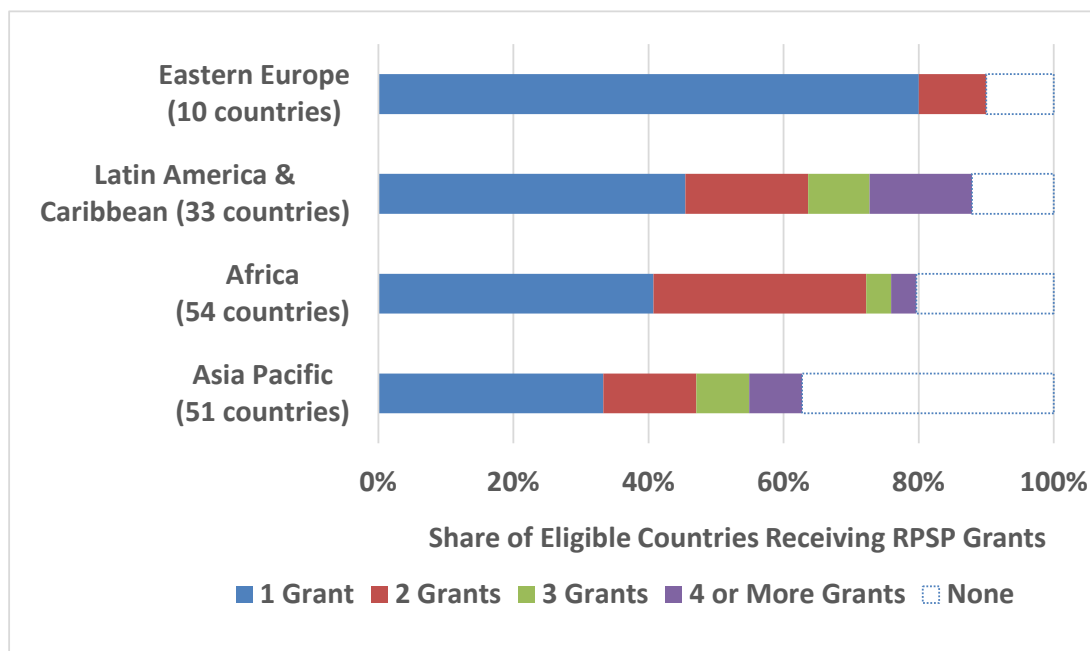
<sup>18</sup> Six country grants were approved between 15 May 2018 and 13 July 2018, bringing the total number of country and PwC grants to 197 in 113 countries. At last count, 11 countries had only Funded Projects, while 45

countries received RPSP support only, and have no Funded Projects. There are 68 countries with RPSP support and Funded Projects, and 24 countries with neither. In other words, there are 113 countries with RPSP support overall, and 79 countries with Funded Projects.

As a proportion of eligible countries, demand has relatively been greater in Eastern Europe

and Latin America and the Caribbean (LAC), compared to in Africa and the Asia-Pacific.

**Figure IV.2 Shares of eligible countries receiving RPSP grants, by region**



Notes: The numbers in parentheses are the total number of eligible countries in each region.

**Perceptions of countries:** Based on survey results and country visits, NDA/FPs and other country representatives perceived readiness involvement as the beginning of a long-term engagement with the GCF, and of a pipeline of GCF-supported projects in the future, even if they have already submitted and received approval for some Funded Projects. Indeed, they viewed the GCF as the largest contributor of climate finance to developing countries and regarded the additional financial resources from GCF as an opportunity to address other environmental concerns, as well, so long as there is a significant climate aspect (as there is with forestry, for example). They did not believe GCF financing would displace other environmental priorities. Respondents felt that

the GCF would support countries in addressing other environmental priorities, as well.

**Less participating countries**

Not all countries that are eligible to receive RPSP support have sought out or received it. Thirty-five out of 148 eligible countries do not have an approved RPSP grant. Another 19 countries have an approved grant, but have not yet received any grant disbursements. Nine of the 19 countries without RPSP grant disbursements have nonetheless received Board approval for a Funded Project<sup>19</sup>. Conversely, other countries such as Honduras, Jamaica, Laos, Seychelles, Uruguay, and Zimbabwe have received three or four RPSP grant approvals and disbursements, but have not yet received approval for a single Funded Project. Twenty-three countries have not yet received

<sup>19</sup> Some of these are multi-country projects being implemented in more than one country.

approval for either a RPSP grant or a Funded Project (See table 18 in appendix VII for more details.) The non-participating, late-participating, or little-participating countries are a heterogeneous group, with a variety of factors contributing to less participation. Here is a possible typology and potential explanations for countries who are non/late/little participating in RPSP (without it being exhaustive classification).

- Oil-rich countries like Angola, Bahrain, Kuwait, and Turkmenistan: Such countries are not likely to be very interested in the RPSP, and possibly view the limited amounts available from the RPSP as insufficient incentive to apply;
- Conflict-affected countries like Afghanistan, Iraq, Lebanon, Somalia, South Sudan, Syria, and Yemen: These countries are likely to have other immediate priorities to deal with, although some have signalled strong interest during recent Structured Dialogues<sup>20</sup>. Also, countries in conflict/post-conflict situations struggle more than others to find DPs. The same is true for countries with small economies;
- Large countries like Brazil, China and Indonesia. China has not requested RPSP support but has worked on a very large Funded Project with the Asian Development Bank (ADB). Brazil and Indonesia have developed their country strategies without RPSP assistance and have limited RPSP engagement, but have several Funded Projects approved or in the pipeline;
- Upper-middle-income countries like Malaysia and South Africa, and high-

income countries like Singapore. Malaysia has an active national programme for renewable energy but has so far received only one recent RPSP grant and has only one pipeline project. South Africa has had a national climate change policy since 2011 and a large pipeline of projects but has only one recent RPSP grant and one approved Funded Project that is not yet disbursing. Singapore is also at an advanced stage of climate change planning and does not require support for readiness activities;

- In countries like Uganda and Zimbabwe, there appears to be no causal relationship between RPSP support and the preparation of Funded Project proposals. This may be due to existing pipelines from other development partners that have enabled them to secure Funded Projects. Zimbabwe has several projects under development with various partners but not yet any link to readiness support<sup>21</sup>;
- In SIDS and other small countries, NDA/FP contact points are often heavily burdened public servants, so that finding the time and ability to draft their first readiness proposal and secure an appropriate DP has proved to be very challenging. This has been the case for countries like Palau, Solomon Islands and Tuvalu. Countries that have been able to get past this hurdle – such as Kiribati, Nauru, Niue, Papua New Guinea, and Tonga – have received dedicated capacity from a development partner, or significant in-country support from their RA;
- Countries with specific difficulties related to tax regulations for local

<sup>20</sup> This resulted in RPSP proposals from Syria and Yemen, for example.

<sup>21</sup> Zimbabwe has received disbursements on two RPSP grants in April and May 2018 respectively (with a third effective as of May 2018). It has also two concept notes in

the GCF pipeline dating from September 2016 and April 2017, developed ahead of these RPSP disbursements. Uganda has no approved RPSP support, but it has three GCF Funded Projects and five concept notes in the GCF pipeline.

agencies, prescribed payment channels, bureaucratic delays, contractual and legal issues, national spending shares for projects, institutional rivalries, and understaffed NDA/FPs: The RAs and the Country Dialogue Specialists work with these countries to overcome these obstacles, but long delays have occurred;

- In many countries, the value of RPSP support is not always well understood or accepted by all stakeholders. Stakeholders often perceive country programmes as another policy, plan or assessment in the climate change space, which is already highly populated with a range of assessments and plans that NDA/FPs feel articulate their priorities already (National Communications, NAMAs, NAPAs, and INDCs in addition to National Sustainable Development Strategies, etc.). As a result, countries like Cook Islands, Fiji, Samoa, Solomon Islands, and Tuvalu have focused their efforts instead on getting projects funded rather than getting RPSP support.

The Evaluation Team found that RAs and the Country Dialogue Specialists in the Countries Team of the DCP communicate regularly with counterparts in their designated countries, and

try to encourage their engagement with the GCF and the RPSP. The Structured Dialogues and the DAE workshops have also been favoured occasions for bilateral discussions. These efforts have sometimes borne fruit in the short run, but have taken longer or not yet worked out in other cases.

If more tailor-made approaches are to be pursued by the RPSP, this will require a better understanding of the political, economic and social context of the individual countries to be able to offer more targeted inputs, taking into account the challenges countries are experiencing in integrating climate into their development agenda and projects. This may require technical visits to countries focused on cross-cutting themes, to help them think through (i) planning for climate change, (ii) integrating climate financing into national finance frameworks, and (iii) engaging with stakeholders. These visits could also help to identify the deeper technical issues specific to each country, but they will not always be able to deal with political and institutional blockages. Despite all GCF efforts, some countries may simply choose not to participate in the RPSP, while others see its value.

## KEY FINDINGS AND LESSONS

### *Finding 1*

**The expressed demand for RPSP support** has been strong and fairly uniform across different groups of countries: 76 per cent of eligible countries have so far accessed some RPSP resources. Of these, 80 per cent were African countries, 77 per cent were SIDS, 74 per cent were LDCs, and 72 per cent were “other countries” (those which fall into none of the above-mentioned categories).

### *Finding 2*

**The objectives, design and activities of the RPSP have been well aligned with the**

**objectives** of the UNFCCC, GCF, SDGs and the Paris Agreement. The distribution of approved RPSP grants has been appropriate for the priorities of the GCF and of the Paris Agreement, particularly on vulnerable countries, including SIDS, LDCs, and African states.

### *Finding 3*

Compared to the programmes of other climate-related global funds, the RPSP has been supporting a broader and more ambitious range of readiness activities, including capacity strengthening of NDA/FPs, accreditation of

DAEs, and developing initial pipelines of project proposals.

#### *Finding 4*

**Structured Dialogues and other RPSP outreach activities are designed to inform countries** of the distinctive features of the GCF, including the GCF project cycle for Funded Projects although these could also incorporate and align better with other climate agencies.

## B. COMPLEMENTARITY AND COHERENCE

In this section we examine the extent to which the GCF has developed (i) methods to enhance complementarity between its activities and those of other bilateral, regional and global financing mechanisms, and (ii) appropriate mechanisms to promote coherence in programming at the national level (GCF Governing Instrument, paras. 53 and 54). The GCF Board formally adopted an operational framework for complementarity and coherence at B.17 in June 2017, which contains four pillars, as follows:

- Pillar I. Board-level discussions on fund-to-fund arrangements;
- Pillar II. Enhanced complementarity at the activity level;
- Pillar III. Promotion of coherence at the national programming level; and
- Pillar IV. Complementarity at the level of delivery of climate finance through an established dialogue.

Pillars I and IV are outside the scope of this evaluation. Therefore, this evaluation assesses complementarity and coherence along two dimensions:

- Evidence of complementarity, cooperation and synergies at the activity

#### *Finding 5*

About one-quarter of eligible countries have not yet accessed RPSP grant support, for a variety of different reasons. If GCF wants to harness them, it **needs more tailored approaches** and a better understanding of the political, economic and social context of the individual countries if it wants to galvanize (a subset of) these countries to actively participate in the RPSP.

level, with respect to readiness and capacity-building activities; and

- Evidence of coherence and coordination of country programming approaches, investment planning, and pipeline development among funds.

### **Complementarity, cooperation and synergies at the activity level**

**Prior presence of other support in-country:** Before the Readiness Programme of the GCF got underway in 2014-2015, two German Ministries started supporting climate finance readiness activities for developing countries. The Federal Ministry for Economic Cooperation and Development (BMZ) launched its Climate Finance Readiness programme in late 2012. Implemented by GIZ and the KfW Development Bank, this programme has also received funding from USAID and the Czech Republic. Then the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMU) launched its GCF Readiness Programme in 2013, which has been implemented through UNDP, UNEP, and WRI.

These German initiatives provided support, before the RPSP got underway, to five of the case study countries – Bangladesh, Kenya, Mongolia, Namibia, and Vanuatu – and GIZ is continuing to support Bangladesh and Vanuatu as DPs for RPSP grants on NDA/FP



strengthening and country programming.

Across the five countries, the prior readiness support covered all aspects of what has become the RPSP (except adaptation planning), with a particular emphasis on supporting the accreditation of DAEs and developing initial pipelines of project proposals for submission to the GCF. The NDA/FPs confirmed that this readiness support generally helped them to become front-runners in terms of engaging with the GCF. All five countries have at least one Funded Project approved. Only Kenya does not yet have any approved RPSP grants, except for adaptation planning.

Subsequently, the GCF Secretariat and the implementing partners for these two German initiatives, reached agreement on a joint coordination mechanism in April 2015 to “ensure that readiness support provided to countries by all Partners responds effectively to the needs and barriers identified; [and] maximize the coherence and collective impact of readiness support provided by all Partners”.

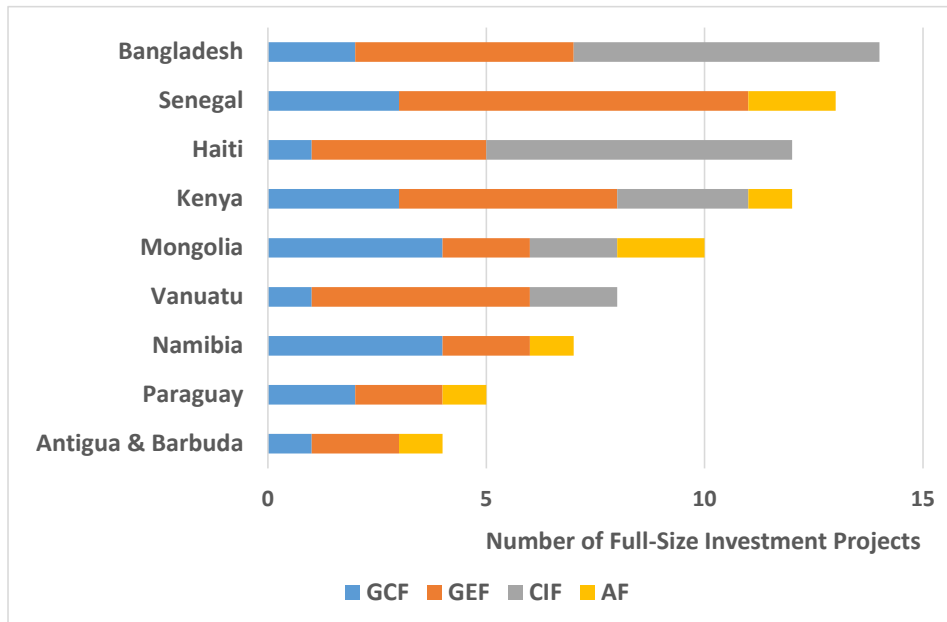
As readiness funding from BMZ and BMU declined, and as the Readiness Programme picked up speed, GIZ, UNDP, and UNEP have continued their readiness support to countries as formal DPs. In addition, the GCF has now reached readiness FWAs with GIZ, UNDP, UNEP as well as CAF, CCCCC, FAO and GGGI, which are serving as DPs in multiple countries to facilitate more efficient implementation by streamlining legal processing, monitoring/reporting, and disbursements. DPs with FWAs also provide semi-annual progress reports to the GCF on their entire readiness portfolio, rather than progress reports on the implementation of individual RPSP grants.

The Commonwealth Secretariat also implemented a climate finance readiness project from 2015 to 2017, for British

Commonwealth countries in the Pacific and the Caribbean. The rationale for the project was the difficulty that small and vulnerable countries in the Pacific and the Caribbean face in navigating the complex landscape of climate finance. Research in 2013 had shown that over 500 financing mechanisms were in place for climate finance (some using existing Official Development Assistance [ODA] instruments, and others comprising private and some public monies). The aim of the project was to increase the capacity of Pacific and Caribbean regional platforms to facilitate improved flows of climate finance to vulnerable states in these regions.

The project was implemented by two of the Commonwealth Secretariat's regional partners – the Secretariat of the Pacific Regional Environment Programme (SPREP) and the CCCCC. The SPREP has also become a DP for three RPSP grants in Vanuatu, Niue, and the Marshall Islands, submitted between October 2015 and April 2017, while the CCCCC has become a DP for four RPSP grants in Guyana, Bahamas, Belize, and Saint Lucia, submitted between October 2015 and September 2017. Even though there has not been a formal relationship between the Commonwealth project and the RPSP, having common DPs has generally reinforced the outcomes of both initiatives.

For each of the nine case-study countries visited, the evaluation team documented the support that countries were also receiving from the GEF, AF, and CIF, and consulted with the implementing agencies for these projects. All nine countries are currently receiving from one to four GCF Funded Projects and from two to eight full-size GEF projects. Six countries are receiving one or two Adaptation Fund (AF) projects, and five countries are receiving from two to seven CIF projects (Figure IV.3).

**Figure IV.3 GCF, GEF, CIF, and AF projects in the nine case study countries**

Source: Data compiled from publicly available information on the GCF, GEF, CIF and AF.

There are varying degrees of coordination among the agencies implementing these projects that were being funded by the four funding organizations. The agencies generally expressed a strong desire to work with the government, with each other, and with other development partners and sources of climate finance, to help each country mitigate and adapt to its major climate risks. In the countries where there was good coordination and complementarity of efforts, the agencies and other donors attributed this mostly to strong in-country ownership of the country's climate agenda, based on well thought-out priorities and strategies for climate action. In the absence of such strong country ownership, they acknowledged the tendency for each development partner to pursue its own agenda in a largely uncoordinated fashion, due to the natural incentives that project managers experience in relation to performance evaluation and promotion within their own organizations. This finding also supports the emphasis that the GCF has placed on country-driven and country-owned approaches to climate action.

### Coherence and coordination of country programming

The RPSP grants were supporting the preparation of country programmes in eight of the nine countries visited (all but Kenya), but had only just started in two countries (Namibia and Paraguay). The majority of these efforts were building on previous national planning exercises, such as the preparation of INDCs as part of the Paris Climate Agreement. Readiness and Preparatory Support Programme grants were aiming to strengthen efforts to meaningfully consult with stakeholders in the preparation of country programmes in most countries, but were hindered by weak capacity or high staff turnover in the NDA/FPs in several countries.

NDA, FPs and other government officials consulted expressed the desire that these country programmes might also prove useful in accessing other sources of climate finance, in addition to that available from the GCF. However, RPSP-supported country programming so far focuses primarily on engaging with the GCF, because the RPSP

support for country programming is so closely linked to strengthening the NDA/FP and putting in place effective intra-governmental coordination mechanisms associated with the NOP. The first five country programmes that were completed with RPSP support (for Antigua and Barbuda, Federated States of Micronesia [FSM], Rwanda, Togo and Zambia) have also focused, foremost, on each country's engagement with the GCF.

While RPSP grants are supporting countries to institutionalize their own processes for intra-governmental coordination, stakeholder consultations, and the NOP, the GCF has so far not prescribed specific expectations or requirements for such coordination and consultations. **Countries retain a lot of flexibility in institutionalizing their own processes, and therefore determining what country ownership means to them.**

**Other examples of country coordination:** This situation contrasts significantly with the Country Coordinating Mechanism (CCM) of the **Global Fund to Fight AIDS, Tuberculosis and Malaria**. As the governing body of the Global Fund Partnership at the country level, the CCM is responsible for submitting grant applications to the Global Fund, for procuring the Principal Recipient to implement each approved grant, and for overseeing the

implementation of the grants. Learning from the experience of its formative years, the Global Fund has now mandated strict requirements governing the composition and operating procedures of each CCM, such as requiring meaningful voting representation from CSOs and affected communities. The CCMs have to procure the Principal Recipients of the Global Fund grants competitively and adopt conflict-of-interest policies in which, among other things, neither Principal Recipients nor Sub Recipients can be voting members of the CCM.

CCMs typically have permanent secretariats supporting their work, as well as subcommittees such as an Oversight Subcommittee, which is responsible for overseeing the implementation of grants. Recognizing the important role of the CCMs to Global Fund operations in each country, the Global Fund provides grants of USD 300,000 for a three-year period to cover the operational costs of CCMs. CCMs can also apply for amounts exceeding USD 300,000 per three-year period, if the CCM can demonstrate that it has mobilized 20 per cent of the amount exceeding USD 300,000, from sources other than the Global Fund for the same CCM budget period<sup>22</sup>.

## KEY FINDINGS AND LESSONS

### *Finding 1*

**Prior readiness support has helped.** Early financial support for climate finance readiness activities from two German ministries (BMZ and BMU) has helped some countries to become front-runners in terms of engaging with the GCF. Subsequently, the GCF Secretariat and implementing partners (GIZ, KfW, UNDP, UNEP, and WRI) agreed on a joint

coordination mechanism in April 2015, to maximize the coherence and collective impact of readiness support provided by all partners.

### *Finding 2*

**Explicit coordination between climate agencies at the country level is not widespread.** Strong in-country ownership and

<sup>22</sup> Available at <https://www.theglobalfund.org/en/country-coordinating-mechanism/>.

capacity, based on well thought-out priorities and strategies for climate action, is key to coordinating, in a complementary way, the support provided by the principal climate-related global funds (GCF, GEF, CIF, and AF) as well as other sources of climate finance.

*Finding 3*

Country programming supported by the RPSP has so far focused on countries engaging with the GCF, and not more broadly with other sources of climate finance.

*Finding 4*

**Countries retain a lot of flexibility** in institutionalizing their own processes for intra-governmental coordination, the NOP, and stakeholder consultations, and therefore in determining what country ownership means to them. In the future, the GCF might consider some other models that enhance ownership. One example is provided by the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

## V. COUNTRY OWNERSHIP

### A. FRAMING COUNTRY OWNERSHIP

Country ownership is in the DNA of the GCF, more so than with other international agencies (with the possible exception of the AF, which pioneered the direct access approach). The principle of country ownership is reflected in the Governing Instrument and in various Board decisions. The Governing Instrument of the GCF provides that

*“[t]he Fund will pursue a country driven approach and promote and strengthen engagement at the country level through effective involvement of relevant institutions and stakeholders”.*<sup>23</sup>

As explained in the Guidelines for Enhanced Country Ownership and Country Drivenness<sup>24</sup>, the earlier Decision B.04/05 reaffirmed the centrality of country ownership and the country-driven approach to the GCF, establishing the functions of the NDA/FPs accordingly. These guidelines, which were approved at B.17, are the most recent comprehensive guidance from the Board on this matter<sup>25</sup>. The guidelines state in paragraph 8:

The principle of country ownership will be considered in the context of all GCF operational modalities and relevant related policies including the RPSP and the Project Preparation Facility, the Proposal Approval process, including the simplified approval process, as well as the accreditation process, recognizing that country ownership is a continual

process. NDAs/FPs have a key role in these processes in a way which builds national and institutional capacity and facilitates engagement with relevant stakeholders.

Long before, decisions B.07/03, annex VII and B.08/10, annex XII established the role of NDA/FPs in the initial approval process, including the NOP. Decision B.08/10, annex XIII provides initial best-practice guidelines for selecting and establishing NDA/FPs. Decision GCF/B.08/11, annex XVII provides initial general guidelines for country programmes to enable country ownership through NDA/FP leadership in the process. Decision B.11/10 further elaborates the role of the NDA/FP to lead an annual participatory review of the GCF portfolio in their countries, with the participation of all relevant stakeholders.

While there is no formal, Board-approved definition of country ownership, the various decisions and guidelines point to country ownership and drivenness as being composed of the following elements:

- The NDA/FP is established and functional;
- Stakeholder consultations are organized by the NDA/FP;
- A NOP has been established and is operational;
- A country programme has been developed, includes a pipeline of concrete projects and is agreed upon with the major stakeholders;

<sup>23</sup> Governing Instrument for the Green Climate Fund, approved by the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) at its seventeenth session on 11 December 2011 in Durban, South Africa, para. 3

<sup>24</sup> Available at <<https://www.greenclimate.fund/documents/20182/75102>

0/GCF\_B.17\_14\_-\_Guidelines\_for\_Enhanced\_Country\_Ownership\_and\_Country\_Drivenness.pdf/12096654-ec65-4c97-87d7-e38d8894ff5d>.

<sup>25</sup> GCF/B.17/14, 30 June 2017, page 4, para. 3.

- One (or more) DAE(s) has/have been accredited;
- One (or more) DAE(s) has/have submitted Funded Project proposals and/or seen it/them approved; and
- (As of 2016), progress has been made on NAP planning and completion.

When all of these elements are in place, or well underway, it is assumed that a country is in the driver's seat, well empowered to address the challenges of climate change. The RPSP is supposed to assist developing countries in advancing on each of these areas. As such, it is the main GCF tool for enhancing country ownership.

## B. FLEXIBILITY FOR COUNTRIES TO DEFINE AND PURSUE COUNTRY OWNERSHIP

By its very nature, the concept of country ownership has variable meanings to different NDA/FPs and other stakeholders. The GCF has been sensitive to this, as articulated in the Guidelines for Enhanced Country Ownership and Country Drivenness, paragraph 17:

Recognizing that country ownership is an underlying principle and an ongoing process, and that country ownership may mean different things in different contexts, quantitative measurement alone of country ownership is unlikely to provide meaningful results. The Fund should make efforts to draw lessons from how country ownership is being interpreted and implemented in different contexts, and to use such lessons to inform the development of policies and programmes, stakeholder engagement, and country programmes.

Given this recognition of the importance of context, countries retain a great deal of flexibility in defining and pursuing country ownership, for example, in institutionalizing their own processes for intra-governmental

coordination, in designing the NOP, and in undertaking stakeholder consultations. There is no template for country programmes, and indeed, the country programme is not a prerequisite for obtaining GCF funding for projects. The RPSP supports the development of concept notes, which are recommended but not required for preparing and submitting proposals for Funded Projects. The RPSP is an offer, but some countries go ahead and prepare Funded Project proposals and obtain approvals without requesting support through the RPSP. The choice of International Accredited Entities (IAEs) and DAEs, as well as funding sources, depends fully on the preferences of the country in question. The same is true regarding the set-up of the NDA/FP, its location in the government and the composition of the coordinating body in country, that is, the body meant to coordinate the selection of priority projects obtaining NOPs, and which participates in the nomination of DAE candidates for accreditation. While the GCF strongly advocates in favour of the involvement of the private sector and civil society in this coordinating body, this is not a requirement.

While considerations of gender, ESS and indigenous peoples are all requirements, the choice of how to operationalize such considerations remains with the countries (although accreditation requirements are more prescriptive). The GCF has also introduced several policy directions like innovativeness/paradigm shift and potential for replication/scaling up, as well as coherence in climate finance delivery by coordinating with other funding agencies and avoiding duplication. It emphasizes, more strongly than other climate funding providers (except the AF), the value of country ownership and the preference for DAEs rather than IAEs. The GCF also encourages the use of national rather than international consultants, noting that capacities may vary a lot across countries.

Such deliberate flexibility reflects the recognized **variability in the context and situation of individual countries**. It also



reflects the relatively recent creation of the GCF, and the RPSP more specifically, seeing as it is still defining its policies in light of experiences gained and the demands of its member countries. Therefore, while the RPSP offers support for the creation of several fairly standard instruments, the choice of their development, timing, combination, concrete shape and sequencing is situated with the country concerned. This situation contrasts significantly with the CCM of the Global Fund to Fight AIDS, Tuberculosis and Malaria, for example, which is more prescriptive.<sup>26</sup>

### C. INSIGHTS FROM CASE STUDIES

The progress reports on the RPSP prepared by the DCP provide only input data for all countries, that is, which projects have been approved for these areas and for how much, and what has been disbursed. These do not indicate what has been achieved, what has been

put in place and what is working. In this report, illustrative examples are provided for some of the countries under each activity, as in the case of country programme development or the NOP, for example. Results-based reporting does not cover all countries on these matters. Therefore, and in line with the context of country ownership, the evaluation team has undertaken an analysis of country ownership for its nine case-study countries, supplemented by a review of relevant GCF documentation.

For assessing country ownership in these cases, a scoring system was devised for each of the factors identified as constituting country ownership (see sub-section A of this chapter). The indicators serve as proxies for each component of country ownership identified above. An overall look at the nine case studies with regard to country ownership points to a fairly heterogeneous but overall promising situation:

*Table V.1 State of country ownership 'attributes' as devised for the evaluation, for case study countries.*

COUNTRY	NDA /FP	STAKE-HOLDER CONSULTATIONS	NO-OBJECTION	COUNTRY PROGRAMME	DIRECT ACCESS ENTITY <sup>27</sup>	NAP	FUNDED PROJECTS THROUGH DAE (S)	SCORE
Bangladesh	3	3	3	3	3	3	1	19
Antigua and Barbuda	3	2	3	3	3	1	3	18
Mongolia	3	2	1	2	3	3	3	17
Kenya	2	3	1	1	3	3	1	14
Namibia	3	3	2	1	3	0	3	13
Senegal	2	2	1	2	3	1	2	13
Haiti	3	3	2	2	1	1	0	12
Vanuatu	2	3	3	2	0	0	0	10
Paraguay	2	1	1	1	0	1	0	6

<sup>26</sup> See the section on “Complementarity and coherence” above, and for more information see the website of the Global Fund. Available at <<https://www.theglobalfund.org/en/country-coordinating-mechanism/>>.

<sup>27</sup> Accreditation achieved without readiness support for CSE in Senegal, XacBank in Mongolia and the two DAEs in Bangladesh (Infrastructure Development Company Limited and Palli Karma-Shayak Foundation).

*Notes:* Ratings from 0 to 3 depending on progress achieved. Total score is the country ownership index with a maximum score of 21 per country. This table does not represent the success or absence thereof of the readiness programme in case-study countries since many achievements occurred because of prior (and current) presence of other organizations and acknowledges the different stages of GCF support in countries. It reflects an assessment of the attributes of 'country ownership' as defined for the evaluation, that in turn reflect the priorities of the RPSP. These are as follows:

*NDA:* No NDA/FP in place (0), one person with other tasks (1), middle manager with team and other tasks (2), senior manager with team and focus on GCF (3).

*Stakeholder consultations:* No consultations held (0), consultations held only with other ministries (1), consultations held with different stakeholders (2), consultations held with all stakeholders including private sector and CSOs (3).

*NOP:* No procedure established (0), informal procedure with NDA/FP (1), formalized procedure with NDA/FP (2), steering committee along with key stakeholder debates and decides (3).

*Country programme:* Country programme preparation not started (0), country programme preparation started (1), country programme draft developed and discussed with stakeholders (2), country programme received by GCF (3).

*DAE:* No accreditation initiated (0), entity registered with GCF (1), accreditation process on-going (2), accreditation achieved (3).

*NAP:* Preparation not started (0), a DP works on NAP proposal design (1), DP has submitted NAP proposal to GCF Secretariat (2), NAP proposal has been approved (3).

*Funded Projects through DAE(s):* No project submitted yet (0), one or more project(s) submitted (1), one project approved (2), several projects approved (3).

The RPSP has been strengthening the role of NDA/FPs in many cases, which is one of the main approaches for promoting country ownership. However, **it needs to devote far greater effort further strengthening these NDA/FPs**, in terms of the seniority of the head person, the number of staff supporting him/her, and their ability to focus on GCF-related matters. Most NDA/FPs are situated in environment ministries and some in finance ministries (and a few other ministries in a limited number of cases). There is evidence pointing to tensions between the environment and finance ministries in some countries, since it is almost only with the GCF that environment ministries play such a high-profile and coordinating role. In some case, this has affected both stakeholder consultations and the NOP, which exist at various stages of development in the case study countries. It should be noted that the NOP usually needs formalization through government decree to function properly, requiring further work in the majority of case-study countries. The successful coordination of climate action, with

or without the RPSP, needs high-level political commitment, at ministerial level and above.

The implementation of the first readiness grants has for the most part been slow in case study countries (a matter discussed for the entire portfolio in the 'Efficiency' section of the report). A few illustrative points highlight the range of issues affecting country ownership:

- Although the first readiness grants were approved in 2015 for Antigua and Barbuda, Mongolia and Senegal, implementation started only in 2017 after lengthy preparations;
- In Kenya, the NDA/FP has not yet received any readiness funding – mainly due to internal difficulties in the country – despite requesting it since 2015; and
- Paraguay started implementing its first RPSP project in June 2018, so it is too early to expect much in terms of results.

Weak staffing of NDA/FPs, with much time spent on project preparation and reporting, was mentioned in the survey to NDA/FPs as a key

obstacle to country ownership. The use of consultants is seen as a temporary remedy but not as a long-term solution for strengthening NDA/FP capacities.

Finally, country programmes are still the exception: as of 9 August 2018, the GCF had received eight completed country programmes (representative of all regions), in Antigua and Barbuda, Bangladesh, FSM, Pakistan, Rwanda, Thailand, Togo and Zambia. Among case study countries, two country programmes (in Antigua and Barbuda and Bangladesh) were completed, having been developed with RPSP support. Five more case study countries have country programmes in various stages of development, again with RPSP support. It is interesting to note that both Kenya and Namibia did not receive early RPSP support in developing their country programmes (both of which are works in progress, though now with RPSP support). It is also important to recognize that country programmes are not always desired by countries, particularly when they already have equivalent strategic documents in place.

**The GCF focus on DAEs** is seen as a key approach for promoting country ownership, with evidence of good progress in sample countries. In six case-study countries, one or more DAEs have been accredited. In one case study country, a potential entity has been identified. The remaining two case study countries are trailing behind. Senegal and Mongolia are preparing to upgrade their DAEs. For the time being, there are no criteria for how many DAEs are needed (or make sense per country) to advance country ownership effectively and efficiently. The fact that getting accredited has been complicated and lengthy, and that developing proposals for both RPSP and Funded Projects has been resource intensive, makes it difficult for DAEs – especially in small countries with scarce resources such as Paraguay – to go through this process. In spite of the preference for DAEs, in many countries, **international agencies still have a productive role to play**, given their

extensive expertise, networks and proven implementation capacity.

**NAPs:** After the mandate given by the thirteenth meeting of the Board in June 2016, NAPs are still in the early stages of preparation and, even more so, implementation. By 15 May 2018, 14 NAP projects had been approved by the GCF, three of which were in the case study countries. As of 6 September 2018, 19 were approved. While progressing, these are not sufficiently advanced to provide evidence of country ownership in adaptation planning and implementation. It remains noteworthy that some countries that have adaptation plans and projects in place, like Namibia, are not likely to seek NAP-related funding. Other countries, such as Paraguay, already received support from GEF for the development of a NAP, and so the NDA/FP there is developing an RPSP proposal with UNEP for developing “regional adaptation plans”; however, at the time of writing, the development and submission to the GCF of this proposal was stalled for a number of reasons.

Several other achievements shown in Table V.1 above, in particular the **accreditation of some DAEs and the approval of several Funded Projects, were realized without RPSP support**. In Bangladesh, stakeholder consultations were organized without waiting for RPSP resources. In Kenya, country programme development has been undertaken, thus far, without RPSP resources. Both countries have received assistance under the German bilateral readiness programme, and they have also benefitted from the support of their own in-country expertise on climate change, including from scholars, members of the IPCC, national consultants, etc.

**There are also a number of notable obstacles to country ownership.** Cooperation with the private sector and civil society is still in its infancy in most countries. Where private sector participation does occur, as in Mongolia, it tends to go through financial intermediaries, which are themselves starting to fund

renewable energy projects without GCF support, sometimes drawing on resources from other funding agencies. In several countries, the ground for readiness had been prepared by earlier interventions, in particular by GIZ, as in the case of Bangladesh, Mongolia and Vanuatu.

Despite the changes underway, the hitherto English-only policy of the GCF has clearly been an obstacle to the development of country ownership in non-Anglophone countries. Interview data also revealed that NDA/FPs widely perceived the GCF to lack flexibility with regard to adjusting approved project plans to changing realities in countries, and that this has hindered both implementation and country ownership.

Overall, scoring on country ownership ranges from 6 in Paraguay<sup>28</sup> to 19 in Bangladesh, against a possible maximum score of 21. Undoubtedly, much progress has been achieved in the past two to three years in putting the elements of country ownership in place and strengthening them, and this has happened with significant support from the RPSP (as further

discussed in next section). In case study countries, readiness support has functioned as a catalyst to accelerating government action and has given NDA/FPs the necessary tools and means to reach out to stakeholders, to prepare country programmes, and to develop more influence in their government systems, in particular through the establishment of NOPs.

However, even with the institutional infrastructure in place, strong leadership and commitment is required from the NDA/FPs. It is also necessary to secure the political buy-in from high-level stakeholders in governments, as an enabling factor for the development of project pipelines that will bring progress on the ground. Finally, significant efforts are still required to create buy-in and enable the meaningful participation of the private sector, CSOs, indigenous peoples, media, and the general public, since all have a stake in the country ownership required to effectively address the challenges of climate change.

## KEY FINDINGS AND LESSONS

### *Finding 1*

The DCP progress reports on RPSP give only input data for all countries, that is, which projects have been approved for these areas, for how much, and what has been disbursed. These do not indicate what has been achieved, **what has been put in place, what is working and the results of RPSP**. It is therefore highly challenging to report on country ownership across the portfolio. **Results-based reporting** from the RPSP will be important for GCF as the RPSP progresses.

### *Finding 2*

**While the RPSP offers support for the creation of several fairly standard**

**instruments** within country that promote country ownership, the choice of their development, timing, combination, concrete shape and sequencing is situated with the country concerned.

### *Finding 3*

**The RPSP has strengthened the NDA/FPs**, but their placement in most cases in environment ministries has not always been accepted by countries' finance ministries. Many are poorly staffed.

### *Finding 4*

**Country programmes are still few (eight have been completed) and they remain general, without clear concept notes and**

<sup>28</sup> The low score for Paraguay by no means reflect their performance in terms of country ownership given the fact

that implementation of RPSP project started recently in June 2018.

**with vague climate rationales, in particular for adaptation projects.** The goals of country programmes under development remain unclear.

*Finding 5*

The GCF focus on DAEs is seen as a main tool for promoting country ownership. However, there are no criteria for how many DAEs are needed/make sense per country. Partially as a consequence of that, **international AEs have retained a significant role within countries**, with differing implications for the RPSP and Funded Project proposals, given the resource requirements and amount of time required for proposal preparation.

*Finding 6*

**Support for DAEs has not yet translated into significant GCF pipeline development and it**

**is unclear whether RPSP financial and capacity development support is sufficient for this objective.**

*Finding 7*

**Country ownership includes high-level political commitments from governments for the successful coordination of climate action; it is not yet clear whether (and to what extent) the RPSP is helping in this respect.**

*Finding 8*

**Full country ownership requires appropriate participation in climate action by the private sector, by CSOs, and by vulnerable, marginalized and indigenous peoples and local communities. So far, this participation is rudimentary in most countries.**

## VI. EFFECTIVENESS OF THE RPSP

To examine the programme's effectiveness<sup>29</sup>, seven "major learning needs" were identified, as laid out in Table VI.2. These learning needs were closely aligned with the activity areas, expected results and outcomes of the Readiness Programme. Their causal assumptions were tested against factual evidence drawn from country case studies. This was complemented by a perception survey of NDA/FPs, an analysis of the portfolio using the IEU database, interviews with key stakeholders and an examination of the available literature. The evaluation of effectiveness begins with an examination of case study countries specifically,

and then concludes with a reflection on unintended consequences.

### Examining case study countries

To provide an at-a-glance perspective of the effectiveness of the RPSP in the nine case study countries, a scoring system was devised, rooted in the results and learning reported in the case studies. Results for each of the activity/result/outcome areas were identified, and a score for the contribution of the RPSP was given to each. The scoring scheme is explained in Table VI.1 below.

**Table VI.1 Scoring the RPSP contribution**

RESULTS	RPSP CONTRIBUTION	SCORE
In place	Major	3
In place	Partial	2
Progress made	Major	2
Limited progress	Partial	1
In place/ progress made/ no progress	No contribution	0

Scoring is on a scale of 0 to 3. If limited progress was made in any given results area and the RPSP contribution to this has been found to be partial, a score of one was attributed. This approach provides a snapshot perspective of the effectiveness of the RPSP when considered through the nine case study countries. Beyond this, and throughout this chapter, the reasons for which the programme has or has not been effective are discussed, speaking to the learning orientation of the evaluation.

In Table VI.2 below, for each of the hypotheses,

a review of the score for each of the case study countries and the overall total is provided, where the maximum score is 27. The higher the overall score, the stronger the causal relationship with RPSP support, and the higher the effectiveness of the RPSP in the area in the case study countries. Given the heterogeneity of case study countries and of countries more broadly, the case study analysis is indicative rather than conclusive of RPSP effectiveness as related to the identified major learning needs of the GCF.

<sup>29</sup> In this report, effectiveness is discussed in terms of 'not effective' or 'ineffective', 'moderately effective' and 'highly effective' or 'very effective'.



**Table VI.2 Effectiveness of RPSP at a glance**

MAJOR LEARNING NEEDS CAUSAL RELATIONSHIPS		SENEGAL	KENYA	NAMIBIA	VANUATU	HAITI	ANTIGUA AND BARBUDA	PARAGUAY	BANGLADESH	MONGOLIA	TOTAL
N1	Extent to which readiness grants have enabled NDA/FPs to lead effective intra-governmental coordination mechanisms, including the establishment of the no-objection procedure.	2	0	1	2	2	3	1	2	2	15
N2	Extent to which readiness grants have enabled NDA/FPs to effectively engage stakeholders in consultative processes, including the preparation of coherent country programmes.	2	1	1	2	2	2	1	2	2	15
N3	Extent to which readiness technical assistance has enabled nominated candidates to achieve accreditation as DAEs.	2	1	0	0	2	2	1	1	0	9
N4	Extent to which information and experience-sharing events and processes have contributed to the ability of countries and DAEs to engage effectively with the GCF.	2	2	2	2	3	2	2	2	2	19
N5	Extent to which readiness grants have enabled countries to develop NAPs that build on existing country strategies and plans.	0	2	0	0	2	1	0	2	1	8
N6	Extent to which readiness grants have enabled NDA/FPs and AEs to develop concept notes and/or project proposals to access climate finance that address high-impact priorities identified in country programmes.	0	1	2	2	1	3	0	2	2	13
N7	Extent to which private sector engagement in country consultative processes has helped improve the enabling environment for crowding-in private-sector investments.	1	1	1	1	2	1	1	2	2	12

Notes: See case study reports in the appendices for further explanation.

## Preliminary insights from case studies

In case study countries, the effectiveness of the Readiness Programme in the case study countries varied across its activities, results, and outcome areas. The Readiness Programme was most effective in organizing information-sharing events that have been enabling engagement with the GCF (N4). The programme has had least success thus far in effectively supporting accreditation (N3), followed by NAP development (N5), where few results have yet been achieved (but look promising). Programme effectiveness in the areas of NDA/FP strengthening (N1), pipeline development (N6) and private sector engagement (N7) is uneven across countries. Building on this introductory overview, the remainder of this chapter discusses effectiveness through a triangulation of multiple sources of data (e.g. document review, interviews, survey responses) and provides selective learning-oriented insights on the causes of differing results.

### A. ESTABLISHING AND STRENGTHENING NDA/FPs

N1	Extent to which readiness grants have enabled NDA/FPs to lead effective intra-governmental coordination mechanisms, including the establishment of the no-objection procedure.
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The RPSP is meant to contribute to establishing, strengthening and empowering NDA/FPs. There are two principal ways in which this has been done. The first has been in the establishment of a NOP, while the second has been in supporting the establishment of a national coordination committee (i.e. a national multi-actor body responsible for coordinating all GCF and potentially other climate change-related strategies and activities).

A review of the RPSP portfolio reveals that the **RPSP has been sought by all country types** and from all regions, for the purposes of establishing and/or strengthening their NDA/FP. By now, a majority of countries have asked for at least for a first tranche of USD 300,000 for NDA/FP strengthening. Most countries do not request this support every year, and do not use up the full amount in a year, but rather spend on average about USD 500,000 over three years.

Up to 70 per cent of approved RPSP projects across the portfolio contained an NDA/FP strengthening component (up to 74 per cent for LDCs). A higher number of RPSP-supported projects have been approved for the purposes of establishing a national coordination mechanism than for establishing a NOP (see Table VI.3 and Table VI.4 below<sup>30</sup>). Countries are particularly keen on ensuring that official, national stakeholders are working together in a coordinated fashion.

<sup>30</sup> According to the 1 June 2018 RPSP: progress report, “a total of 112 proposals support the establishment of such a procedure...”, referring to the NOP. Available at <[https://www.greenclimate.fund/documents/20182/1087995/GCF\\_B.20\\_Inf.02\\_-\\_Readiness\\_and\\_Preparatory\\_Support\\_Programme\\_\\_progress\\_report.pdf/a19aa9f4-2c83-a0d0-bb6e-d5cc4b53e01e](https://www.greenclimate.fund/documents/20182/1087995/GCF_B.20_Inf.02_-_Readiness_and_Preparatory_Support_Programme__progress_report.pdf/a19aa9f4-2c83-a0d0-bb6e-d5cc4b53e01e)>.

**Table VI.3** *Approved RPSP related to establishment of NOP, by country type*

COUNTRY CLASSIFICATION	GRANTS WITH EXPECTED RESULTS REGARDING THE ESTABLISHMENT AND IMPLEMENTATION OF A NO-OBJECTION PROCEDURE		
	TOTAL # OF GRANTS	# OF GRANTS WITH EXPECTED RESULT (COUNT)	PROPORTION OF GRANTS WITH EXPECTED RESULT (%)
Africa	60	29	48.3
LDC	53	22	41.5
SIDS	41	20	48.8
LDC, SIDS, Africa	108	52	48.2
Other	57	31	54.4
All	165	83	50.3

*Notes:* The number of approved grants is current up to 15 May 2018. Disbursement is current up 13 July 2018. Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

*Source:* IEU database.

**Table VI.4** *Approved RPSP related to development of an effective coordination mechanism, by country type*

COUNTRY CLASSIFICATION	GRANTS WITH EXPECTED RESULTS REGARDING THE NDA/FP LEAD EFFECTIVE COORDINATION MECHANISM		
	TOTAL # OF GRANTS	# OF GRANTS WITH EXPECTED RESULT (COUNT)	PROPORTION OF GRANTS WITH EXPECTED RESULT (%)
Africa	60	43	71.7
LDC	53	39	73.6
SIDS	41	29	70.7
LDC, SIDS, Africa	108	76	70.4
Other	57	40	70.2
All	165	116	70.3

*Notes:* The number of approved grants is current up to 15 May 2018. Disbursement is current up 13 July 2018. Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

*Source:* IEU database.

The RPSP is perceived by key stakeholders as having been moderately effective in contributing to the establishment and/or strengthening of NDA/FPs overall, though with room for further performance improvements. According to NDA/FP survey respondents, the RPSP was moderately effective in supporting

the establishment of their NOPs, with 50 per cent indicating agreement or strong agreement that this had been the case (see Table VI.5). Also, the RPSP was key in the establishment of a coordination mechanism among government institutions for 47.5 per cent of respondents; in other words, moderately effective.

**Table VI.5 NDA/FPs survey responses on NDA strengthening, by country type, 2018**

COUNTRY CLASSIFICATION	RESPONSE RATE WHEN ASKED TO RATE IF THE RPSP HAS SUPPORTED THE ESTABLISHMENT OF THEIR NO-OBJECTION PROCEDURE (%)						
	NUMBER OF RESPONSES	STRONGLY DISAGREE	DISAGREE RESPONSE RATE	NEITHER AGREE NOR DISAGREE	AGREE	STRONGLY AGREE	NOT APPLICABLE
Africa	15	0	0	26.7	33.3	6.7	33.3
LDC	12	0	0	16.7	33.3	8.3	41.7
SIDS	7	0	14.3	14.3	28.6	14.3	28.6
LDC, SIDS, Africa	23	0	4.4	21.7	30.4	8.7	34.8
Other	17	0	5.9	0	29.4	35.3	29.4
All	40	0	5	12.5	30	20	32.5

Notes: Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

Source: Survey data for NDA/FP respondents.

In line with this, in case study countries, the RPSP had made or was making moderate contributions to NDA/FP strengthening. In eight of the case study countries (all except Kenya), the RPSP had contributed or planned to contribute to NDA/FP strengthening through the establishment or strengthening of NOPs and the establishment of national coordination mechanisms, though with varying degrees of progress. In three case study countries, RPSP support was used for technical assistance to draft or formalize national procedures: a draft decree in Senegal, Procedural Guide (Guide de procédures) in Haiti, and SOPs to review proposals in Vanuatu. A variety of national coordination mechanisms was constituted with RPSP support (e.g. Comité de Pilotage in Senegal, Advisory Committee in Bangladesh, Inter-Institutional Committee in Paraguay, and Technical Working Group in Haiti).

**The level of effectiveness of RPSP for NDA/FP strengthening is quite heterogenous.** The survey data suggests that the highest number of respondents from "Other" (and therefore non-LDC/SIDS/Africa

countries) agreed or strongly agreed that the RPSP supported the establishment of the NOP (65 per cent). However, the proportion is significantly lower for LDC/SIDS/African countries (39 per cent). The same pattern of responses was repeated when asked about the RPSP leading to the establishment of national coordination mechanisms: the RPSP is perceived as contributing the most in countries other than in LDC/SIDS/Africa, the priority countries of the RPSP.

**The variable effectiveness of the RPSP in NDA/FP strengthening is related to a few inextricable factors.** As pointed out earlier, in a number of countries the effectiveness of the RPSP built upon the *prior* support of other partners. For instance, in Senegal, Namibia and Mongolia, readiness support from other development partners was used for the establishing the NDA/FP. The GIZ supported the establishment of the NDA/FP in Bangladesh and the development of a NOP in Vanuatu. In such cases, RPSP support was used to strengthen the NDA/FP and its contribution

was not unique but was used in combination with other ongoing efforts.

The case studies indicate that the **scarcity of qualified human resources** has continued to be a main challenge facing several countries. The NDA/FPs in SIDS visited for this study, with Antigua and Barbuda being an exception, continue to operate with low capacities, as RPSP support cannot be used for recruiting and paying salaries of staff members (though it can pay for full-time consultants for up to 36 months). Elsewhere, in Senegal and Paraguay, it has proven challenging to recruit qualified consultants to provide support to RPSP activities. In Namibia and Paraguay, the support has only recently commenced, and the results remain to be seen.

The most significant challenges posed to the effectiveness of the RPSP are **the requirements of the programme itself, given that it is demanding** in terms of time, energy, coordination, communication and needs for office equipment, internet connections and other logistical support. Stakeholders in LAC, Africa and among LDCs worldwide concur on this matter. While support has been provided to countries by RAs, Country Dialogue Specialists, international consultants and others, some countries require yet more support to access the programme properly.

In summary, RPSP support for NDA/FP establishment and strengthening is a central feature of the RPSP. It has been accessed by all country types and from different regions and is in most cases established or underway. Progress has been made or is underway on the development of NOPs and country coordination committees in eight case study countries. Capacity related challenges remain in several SIDS and LDCs in accessing the RPSP itself.

## B. STRATEGIC FRAMEWORKS, INCLUDING THE PREPARATION OF COUNTRY PROGRAMMES

This section is divided into three distinct though complementary parts. The first will speak to the effectiveness of country programme development, including the capacity for undertaking stakeholder engagement; the second to the contribution of the RPSP to pipeline development; and the third will focus more specifically on the private sector and the extent to which the private sector has been engaged, with insights on the effectiveness factors of such engagement.

### Country programmes

N2	Extent to which readiness grants have enabled NDA/FPs to effectively engage stakeholders in consultative processes, including the preparation of coherent country programmes.
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Board decision B.17/21 adopted guidelines for enhanced country ownership and country commitment, as stated in paragraph 5:

The process of developing a country programme should take into account the country's (I) NDC, national communications, as well as NAMAs, NAPAs, NAPs and/or other adaptation planning processes where applicable, as well as regional, national, sub-national and local climate policy frameworks, ensuring GCF climate finance is consistent with national priorities.

The decision continues in paragraph 6 as follows:

Country programmes should capture the diversity of activities and processes taking place at national level, and how they support each other, by linking individual funding proposals to national sustainable development plans, INDCs/NDCs and other existing national strategies and plans (including NAMAs, NAPAs, NAPs), and

other adaptation planning processes, as appropriate.

The RPSP is intended to support NDA/FPs in the development of strategic frameworks, which has become closely aligned with the elaboration of country programmes. With RPSP support, NDA/FPs have been encouraged to hold consultations with diverse national stakeholders (as well as with the GCF Secretariat, RAs and DPs), whose active engagement is considered key to making any country programme a strategic and living document. This also goes hand in hand with strengthening NDA/FPs through the process of building relationships with this diversity of stakeholders.

**The RPSP has been sought by all countries of all types for country programme development.** Based on the IEU database, 93 of 165 approved readiness proposals included the development of country programmes, and 127 contained stakeholder engagement in consultative processes as an expected outcome<sup>31</sup>. In particular, stakeholder engagement is planned or underway in countries of all types to a high level, nowhere more so than in SIDS. Overall, a review of the portfolio of submitted and approved requests through the IEU database points to a relevant programme with respect to the support sought for stakeholder engagement, but less so for country programme development (see Table VI.6).

**Table VI.6** *Approved RPSP related to country programme development, by country type*

COUNTRY CLASSIFICATION	GRANTS WITH EXPECTED RESULTS: COUNTRY PROGRAMMES, CONCEPT NOTES (INCLUDING ADAPTATION) THAT IMPLEMENT HIGH-IMPACT PRIORITIES IDENTIFIED IN INDCS AND OTHER NATIONAL STRATEGIES OR PLANS		
	TOTAL # OF GRANTS	NUMBER OF GRANTS WITH EXPECTED RESULT (COUNT)	PROPORTION OF GRANTS WITH EXPECTED RESULT (%)
Africa	60	32	53.3
LDC	53	23	43.4
SIDS	41	20	48.8
LDC, SIDS, Africa	108	55	50.9
Other	57	38	66.7
All	165	93	56.4

*Notes:* The number of approved grants is current up to 15 May 2018. Disbursement is current up to 13 July 2018.

Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

*Source:* IEU database.

The NDA/FP survey data overall point to a programme that has demonstrated results for about half of the respondents (Table VI.7). Indeed, 52.5 per cent of respondents agreed or strongly agreed that the RPSP had been very valuable in the preparation of their country

programme. Some 57.5 per cent of respondents indicated that the value of the RPSP was to enable consultations with stakeholders (Table VI.8). It can therefore be said to be a moderately effective programme overall.

<sup>31</sup> Available at [https://www.greenclimate.fund/documents/20182/1087995/GCF\\_B.20\\_Inf.02\\_-](https://www.greenclimate.fund/documents/20182/1087995/GCF_B.20_Inf.02_-)

[\\_Readiness\\_and\\_Preparatory\\_Support\\_Programme\\_prog  
ress\\_report.pdf/a19aa9f4-2c83-a0d0-bb6e-  
d5cc4b53e01e>](https://www.greenclimate.fund/documents/20182/1087995/GCF_B.20_Inf.02_-).



**Table VI.7** *NDA/FPs survey responses related to country programme development, by country type*

COUNTRY CLASSIFICATION	RESPONSE RATE WHEN ASKED IF: THE RPSP HAS BEEN INSTRUMENTAL IN THE PREPARATION OF THEIR COUNTRY PROGRAMME (%)						
	NUMBER OF RESPONSES (COUNT)	STRONGLY DISAGREE	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE	STRONGLY AGREE	NOT APPLICABLE
Africa	15	0	6.7	13.3	0	46.7	33.3
LDC	12	0	8.3	0	0	50	41.7
SIDS	7	0	14.3	14.3	28.6	14.3	28.6
LDC, SIDS, Africa	23	0	8.7	13.0	8.7	34.8	34.8
Other	17	0	0	5.9	29.4	35.3	29.4
All	40	0	5	10	17.5	35	32.5

Notes: Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

Source: Survey data for NDA/FP respondents.

**Table VI.8** *NDA/FPs survey responses related to stakeholder consultations, by country type*

COUNTRY CLASSIFICATION	RESPONSE RATE WHEN ASKED IF: THE RPSP ENABLED CONSULTATIONS TO BE UNDERTAKEN WITH STAKEHOLDERS (%)						
	NUMBER OF RESPONSES (COUNT)	STRONGLY DISAGREE	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE	STRONGLY AGREE	NOT APPLICABLE
Africa	15	0	0	20	0	46.7	33.3
LDC	12	0	0	16.7	0	50	33.3
SIDS	7	0	14.3	14.3	28.6	28.6	14.3
LDC, SIDS, Africa	23	0	4.4	17.4	8.7	39.1	30.4
Other	17	0	0	0	52.9	17.7	29.4
All	40	0	2.5	10	27.5	30	30

Notes: Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

Source: Survey data for NDA/FP respondents.

The survey results are very much in line with hard facts about country programme development. As of 9 August 2018, the GCF had received eight country programmes (representative of all regions), in Antigua and Barbuda, Bangladesh, FSM, Pakistan, Rwanda,

Thailand, Togo and Zambia. Close to eighty other country programmes were being prepared with RPSP support and were in various stages of drafting and review at the time of writing.

In case study countries, the effectiveness of the RPSP support in the development of country programmes was moderate<sup>32</sup>. All nine case study countries have used, or are planning to use, RPSP support to develop or strengthen a country programme, though the contribution of the RPSP varies in this respect.

- In Antigua and Barbuda, the country programme was completed during the evaluation period, with confirmed RPSP support;
- In Bangladesh, the RPSP was a significant contributor to the country programme process, building on extensive consultations for climate planning already being undertaken for national strategy development;
- In Senegal, a draft version of the country programme has been prepared with RPSP support and is near completion;
- In Vanuatu, RPSP support has been contributing to the development of the country programme, with a draft version now in place;
- A country programme “brief” has been prepared in Haiti, and full country programme development is underway;
- In Mongolia, some 10–20 new concept notes are being developed as part of the country programme development process, with RPSP support;
- The country programme development process is just getting off the ground in Paraguay, also with RPSP support; and
- In both Namibia and Kenya, the early stages of country programme development are underway, though in both cases having commenced without RPSP support. Namibia has, however, developed and delivered a “country

strategy to the GCF”, and an RPSP grant helped identify a project pipeline. In Kenya, country programme development support has recently been sought from the RPSP.

In order to develop country programmes, countries were using RPSP support to undertake consultations with a variety of stakeholders. Stakeholders consulted with RPSP support included government, the private sector and CSOs. Senegal, Mongolia, Haiti, and Antigua and Barbuda had each organized multiple workshops across these diverse sectors (though less so with CSOs). In Vanuatu, RPSP support was used to conduct an online survey to ascertain stakeholder priorities as related to the country programme, and other workshops were underway.

Each of the sectors were diversely represented and engaged in most of the countries, which may change as the GCF continues to develop guidance on stakeholder consultations in line with its ESS Policy and its Indigenous Peoples Policy. In the case of Bangladesh, for example, numerous private sector consultations have been planned; in Mongolia, this is also foreseen when the final draft country programme will be presented to a stakeholder convention. It is widely held that CSOs have not equally and in some cases not adequately been included in country programme development. Nonetheless, all stakeholders generally believed that consultations and workshops undertaken by NDA/FPs were appropriate in their regularity and timeliness.

The RPSP has been more effective in supporting consultations with stakeholders than in the preparation of country programmes, which is understandable, given the relatively recent status of the RPSP. This is also because in many countries, country programmes are under various stages of being drafted, reviewed

<sup>32</sup> This cannot be concluded for the entire portfolio, mainly because as noted earlier, case study selection was purposive and cases were specifically chosen where the

evaluation team could get good insights into RPSP processes.

and approved, and relatively limited results are yet in place.

As a group, LDCs/SIDS/African countries are benefitting from RPSP support comparatively less than other countries. In contrast, an NDA/FP from one LAC country described the effectiveness of the programme for their country as follows: “This programme helped country authorities to involve stakeholders, make them define roadmaps in order to recognize climate change as a global challenge, and work together for the mitigation and adaptation in a context of sustainable development.” This represents RPSP support at its best, but this is not the case for RPSP priority countries.

It is also noteworthy that a majority of the case study countries had had Funded Projects approved or submitted prior to the approval of the country programme. Therefore, the process of country programme development and pipeline development is not necessarily linear,

at least at the beginning of a country's engagement with the GCF.

### Pipeline development

N6 Extent to which readiness grants have enabled NDA/FPs and AEs to develop concept notes and/or project proposals to access climate finance, that address high-impact priorities identified in country programmes.

As a component of country programme development, the RPSP is meant to contribute to pipeline development involving NDA/FPs and partners (mainly DAEs). These are meant to be situated strategically within priorities established by countries and developed through multi-stakeholder processes. Drawing on data from the IEU database, one is able to recognize that the **RPSP is used moderately as a resource for pipeline development**, compared to the programme's other activity areas and objectives (see Table VI.9). Among country types, SIDS and LDCs are soliciting RPSP support for pipeline development the least.

**Table VI.9** *Approved RPSP related to project preparation, by country type*

COUNTRY CLASSIFICATION	GRANTS WITH EXPECTED RESULTS REGARDING PROJECT PREPARATION SUPPORT, INCLUDING FOR ADAPTATION PROJECTS/PROJECT PROGRAMMES		
	TOTAL # OF GRANTS	# OF GRANTS WITH EXPECTED RESULT (COUNT)	PROPORTION OF GRANTS WITH EXPECTED RESULT (%)
Africa	60	27	45.0
LDC	53	17	32.1
SIDS	41	14	34.2
LDC, SIDS, Africa	108	42	38.9
Other	57	28	49.1
All	165	70	42.4

*Notes:* The number of approved grants is current up to 15 May 2018. Disbursement is current up to 13 July 2018.

Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

*Source:* IEU database.

On the effectiveness of the RPSP with respect to the pipeline development of DAEs, a relatively low 40 per cent of NDA/FP respondents agreed or strongly agreed that RPSP support had been useful. When asked more specifically if RPSP support had enabled DAEs to develop concept notes and/or project proposals to access climate finance, a lower 32.5 per cent of respondents agreed or strongly agreed. Equally, 32.5 per cent of respondents indicated that RPSP support had enabled NDA/FPs to guide and/or support the development of DAE concept notes for Funded Projects (see Table VI.10).

**There are also significant disparities in evidence by country type in terms of pipeline development.** For SIDS, the survey results indicate that respondents have little experience with the RPSP for pipeline development. The RPSP is perceived as slightly more effective for pipeline development in LDCs, and yet again more so in Africa. Overall, countries other than LDC/SIDS/Africa are distinctly more empowered by the RPSP to drive pipeline development.

**Table VI.10 NDA/FPs survey responses related to pipeline development, by country type**

COUNTRY CLASSIFICATION	RESPONSE RATE WHEN ASKED IF RPSP SUPPORT HAS ENABLED DAE(S) TO DEVELOP CONCEPT NOTES AND/OR PROJECT PROPOSALS TO ACCESS CLIMATE FINANCE (%)						
	NUMBER OF RESPONSES (COUNT)	STRONGLY DISAGREE	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE	STRONGLY AGREE	NOT APPLICABLE
Africa	15	0	0	20	26.7	6.7	46.7
LDC	12	0	0	16.7	16.7	8.3	58.3
SIDS	7	0	0	42.9	0	14.3	42.9
LDC, SIDS, Africa	23	0	0	26.1	17.4	8.7	47.8
Other	17	0	0	11.6	41.2	5.9	41.2
All	40	0	0	20	27.5	7.5	45

*Notes:* Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

*Source:* Survey data for NDA/FP respondents.

In examining the case study countries more specifically, RPSP effectiveness has been uneven in this area. The RPSP has been accessed by two countries directly, leading to the development of specific proposals (Mongolia and Vanuatu, two and one project respectively). Mongolia also used country programme development for concept note drafting, and two others have used the RPSP to inform concept note development (Namibia, and Antigua and Barbuda, both with DAEs).

Indeed, a number of draft concept notes had been informed by RPSP grants in these four countries, through the hiring of consultants and undertaking of background studies.

On the other hand, Senegal and Paraguay have not used this support at all, corresponding with the IEU database indication that SIDS and LDCs have been limited in accessing RPSP support for pipeline development. Also, of notable interest, in at least five case study

countries, proposals for Funded Projects had been developed without necessitating the country programme, while aligning with previous/other strategic documents. Some project ideas were identified through other RPSP-supported processes and activities (e.g. through country programme development), pointing to the complementarity of different RPSP supported activities.

### Private sector engagement

N7 Extent to which private sector engagement in country consultative processes has helped improve the enabling environment for crowding-in private-sector investments.

**The GCF has prioritized private sector engagement in its activities.** This interest has manifested in a number of ways of relevance to the RPSP. To begin with, NDA/FPs have been encouraged to include private sector actors in diverse consultations related to country programme planning. The GCF has been encouraging private sector actors to become accredited, and some have done so, while others are DPs. Finally, the GCF has been working to create conditions that encourage private sector actors to crowd in significant investments in responding to the challenges of climate change. The PSF of the GCF has been mandated to develop innovative and adaptive

engagement with the private sector. A comprehensive analysis of GCF engagement with the private sector is beyond the scope of this evaluation. Therefore, this section will specifically focus on the contribution of the RPSP to private sector engagement and investment.

There is widespread belief that the GCF, and the RPSP more specifically, have done little to advance engagement with the private sector, and that the private sector is not significantly integrated into the engagement, planning and implementation processes of the RPSP. To verify this hypothesis, a review of proposals that include a private sector dimension reveals a somewhat mixed picture. Of the 165 RPSP grants, 41 per cent had expected outcomes related to private sector mobilization; nearly 60 per cent had expected results regarding private sector mobilization; while only 30 per cent had expected results related to crowding-in private sector investment (see Table VI.11). This points to the evaluation finding that there are significant efforts being made in relation to engaging with the private sector. Yet, as shall be made clear below, the results and effectiveness of RPSP support are limited, owing in part to the broader challenge of GCF engagement with the private sector.

**Table VI.11** *Approved RPSP related to crowding-in private sector investment, by country type*

COUNTRY CLASSIFICATION	GRANTS WITH EXPECTED RESULT REGARDING ENABLING ENVIRONMENT FOR CROWDING-IN PRIVATE-SECTOR INVESTMENT AT NATIONAL, REGIONAL AND INTERNATIONAL LEVELS		
	TOTAL # OF GRANTS	# OF GRANTS WITH EXPECTED RESULT (COUNT)	PROPORTION OF GRANTS WITH EXPECTED RESULT (%)
Africa	60	13	21.7
LDC	53	10	18.9
SIDS	41	12	29.3
LDC, SIDS, Africa	108	28	25.9
Other	57	21	36.8
All	165	49	29.7

Notes: The number of approved grants is current up to 15 May 2018. Disbursement is current up to 13 July 2018.

Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

Source: IEU database.

The survey data indicate that low to moderate progress has been made on private sector engagement. Nearly 53 per cent of NDA/FP respondents indicated that the RPSP had supported their engagement with the private sector. Following from this, 45 per cent of respondents agreed or strongly agreed that RPSP support had facilitated the participation of private sector stakeholders in their planning and programming processes. However, only 30 per cent of the respondents indicated agreement

that RPSP support had enabled the development of a suitable policy environment for crowding-in private sector investment; this is skewed positively towards respondents from countries other than LDC/SIDS/Africa (see Table VI.12). Overall, this data points to the fact that RPSP support moderately encourages, enables and/or facilitates private sector engagement in NDA/FP-led activities, but has significantly less impact on the policy environment in which this takes place.

**Table VI.12** *NDA/FPs survey responses related to crowding-in private sector investment, by country type*

COUNTRY CLASSIFICATION	RESPONSE RATE WHEN ASKED IF RPSP SUPPORT HAS ENABLED THE DEVELOPMENT OF A SUITABLE POLICY ENVIRONMENT FOR CROWDING-IN PRIVATE SECTOR INVESTMENT (%)						
	NUMBER OF RESPONSES (COUNT)	STRONGLY DISAGREE	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE	STRONGLY AGREE	NOT APPLICABLE
Africa	15	0	13.3	26.7	13.3	0	46.7
LDC	12	0	16.7	16.7	8.3	0	58.3
SIDS	7	0	0	42.9	14.3	0	42.9
LDC, SIDS, Africa	23	0	8.7	30.4	13.0	0	47.8
Other	17	0	0	11.8	47.1	5.9	35.3
All	40	0	5	22.5	27.5	2.5	42.5

Notes: Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.



Source: Survey data for NDA/FP respondents.

Among case study countries, RPSP support has led to activities directed at the private sector, but results are limited, and the effectiveness of the RPSP is only moderate. Corresponding with the survey data, in nearly all countries visited, there have been some GCF activities to engage with the private sector, some of this as part of RPSP support for different, non-private sector specific activities<sup>33</sup>.

**For the time being, concrete results from these RPSP proposals and activities on mobilizing the private sector are sparse.**

There are sporadic achievements like the RPSP grant to support the establishment of the National Green Energy Fund in Vanuatu, to the development of a mobilization strategy in Namibia, or the identification of private sector entities for accreditation in Antigua and Barbuda. Other advancements on private sector engagement cannot be attributed to RPSP, and these include accreditation of private sector DAEs in Mongolia and Bangladesh, and a Funded Project to establish the Mongolian Green Finance Corporation. Nonetheless, what may be retained for the future, as a lesson from the experience of the Mongolian Green Finance Corporation, is the importance of financial intermediaries, like XacBank, who reach out to private companies offering specific credit lines.

With respect to stakeholder-type categories, those that have benefitted the most from RPSP support in their efforts to engage with the private sector are non-LDC/SIDS/African states. Consequently, while 53 per cent of

respondents from this category agreed that RPSP support had enabled the development of a suitable policy environment for crowding-in private sector investment, the response from all other categories was between 8-14 per cent. A few insights from stakeholders on this matter include:

- RA: “The RPSP has worked well where the NDA is anchored at the ministry of finance because of their ability to convene both the public sector and private sector;”
- NDA/FP (LAC): “It helped us to build the capacities related to climate change inside the Ministry of Finance. Before that, it was the Ministry of Environment who was leading all the topics related with climate change. Nowadays, we are aware of the crucial role of the Ministry of Finance in climate finance and how to scale up the private investment in reducing CO2. So, for us, [it helped us] build the capacities, develop a project portfolio, engage with the stakeholders, among others;”
- NDA/FP (SIDS): “The work carried out with the support of the RPSP has been relevant to raise awareness among civil society, governments and some representatives of the private sector of the GCF operations, investment priorities and the country’s opportunities to access the funds;” and

<sup>33</sup> For instance, there have been some private sector consultations for RPSP-supported country programme activities in Bangladesh, Mongolia, Senegal and Haiti, and planned in Paraguay. This aligns with the document review, which identifies the following activities (some supported by the RPSP and others not), among others: (i) A workshop to bring NDA/FPs and the private sector together from Papua New Guinea, Vanuatu, Solomon Islands, and Fiji; (ii) RPSP support for private sector engagement in Pakistan, Mongolia, Oman, State of

Palestine, and Thailand; (iii) Strengthening engagement with the country’s private sector and micro, small and medium-sized enterprises (MSME) in Morocco; (iv) Assessment of innovative financial mechanisms in partnership with private sector actors in Mauritius; (v) Engagement of the private sector in the country programme process in Guyana; and (vi) Targeted engagements in Georgia, FYR Macedonia, Moldova, and the Kyrgyz Republic.

- NDA/FP (Asia-Pacific): “The private sector has been timidly involved in the consultation processes. It is necessary to present concrete opportunities for the private sector.”

For the most part, the RPSP has been quite ineffective as of yet, at creating a suitable policy environment for crowding-in private sector investment, though some progress is evident in non-African middle-income countries, and in some parts of Africa. In other words, ad hoc progress is underway with RPSP support, but there is relatively little progress in terms of structurally transforming the global system to encourage climate-sensitive private sector investment. Support from the RPSP has been used by countries to undertake activities, but structural challenges remain on GCF engagement with the private sector. The GCF has already recognized the challenges facing SIDS countries, as recently stated: “There is scope for targeted readiness support for engaging their national private markets. SIDS, in particular, present a dispersed and small-scale private sector and face several challenges in engaging their national private sector.”<sup>34,35</sup>

### C. SUPPORT FOR ACCREDITATION AND ACCREDITED DAES

N3	Extent to which readiness technical assistance has enabled nominated candidates to achieve accreditation as DAEs.
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<sup>34</sup> See GCF/B.19/18. This passage goes on to say: “A series of options have been explored, such as: (i) using business councils as an entry point for private sector engagement, (ii) leveraging regional opportunities to unlock potential economies of scale and deploying guarantee facilities for power purchasing agreements (PPAs) and risk-sharing facilities with local commercial banks as possible interventions for GCF in relation to the private sector, (iii) integrating regulation so as to attract regional transactions, given that private capital leans towards the same size of investment funds under a single regulation. The Caribbean Structured Dialogues have paved the way for the development of an approved regional readiness proposal on mobilizing private sector;...”

The relationship between the RPSP and accreditation is a multifaceted one, and is discussed in this report in two sections. The first, in here, examines the effectiveness of the RPSP in contributing to accreditation-related processes. The second, in a later chapter, examines the efficiency of this contribution and related processes. Readers should take both into consideration.

One of the objectives of the RPSP is to assist interested and nominated DAEs in the accreditation process, and accredited DAEs in upgrading to higher risks and funding volumes. Originally, the RPSP was designed to provide resources to support pre-accreditation processes only, undertaken by service providers, the principal (but not the only) one being PwC. As of July 2017, the RPSP has also provided support for upgrading the status of currently accredited entities.

**The GCF has prioritized direct access, with limited results.** As of 31 December 2017, it was reported that 16 new entities had moved to review by the Accreditation Panel in Stage II (Step 1) with 10 of these being DAEs and six being IAEs. Four of these were private sector entities, of which two were direct access. Overall, as of February 2018, there were 59 AEs, with 32 (54 per cent) DAEs and 27 (46 per cent) IAEs; thus, only a fraction of eligible countries are working through direct access.

At the end of January 2018, 37 RPSP grants included elements of DAE support. In addition,

<sup>35</sup> As pointed out by the Vanuatu Business Resilience Committee-organized Private Sector Climate Finance Tradeshow in 2018 (partly with RPSP support), the challenges to engaging the private sector in SIDS include: (i) The private sector’s low technical skills on climate; climate finance illiteracy; low understanding of climate vulnerability issues; (ii) Much perceived red tape, bureaucracy, time delays from concept development to funding disbursement; (iii) Little AE consultation with the private sector in project development; (iv) Lack of capacity for proposal writing, and difficulty of private sector actors in using donor application forms; and (v) The current scale of climate finance does not match private sector requirements/ability to absorb/scalability.

26 nominated DAEs in 30 countries from across different regions received technical support through PwC to identify gaps in preparation for developing action plans for accreditation<sup>36</sup>. Moreover, seven proposals had been submitted by already accredited DAEs, aimed at improving their capacities as accredited entities.

Referring to the IEU database, of 165 approved RPSP projects, 69 had direct access indicated as an expected outcome. This is a notable

increase in half a year but still below aspirations, given the GCF has fundamentally prioritized direct access. Interestingly, of priority RPSP countries, SIDS stand out as seeking disproportionate RPSP support for these purposes (see Table VI.13).

Drawing on survey results, 60 per cent of respondents indicated that the **RPSP had been useful for identifying and/or nominating appropriate candidates for accreditation** (Table VI.14).

*Table VI.13 Approved RPSP related to realization of direct access, by country type*

COUNTRY CLASSIFICATION	GRANTS WITH EXPECTED OUTCOME REGARDING THE REALIZATION OF DIRECT ACCESS		
	TOTAL # OF GRANTS	# OF GRANTS WITH EXPECTED OUTCOME (COUNT)	PROPORTION OF GRANTS WITH EXPECTED OUTCOME (%)
Africa	60	16	26.7
LDC	53	14	26.4
SIDS	41	19	46.3
LDC, SIDS, Africa	108	37	34.3
Other	57	32	56.1
All	165	69	41.8

*Notes:* The number of approved grants is current up to 15 May 2018. Disbursement is current up to 13 July 2018.

Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

*Source:* IEU database.

About 41 per cent of respondents agreed or strongly agreed that the RPSP had been useful for enabling the accreditation of nominated candidates as DAEs. Some 57 per cent of responding SIDS NDA/FPs said the same. In other words, at the current time, the programme has provided valuable support to countries in identifying and nominating potential candidates for accreditation. It has been less effective in

moving them through basic or upgraded accreditation (with notable limitations in Africa), except in the case of SIDS (e.g. MCT in Micronesia has benefitted from RPSP support for accreditation). It is widely agreed among DAEs that the Empowering Direct Access Workshop held in May 2018 at GCF headquarters was an important event for strengthening DAEs.

<sup>36</sup> GCF/B.20/Inf.02.

**Table VI.14 NDA/FPs survey responses related to accreditation, by country type**

COUNTRY CLASSIFICATION	RESPONSE RATE WHEN ASKED IF READINESS IS USEFUL FOR ENABLING THE ACCREDITATION OF NOMINATED CANDIDATES (%)						
	NUMBER OF RESPONSES (COUNT)	STRONGLY DISAGREE	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE	STRONGLY AGREE	NOT APPLICABLE
Africa	15	0	6.7	20	13.3	13.3	46.7
LDC	12	0	8.3	8.3	8.3	25	50
SIDS	7	0	0	14.3	42.9	14.3	28.6
LDC, SIDS, Africa	23	0	4.4	17.4	21.7	13.0	43.5
Other	17	0	0	5.9	35.3	11.8	47.1
All	40	0	2.5	12.5	27.5	12.5	45

Notes: Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

Source: Survey data for NDA/FP respondents.

Among case study countries, accreditation remains the area where the RPSP was among the least effective relative to all areas in case study countries (referring back to Table VI.2). The identification of DAEs has been supported by the RPSP and/or other readiness programmes in four countries overall (planned or actualized RPSP or GIZ support for identification). However, only Antigua and Barbuda actually benefitted from RPSP support for accreditation, and only Senegal for upgrading, from among case study countries. Entities in both countries were already accredited for the AF, thus allowing for fast-track accreditation and increasing the effectiveness of RPSP support. Similarly, upgrading is being prepared with RPSP support in Mongolia.

Again, among case study countries, two entities have benefitted from PwC gap assessments with RPSP support, and another applied for it. However, these entities reported difficulties in overcoming the gaps identified, and one is not likely to seek accreditation in the short-term. In four case study countries, there were nominated DAEs who managed accreditation on their own. There are no DAEs in the economically

and institutionally weaker SIDS among case study countries, with Antigua and Barbuda being the stronger exception.

Currently, capacities in these countries still remain too low, for the most part, for entities to be accredited in the near future, despite keen interest among governments and entities. While Vanuatu remains interested, its agencies are exploring a consortium-based approach to accreditation and are yet to seek RPSP support. In all, leaving aside Antigua and Barbuda, there is a clear dichotomy: four countries with DAEs got accredited on their own; three countries do not have adequate capacity to apply for accreditation. In Senegal, one DAE has been accredited on its own and used RPSP for upgrading, while another used PwC and is now advanced in the process; technically, Senegal does not yet have a DAE accredited with RPSP support.

Therefore, in spite of the RPSP, the case study countries with the least capacities are still struggling to get DAEs accredited; thus, the effectiveness of this support has been limited for them. The effectiveness of the RPSP is limited in this area because the challenges with

and to accreditation are many. Should an entity decide to seek accreditation, challenges include: a slow and lengthy process; language; contradictory guidance from GCF; low management fees; and internal/country-related bureaucracies.

For some countries it was not possible to access RPSP support in spite of strong interest, because there are no DPs available (as in the case of Lebanon). Countries in conflict and post-conflict zones struggle to find DPs, despite the high interest of their NDA/FPs in the GCF. In countries like Antigua and Barbuda, Moldova and Armenia, NDA/FPs have implemented RPSP grants on their own, while in some others, NDA/FPs were not able to do so because of low capacities (e.g. in the Maldives, where language is a barrier).

Overall, the RPSP has provided valuable support to countries in the identification and nomination of potential candidates for accreditation. It has been less effective in moving them through basic or upgraded accreditation, with the exception of SIDS where the RPSP is considered significantly more effective in this respect than other priority country types. Overall, country contexts and types, as well as prior readiness support are key factors of effectiveness with respect to accreditation.

#### D. FORMULATION OF NAPs AND/OR OTHER ADAPTATION PLANNING PROCESSES

N5	Extent to which readiness grants have enabled countries to develop NAPs that build on existing country strategies and plans.
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Up to USD 3 million in financial resources have been made available through the RPSP for each eligible country to formulate an NAP

and/or pursue other adaptation planning processes. The provision of funding for NAPs and other adaptation planning processes is the most recent component of the RPSP as per decision B.13/09 in 2016, after the Board had considered doc GCF/B.13/05 titled 'Adaptation Planning Processes'.

The opening of the GCF RPSP funding window for NAPs came partially in response to stakeholder demand. As of 15 May 2018, 14 NAPs had been approved, and 12 were effective (i.e. completion of legal processing). Four more from Bhutan, Dominica, Mauritania and Swaziland had been endorsed by the Readiness Working Group (RWG). First disbursements had been received by only three countries at that point: Liberia, Nepal and Colombia.

Things changed quickly in mid-2018 in a short space of time. In the period February-June 2018, the GCF Secretariat approved six adaptation planning proposals<sup>37</sup>. As of 6 September 2018, 58 NAP proposals had been submitted, 32 were under active review, 7 were endorsed, 19 were approved, and 16 were effective. A first disbursement was also received by Pakistan. Moreover, 17 of 26 approved and endorsed proposals were for SIDS, LDC and/or African states, amounting to 65 per cent of such proposals.

In most cases, the total amount approved is close to USD 3 million, the maximum funding the GCF has allocated for NAPs and related processes. Most NAPs in the pipeline have budgets planned close to the maximal amount. The totals are significantly lower in only the Democratic Republic of Congo (DRC; USD 1.4 million) and Gabon (USD 969,000). Both DRC and Congo have put forward a phased approach to adaptation planning and are thus not using their full allocation intentionally. This comes with the option of applying later for additional funding up to the USD 3 million

<sup>37</sup> GCF/B.20/Inf.02. Available at [https://www.greenclimate.fund/documents/20182/1087995/GCF\\_B.20\\_Inf.02\\_-](https://www.greenclimate.fund/documents/20182/1087995/GCF_B.20_Inf.02_-)

\_Readiness\_and\_Preparatory\_Support\_Programme\_prog  
ress\_report.pdf/a19aa9f4-2c83-a0d0-bb6e-  
d5cc4b53e01e>.



ceiling. This reflects an important discussion underway at the GCF and with countries about the best way to allocate and phase support; it is believed that relatively smaller proposals (including those less than USD 1 million) enable learning and sequential complementarity in proposals, where each proposal builds on learning from previous ones.

The GCF is making significant efforts to provide information and learning opportunities to stakeholders about the NAP window. Since B.19, these have included: a session at the Global NAP Expo 2018, two sessions in collaboration with the Adaptation Committee of the UNFCCC, several technical sessions during GCF Structured Dialogues, as well as regional workshops and webinars.

Between B.19 and B.20, submission and resubmission rates were reportedly decreasing, on account of “the combined result of the increased rigour of GCF review; the creation of specific review criteria for NAP proposals; the involvement of a broader diversity of new delivery partners for this area of readiness; and, most importantly, an increasingly rigorous approach to quality and impacts by the NDAs and their delivery partners submitting the proposals”<sup>38</sup>. Subsequently, a very recent upward trend in NAP approvals has been notable, with two in 2016, two in 2017, 14 as of 15 May 2018, and then 19 by 27 August 2018.

Survey responses from NDA/FPs on the value of NAP support provide additional insights on

the effectiveness of NAP support. Only 32.5 per cent of survey respondents indicated that the RPSP had contributed to advancing their national adaptation planning, five per cent indicated that it had not, while 40 per cent indicated this was not applicable (i.e., they have not applied for or received NAP support). In breaking this survey data down by respondent type, results show that NAP funding is perceived by NDA/FPs as having advanced national adaptation planning the least among GCF priority countries, up to July 2018 (Table VI.15). There is **some evidence that in countries that access RPSP support for NAPs, it brings value**. For instance, NAPs are providing relatively significant support in African countries in helping them advance their adaptation planning processes<sup>39</sup>. It may very well be that the recent upswing in NAP approvals and endorsements to GCF priority countries will alter this perception.

Comparing across the seven learning needs examined in detail in this evaluation, the RPSP is perceived by stakeholders as having been relatively less impactful on national adaptation planning than on the others, based on perceived and reported outcomes to date (which are distinguished from programme outputs). This comes through in survey responses, interview data and case study analysis, but it should come as no surprise; the NAP window is fairly recent, and there has been several recent submission, approval and disbursement activity.

<sup>38</sup> GCF/B.20/Inf.02. Available at <[https://www.greenclimate.fund/documents/20182/1087995/GCF\\_B.20\\_Inf.02\\_-\\_Readiness\\_and\\_Preparatory\\_Support\\_Programme\\_progress\\_report.pdf/a19aa9f4-2c83-a0d0-bb6e-d5cc4b53e01e](https://www.greenclimate.fund/documents/20182/1087995/GCF_B.20_Inf.02_-_Readiness_and_Preparatory_Support_Programme_progress_report.pdf/a19aa9f4-2c83-a0d0-bb6e-d5cc4b53e01e)>.

<sup>39</sup> The following quote from one African NDA/FP provides a glimpse into one country marred by decades of conflict: “RPSP helps [our country] to support the NAP since the country struggled for a while to have such funding... It will help to collect data and use them as inputs during the development of our NAP.”



**Table VI.15 NDA/FPs survey responses related to adaptation planning, by country type**

COUNTRY CLASSIFICATION	RESPONSE RATE WHEN ASKED IF THE RPSP HAS ADVANCED NATIONAL ADAPTATION PLANNING (NAP) (%)						
	NUMBER OF RESPONSES (COUNT)	STRONGLY DISAGREE	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE	STRONGLY AGREE	NOT APPLICABLE
Africa	15	6.7	0	26.7	13.3	13.3	40
LDC	12	8.3	0	16.7	8.3	16.7	50
SIDS	7	0	14.3	28.6	14.3	0	42.9
LDC, SIDS, Africa	23	4.4	4.4	26.1	13.0	8.7	43.5
Other	17	0	0	17.7	29.4	17.7	35.3
All	40	2.5	2.5	22.5	20	12.5	40

Notes: Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

Source: Survey data for NDA/FP respondents.

Four of the nine case study countries have had a NAP proposal approved so far (Antigua and Barbuda, Bangladesh, Kenya, and Mongolia), and disbursements have been made in each (though only in the last few months for three of the four). A submission from Haiti has received feedback from the RWG and has recently been resubmitted. The other four countries have not submitted NAP proposals. Of note, Paraguay prepared a NAP in 2016 with GEF support, and is interested in updating it with RPSP support.

The DPs involved thus far in implementing NAPs (i.e. approved with first disbursements) remain principally UNEP (7), and UNDP (6), the FAO (1), the Fondo para la Accion Ambiental y Ninez (1), and the Department of Environment (Antigua and Barbuda, 1). The *Caisse des Dépôts et Consignations* (Gabon, 1) was just approved, but is not yet at the disbursement stage.

The remaining DPs are supporting the preparation of proposals, which have not yet been approved. These are UNEP (20), UNDP (26), FAO (2), Fondo para la Accion

Ambiental y Ninez (FONDO ACCION, 1), Department of Environment (Antigua and Barbuda, 2), *Caisse des Dépôts et Consignations* (Gabon, 1), Rainforest Alliance (1), Sahel Eco (1), *Corporación Andina de Fomento* (CAF, 1); Centre for Environmental Studies and Research, Sultan Qaboos University (Oman, 1), South Centre (1), Ministry of Social Security, National Solidarity, and Environment and Sustainable Development (Mauritius, 1), National Water Fund (1), and *Fundacion Avina* (1).

Interview data reveals some notable concerns about delays in RPSP NAP support. In terms of submissions, delays have been notable, explained mainly due to lack of or limited (i) coordination among NDA/FPs and DPs, (ii) weak NAP proposals requiring significant revisions, and (iii) an incremental GCF approach on NAP, requiring changes in proposals (noting that the updated guidebook specifically contains review criteria, good practices and indicative outcomes and outputs specific to NAPs). Among the case study

countries, at least two were facing challenges mobilizing support from the international DPs.

Given that RPSP support is not yet broadly accessed and it is too soon to have the resulting NAPs in place, this was one of the areas where the RPSP has grown increasingly effective in ensuring outputs; but it cannot definitively be assessed for effectiveness in outcomes. It should be stated that there is an interest in NAP preparation across all countries.

## E. INFORMATION-SHARING AND LEARNING

N4	Extent to which information-sharing and experience-sharing events and processes have contributed to the ability of countries and DAEs to engage effectively with the GCF.
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In this report, the matter of Structured Dialogues and information-sharing events and activities is addressed in two separate sections. The current section assesses the effectiveness of the RPSP in supporting NDA/FPs and DAEs for engaging effectively with the GCF. A later section examines the efficiency of such Structured Dialogues and information-sharing events.

The RPSP has supported Structured Dialogues, workshops and events. As of 10 August 2018, the RPSP had supported seven Structured Dialogues and a large and continuously rising number of workshops and events in all regions. Some 150-250 participants attended each of the Structured Dialogues. They have also overseen many regional initiatives by different stakeholder groups, as reported below<sup>40</sup>:

- In the Caribbean: a regional readiness proposal to mobilize and engage with the private sector was presented by Jamaica and approved in August 2017 following conversations initiated during the Structured Dialogue with the Caribbean held in June 2017;

- In the Pacific: dialogues and missions resulted in advancing multi-country projects in early warning systems and climate information; exploring opportunities for regional approaches to food security and transport; and strengthening collaborative efforts to identify and address barriers and opportunities for engaging the private sector in climate;
- In Asia: a green banking initiative mooted at the Asia Structured Dialogue is being developed by Bangladesh, Indonesia, Malaysia and the Philippines with support from the Secretariat's Private Sector Facility. South-south cooperation exchange visits have taken place because of the Asia Structured Dialogue: visits from Bangladesh and Nepal NDAs to India, and by a Pakistan NDA to Mongolia; and
- Across regions, exchanges between NDA/FPs are taking place with the aim of sharing best practices in early readiness implementation experiences (specifically for NOPs, country programming, engagement of the private sector and communications materials).

The survey responses indicated that the regional Structured Dialogues and other information-sharing events were perceived as a valuable means of enabling a clearer and greater engagement of NDA/FPs with the GCF (see appendix VIII). Nearly 53 per cent of respondents indicated that RPSP-supported regional information-sharing events/activities (e.g. Structured Dialogues) had improved their ability to engage with the GCF (with 2.5 per cent disagreeing, 7.5 per cent neither agreeing nor disagreeing, and 37.5 per cent indicating N/A). A lower 35 per cent of respondents indicated that RPSP-supported national information-sharing events/activities (e.g. workshops) had been valuable for their

<sup>40</sup> See document GCF/B.20/11.

engagement with relevant stakeholders (and a high 45 per cent had indicated N/A, suggesting they had not attended such events).

There appears to be a slight preference for in-person activities over RPSP-supported web-based events/activities (e.g. webinars). Finally, 42.5 per cent of respondents indicated that RPSP-supported peer-to-peer learning with other NDA/FPs had been valuable in informing the development of their climate-related work, with 15 per cent neither agreeing nor disagreeing and 40 per cent indicating N/A (see Table VI.16). This suggests an interest in

benefitting from more peer-to-peer learning events supported by the RPSP.

What is perhaps most important to note from these survey results is that among those who participate in such events, there is a high perception of them having been very effective in enabling their work, including engagement with the GCF. **However, a still too-high proportion of NDA/FPs appear not to have participated in any such events**, which suggests that the RPSP should be leveraged more for these purposes.

**Table VI.16** *NDA/FPs survey responses related to information-sharing and learning, by country type*

COUNTRY CLASSIFICATION	RESPONSE RATE WHEN ASKED IF RPSP-SUPPORTED PEER-TO-PEER LEARNING WITH OTHER NDAS HAS BEEN VALUABLE IN INFORMING THE DEVELOPMENT OF THEIR CLIMATE-RELATED WORK (%)						
	NUMBER OF RESPONSES (COUNT)	STRONGLY DISAGREE	DISAGREE	NEITHER AGREE NOR DISAGREE	AGREE	STRONGLY AGREE	NOT APPLICABLE
Africa	15	0	0	20	33.3	6.7	40
LDC	12	0	0	25	33.3	0	41.7
SIDS	7	0	14.3	28.6	14.3	0	42.9
LDC, SIDS, Africa	23	0	4.4	21.7	26.1	4.4	43.5
Other	17	0	0	5.9	35.3	23.5	35.3
All	40	0	2.5	15	30	12.5	40

*Notes:* Rows on 'Africa', 'LDC' and 'SIDS' have countries that are included in more than one category. The row on 'LDC, SIDS, Africa' does not. Countries can get more than one RPSP grant.

*Source:* Survey data for NDA/FP respondents.

Among the case study countries, this was an area where RPSP support was relatively not effective. In all countries, there had been participation in GCF events, including Structured Dialogues and DAE workshops. Bangladesh saw many regional and bilateral meetings, through the support of both the RPSP

and other development partners. In the cases of Mongolia and Haiti, the respective ministers participated in GCF events and bilateral dialogues. Such participation resulted in the mobilization of political will for climate action<sup>41</sup>.

<sup>41</sup> Very concretely, in the case of Haiti, a project concept note was developed subsequent to the country's delegation meeting with the FAO at a Structured Dialogue. In another case, Oman was finally successful in submitting an RPSP request based on discussions at a

Structured Dialogue. As stated by a Latin American case, the GCF Secretariat is very far away and communication has to be done virtually. Any opportunity for direct interaction is likely to yield better proposals, as made clear through this study.

Aside from the higher political momentum generated, by far the biggest and most cited benefit was learning from peers and the experience of other countries. It is often the case that NDA/FPs and DPs are able to explore the full extent of GCF and RPSP support at a GCF event. Attendance at key events helps individuals and groups to get to know the GCF and RPSP better and deepens engagement with the GCF. Besides developing a clarity about the GCF, the following were also cited as beneficial aspects that have materialized through the meetings (which are themselves supported by the RPSP): closed door meetings with the GCF Secretariat; developing relations with the Secretariat and peers; high-level political meetings; the instilling of interest and clarity among country leadership, etc.

Interestingly, the perceived value of these events is not uniform across country categories. A higher percentage of non-LDC/SIDS/African country respondents perceived the RPSP-supported regional information-sharing events and activities as having been valuable, compared to respondents from SIDS, LDC or African countries. This response is even more skewed in relation to national-level events. There is an overall need being articulated for more peer-to-peer learning events, and more peer-to-peer learning in events that are taking place and that are planned, overall, but particularly to benefit SIDS and LDC countries. There is also a demand for financial support for more and more diverse participants from countries (e.g. to have private sector and CSO representatives funded to participate as part of country delegations).

Given that engagement between the GCF and NDA/FPs and DAEs is multi-directional, it is important to gauge if the GCF itself has

benefitted from the events, and if so in what ways<sup>42</sup>. It still remains that not all potential beneficiaries are benefitting equally from the Structured Dialogues and information-sharing events. More work needs to be done to ensure this is the case for SIDS, LDC and African countries.

## F. UNINTENDED CONSEQUENCES

A few key unintended consequences of the RPSP are noted below. These are not comprehensive but point to those that were most glaring during the evaluation, and consequently should not be ignored as the programme goes forward.

### Appearance of discord

The RPSP has supported the establishment and strengthening of NDA/FPs in countries. However, although majority of these bodies are situated in the environment ministries, others are also located in a variety of different ministries (or in the office of the Prime Minister/President), which are not always the same as those bodies which coordinate other development finance (i.e. more often than not, ministries of finance). Furthermore, NDA/FPs have been responsible for setting up coordination committees, often alternative ones, variably responsible for strategically and programmatically aligning all GCF support and also other climate-related relationships and resources. In supporting the development of both NDA/FPs and coordinating committees, particularly in ways that shift the internal/national balance of power and responsibilities between government organs, the RPSP has unwittingly supported the emergence of some discord within a subset of recipient countries.

<sup>42</sup> In a February 2018 report, the GCF reported on the value of country engagement and Structured Dialogues for the GCF in the following way: (i) "Get direct understanding of national priorities, grasp the diversity of capacity gaps and assess opportunities for GCF intervention; (ii) "Observe progress on country programming, support project prioritization and the

identification of direct access entities; (iii) "Inform a wide range of stakeholders of GCF processes and operational modalities; and (iv) "Map and engage key national stakeholders around key climate issues." There is a plethora of such successful results, for the GCF, NDA/FPs, DPs and AEs.

## Country ownership and civil society

The RPSP is based on the notion of country ownership, as discussed in this report. It also encourages a broad engagement with relevant and diverse stakeholders, as one dimension of an inclusive country ownership, including the private sector, CSOs, and local communities, and vulnerable, marginalized and indigenous peoples. While valuing such consultations in principle, the programme is structured in such a way as to privilege government authority. While this is unproblematic in principle, in practice this has resulted in a qualitatively heterogeneous engagement with stakeholders, some with nominal involvement, enabling further marginalization of key stakeholders. The GCF is aware of this and has been developing guidance on this matter, including the recent Indigenous Peoples' Policy, which has the potential to remedy the situation.

## Impact of inefficiencies on the strength of partnerships

The GCF delivery model is based on partnerships at various levels: NDA/FPs in partnership with the GCF, NDA/FPs with DAEs, RAs with GCF and NDA/FPs, etc. Each partner in turn has their own constituency, to which they are accountable for progress related

to the GCF. On account of the recurrence of long delays and conflicting guidance provided by the GCF, inefficiencies have negatively impacted the partnerships<sup>43</sup>. In the short-term, this may have led to the creation of tensions among various actors and their constituencies. While promised progress milestones are not achieved, the actors at the interface may feel accountable to their constituency. For instance, when accreditation is lengthy, the GCF-focused unit within the DAE is held accountable by the DAE leadership. More worryingly for the long-term, this creates the risk of decline in social capital for any one of the actors in the partnership.

Furthermore, some evaluation visits took place soon after the B.20, which was not successful in reviewing and approving project proposals. In the aftermath of the B.20, various GCF stakeholders were noticeably burdened with questions about the value and future of the GCF, risking the alienation of entities and the broad GCF institutional infrastructure. The GCF delivery model is based on the assumption of strong inter-institutional structures. This potential decline in social capital may result in serious consequences if left unchecked.

## KEY FINDINGS AND LESSONS

### *Finding 1*

Overall, the RPSP is more effective in GCF non-priority countries (i.e. non-SIDS, LDC and African countries) than in priority countries. This is true in terms for nearly every major causal link identified in this section to examine the effectiveness of the RPSP.

### *Finding 2*

The RPSP was most effective in **organizing information-sharing events that have enabled engagement with the GCF**. Indeed, the RPSP has supported a range of Structured Dialogues as well as workshops and events around the world. Among those who participate in such events, there is a strong perception of these having been very effective in enabling their work, including engagement with the

<sup>43</sup> Social capital literature discusses social relations as being based on precedence; once trust is broken it is hard to re-establish.



GCF. However, a still too-high proportion of NDA/FPs appear not to have participated in any such events, which suggests that the RPSP should be leveraged more for these purposes and directed toward ensuring widespread participation. Aside from the higher political momentum generated, by far the biggest and most cited benefit of participating in such events was learning from peers and the experience of other countries.

### *Finding 3*

The programme is **more effective in its support of consultations with stakeholders than in the preparation of country programmes**, which have only recently been launched in most countries. In particular, stakeholder engagement is planned or underway in countries of all types to a high level. Nonetheless, **the participation of civil society in RPSP is still rudimentary and inconsistent**.

### *Finding 4*

The effectiveness of the RPSP in areas of NDA/FP strengthening, pipeline development and private sector engagement is uneven across countries.

### *Finding 5*

The contribution of the RPSP to strengthening NDA/FP is heterogeneous, and occurs the most infrequently for SIDS, LDC, and African countries. This is the case for both the establishment of NOPs and national coordination mechanisms.

### *Finding 6*

It is unclear if RPSP provides sufficient support for pipeline development to DAEs, either financially or through capacity building. SIDS and LDCs are soliciting RPSP support for pipeline development the least. Also, the process of country programme development and of pipeline development is not necessarily linear, at least at the beginning of a country's engagement with the GCF.

### *Finding 7*

**Strong efforts have been made in relation to engaging the private sector with RPSP support.** The involvement of the private sector in consultative processes is growing. In a few cases, RPSP funds have been distributed through accredited financial intermediaries, which has proven an important way of working with the private sector. However, **the results and effectiveness of RPSP support are limited**, owing in part to the broader challenge of GCF engagement with the private sector. For the time being, **the RPSP has been ineffective at creating a suitable policy environment for crowding-in private sector investment, though some progress is evident in non-African middle-income countries, and in some parts of Africa.** While ad hoc progress is underway with RPSP support, RPSP activities are not yet contributing much to putting in place domestic policies and institutions that will improve the incentive environment for crowding-in private-sector investments. So far, the programme is contributing little in terms of structurally transforming the global system to encourage climate-sensitive private sector investment.

### *Finding 8*

The RPSP has provided valuable support to countries in identifying and nominating potential candidates for accreditation. It has been less effective in moving them through basic or upgraded accreditation, with the exception of SIDS, where the RPSP is considered significantly more effective in this respect than other priority country types. The Secretariat needs to especially strengthen its effort in Africa on this. Country contexts and types, as well as prior readiness support, are key factors in determining chances of accreditation.

### *Finding 9*

As the NAP window is fairly recent, there are few demonstrable *outcomes* (e.g. NAPs in place), but progress has been made in terms of



programme outputs with increasing momentum, particularly from mid-2018. NAP funding is perceived by NDA/FPs as having advanced national adaptation planning the least among GCF priority countries, up to July 2018. It may very well be that the recent upswing in NAP approvals and endorsements to GCF

priority countries will alter this perception. While most RPSP NAP-approved projects and proposals are close to the USD 3 million maximum, it is increasingly believed that smaller, phased support enables learning and ensures that each proposal builds on the previous one.

## VII. CROSS-CUTTING – GENDER AND ENVIRONMENT

### A. GENDER

The GCF Gender Policy and Action Plan was adopted by the Board in 2015. The recruitment in 2015 of a Senior Gender Expert mandated to review and update the action plan demonstrates the importance that GCF has given to gender mainstreaming. Further, the Secretariat has put in place practices and systems to ensure that GCF proposals are aligned with the Gender Policy and Action Plan, notably by requiring the inclusion of a gender assessment and action plan in project proposals. To date, 87 per cent of GCF proposals include such an assessment.

Based on a review of RPSP project proposal documents for the nine case study countries, more work is needed to fully mainstream

gender across the portfolio of RPSP projects (see Table VII.1). Of the 28 RPSP project documents reviewed, only five projects (in Antigua and Barbuda, Bangladesh, Kenya, Mongolia, and Paraguay) fully integrated gender in project objectives and activities, and have allocated within their budget resources for hiring a gender expert and implementing gender-sensitive or specific activities. Eleven projects somewhat integrated gender (either by integrating gender considerations in their objectives or planned activities, or by dedicating resources to gender in their budget), while 12 projects did not address gender issues at all. (See appendix XI for more information on the integration of gender into RPSP projects in the nine case study countries.)

*Table VII.1 Integration of gender in case study countries, RPSP, 2018*

	GENDER FULLY INTEGRATED INTO RPSP PROJECT	GENDER SOMEWHAT INTEGRATED INTO RPSP PROJECT	GENDER NOT INTEGRATED INTO RPSP PROJECT
Antigua (n=4 projects)	X	X	XX
Bangladesh (n=4 projects)	X	X	XX
Haiti (n=2 projects)		XX	
Kenya (n=3 projects)	X	X	X
Mongolia (n=4 projects)	X	XX	X
Namibia (n=2 projects)		XX	
Paraguay (n=2 projects)	X	X	
Senegal (n=4 projects)		X	XXX
Vanuatu (n=3 projects)			XXX
Total (n=28 projects)	5	11	12

*Note:* The “X” mark represents the number of projects in question.

*Source:* IEU case studies and case study reports.

Overall, RPSP-supported activities have seen an integration of gender equality, though there remains room for ensuring that gender equality is addressed equally across regions. Survey data indicated that 72 per cent of NDA/FP respondents agreed or strongly agreed that their RPSP-supported activities were intentionally aligned with the GCF Gender Policy and Action Plan. This percentage was markedly lower in Africa, where 57 per cent of NDA/FPs agreed or strongly agreed, and higher in Latin America, where 78 per cent of NDA/FPs agreed or strongly agreed. Although responses were generally positive, the high number of neutral or don't know responses, which ranged from 43 per cent in Africa to 33 per cent in Europe, suggests that the importance of mainstreaming gender equity and inclusiveness across the RPSP portfolio has not been sufficiently communicated to, or impressed upon, the NDA/FPs. Data gathered from the case studies demonstrates that some, but not all, RPSP grants are adequately integrating gender considerations.

When asked if the RPSP had built their capacities to meet the requirements of the Gender Policy and Action Plan of the GCF, the majority of NDA/FPs (68 per cent) agreed or strongly agreed. Responses were generally more positive in Eastern Europe and Latin America, where 100 per cent and 78 per cent of respondents either agreed or strongly agreed (respectively), opposed to 57 per cent and 50 per cent for Africa and Asia-Pacific, respectively.

Survey results suggest that gender-related capacity building for meeting the gender policy of the GCF has only partially been performed through accessing gender experts, with 52 per cent of overall respondents agreeing or strongly agreeing that the RPSP had enabled their access to experts on gender issues. Responses varied significantly among regions, with 100 per cent of respondents providing positive responses in Europe, as opposed to 67 per cent

for Asia and the Pacific, 55 per cent for Latin America, and only 14 per cent for Africa. In fact, 11 per cent of respondents in Africa disagreed when asked whether the RPSP had enabled their access to a gender expert, while 71 per cent neither agreed nor disagreed and 14 per cent responded "not applicable". This suggests that the RPSP is not sufficiently enabling the access of gender experts to African countries and/or that NDA/FPs in the region lack knowledge of the support the RPSP could provide in terms of gender expertise. An example of RPSP support providing gender expertise was found in Paraguay, where the RPSP grant had enabled the hiring of a gender expert responsible for mainstreaming gender equality across the project's four components. Overall, one fifth of the project's budget is dedicated to gender mainstreaming.

While RPSP support had enabled NDA/FPs to meet the gender policy requirements of the GCF (which scores relatively high in the survey), there is also some reticence on the part of NDA/FPs to suggest that this had an equal effect in advancing gender equity and inclusiveness in climate adaptation and mitigation more broadly (which scores relatively lower results in the survey). Overall, 52 per cent of NDA/FP respondents agreed or strongly agreed that RPSP support helped them advance gender equity and inclusiveness in climate adaptation and mitigation. This score is slightly higher in Eastern Europe (67 per cent) and slightly lower (55 per cent) in Africa, which could suggest that the RPSP programme is still young and that more time is needed before RPSP support is translated into actual results; particularly in terms of advancing gender equality and inclusiveness in climate change mitigation and adaptation more broadly.

Overall, survey results are disproportionately lower in Africa across all questions, suggesting that more work is needed to integrate gender into the RPSP projects in this region. This is also supported by findings from the

aforementioned RPSP project portfolio review, which demonstrates that only one of nine RPSP projects in Africa fully integrated gender equality (compared with two projects in Latin America and two projects in Asia).

## B. ENVIRONMENTAL AND SOCIAL SAFEGUARDS

In its decision B.07/02 in 2014, the Board adopted the IFC Performance Standard as the interim ESS for the GCF. This fulfilled the requirement, as articulated in the GCF Governing Instrument, that ESS shall be applied to all programmes and projects financed using the resources of the GCF.

The GCF ESS Policy was approved at B.19 in February 2018, as part of the Environmental and Social Management System<sup>44</sup>. The policy articulates and further clarifies how safeguard requirements are applied in the context of GCF-financed activities. While the adoption of this policy has been recent, the application of the ESS has been ongoing. Indeed, according to a key stakeholder at GCF, “all programmes and projects approved to-date by the Board applied the GCF safeguards”.

The purpose of the policy is to guide the GCF and its partners to “effectively and equitably manage environmental and social risks and impacts, and improve outcomes of all GCF-financed activities”. Through the policy, all GCF-supported activities are committed to:

- Avoid and, where avoidance is impossible, mitigate adverse impacts to people and the environment;
- Enhance equitable access to development benefits; and
- Give due consideration to vulnerable and marginalized populations, groups, and individuals, local communities, indigenous peoples, and other

marginalized groups of people and individuals that are affected or potentially affected by GCF-financed activities.

The policy applies at three levels: the strategic and institutional level; the entities level; and the activity level. At the strategic and institutional level, for ESS Policy implementation, the GCF has an ESS unit inside DCP. Having started small, with only one person in place until recently, the unit has been expanding to include a range of environmental and social safeguards, and gender specialists, associates and experts. The unit works across the GCF, including on RPSP-related activities, providing support for assessing and ensuring ESS compliance.

To date, the unit’s upstream activities in reviewing readiness proposals have been limited, providing a deeper examination of proposals where red flags have been raised, as part of the completeness check of task managers. For instance, there have been only a handful of requests made to the ESS unit for strengthening the ESS systems of NDA/FPs. This may change with yet greater upstream involvement of the ESS unit on the horizon, intent on generating a better understanding of the safeguards and their application across GCF stakeholders.

For example, a new “guidance note” on stakeholder engagement in project planning is being rolled out shortly, which will also speak to concept-note development and stakeholder consultations, both of which are activities supported by the RPSP. Its development reflects a GCF commitment to ensuring appropriate consultations and the engagement of diverse populations, including vulnerable, marginalized and local communities, as well as indigenous peoples. Indeed, the Indigenous

<sup>44</sup> Available at [https://www.greenclimate.fund/documents/20182/574763/GCF\\_policy\\_-](https://www.greenclimate.fund/documents/20182/574763/GCF_policy_-)

[\\_Environmental\\_and\\_Social\\_Policy.pdf/aa092a12-2775-4813-a009-6e6564bad87c](https://www.greenclimate.fund/documents/20182/574763/GCF_policy_-Environmental_and_Social_Policy.pdf/aa092a12-2775-4813-a009-6e6564bad87c).

Peoples Policy<sup>45</sup> of the GCF, adopted by the Board in its decision B.19/11, calls for GCF projects to be based on the free, prior and informed consent (FPIC) of affected indigenous peoples, where applicable.

As things stand, commitments derived from the ESS Policy, the Indigenous Peoples Policy, and even the Gender Policy and Action Plan are not reflected in the proposal template. A space for "Risk and Mitigation Measures" could be used for these purposes (though typically is not, given that capacity-building, planning support, institutional strengthening and other similar activities are perceived to have minimal risks and impacts and thus do not require further due diligence). This does not as yet amount to a clear and strong ESS, indigenous peoples and gender commitment and requirement of the RPSP.

Nevertheless, at the entities and activity level, the survey of NDA/FPs undertaken for this evaluation provides some insight on alignment with ESS policies. According to survey results, NDA/FPs were very clear in indicating that their RPSP-supported projects were intentionally aligned with the GCF ESS Policy, with 76 per cent indicating as much, and the balance of 24 per cent of respondents neither agreeing nor disagreeing. A total of 68 per cent of respondents agreed or strongly agreed that RPSP support had contributed to building NDA/FP capacities for meeting the ESS Policy of the GCF. Finally, 56 per cent of respondents indicated that RPSP support had enabled them to access experts on environmental and social issues.

The survey results point to the fact that NDA/FPs believe they are able to meet ESS requirements, and that RPSP support is available to provide additional experience if and when needed. It is not possible, however, to robustly assess the contribution of the RPSP in doing so, except to say that NDA/FPs are well aware that their projects must be in line with the policy and act accordingly. This reflects the business model of the GCF, specifically, that NDA/FPs are relied upon to ensure that proposed activities comply with their own safeguards as well as those of the GCF (as part of the NOP, for instance). NDA/FPs in turn also rely on accredited entities' own environmental and social management systems to meet the ESS of the GCF.

Implementing bodies (e.g. AEs) bear responsibility for due diligence on ESS matters. According to key stakeholders at the Secretariat, the RPSP has provided resources for increasing the capacities of AEs on gender and ESS, with the support of the sustainability unit, but only in a limited number of cases for the time being. One of the key obstacles to such support has been the lengthy procurement for readiness support to AEs for ESS and gender in particular; taking three to four months to access a very modest sum of money (e.g. USD 50,000); a grievance heard across AEs and NDA/FPs overall about the RPSP.

<sup>45</sup> Available at [https://www.greenclimate.fund/documents/20182/574763/GCF\\_policy\\_-](https://www.greenclimate.fund/documents/20182/574763/GCF_policy_-)

[\\_Indigenous\\_Peoples\\_Policy.pdf/6af04791-f88e-4c8a-8115-32315a3e4042>](#).

## KEY FINDINGS AND LESSONS

### *Finding 1*

The integration of gender equality considerations has varied considerably among the RPSP projects across the case study countries. Of the 28 projects reviewed, five projects significantly integrated gender into their design and also allocated resources for the hiring of a gender expert and implementation of gender specific activities. However, 11 projects only partially integrated gender while the remaining 12 did not address gender issues at all.

### *Finding 2*

Both the portfolio review and survey data suggest that the RPSP is lagging behind in integrating gender considerations in its portfolio in Africa, when compared to other regions.

### *Finding 3*

The approach and capacity of the GCF on ESS, and vulnerable/marginalized/local

community/indigenous peoples is improving and increasing but is only being leveraged slightly in the context of the RPSP.

### *Finding 4*

Nationally Designated Authorities/FPs believe they are able to meet ESS requirements, and that RPSP support is available to provide additional experience if and when needed. **NDA and FPs are well aware that their projects must be in line with the policy and act accordingly.** This reflects the business model of the GCF, which is that NDA/FPs are relied upon to ensure proposed activities comply with their own safeguards as well as those of the GCF. National Designated Authorities/FPs in turn also rely on accredited entities' own environmental and social management systems to meet the ESS of the GCF. It is unclear, however, the extent to which such compliance stays true once GCF funding proposals start to become implemented.



## VIII. EFFICIENCY

To address the matter of efficiency for a large, multi-faceted organization like the GCF, the evaluation examined the various RPSP-specific components of outreach, and the RWG and project approval process. A time-lapse analysis was undertaken, which helped to identify a few key bottlenecks in the overall RPSP process as well as the efforts of the Secretariat to increase efficiencies. The role of RAs, recent arrangements with UNOPS and the efficiency of learning at the RPSP are also examined in this chapter.

### Outreach to stakeholders

The approach of the GCF to communication with stakeholders as related to the RPSP specifically is multifaceted, comprising segments of the GCF website, the RPSP Guidebook, and the regional advisors' hosting of events and discussions with NDA/FPs via Skype and phone. Additionally, there are country visits, bilateral meetings at the COP, virtual meetings and webinars, and recently numerous technical clinics and workshops on NAPs.

In June 2018, a revised version of the GCF Guidebook<sup>46</sup> on accessing the RPSP was published on the website of the Secretariat, based on an extensive review and considerable efforts by DCP staff and others. The cost cannot be quantified. Feedback obtained from NDA/FPs about these changes has been positive: the Guidebook is clearer, information is more tailored to their needs, and the budget template and logframe are more suitably designed. About 80 per cent of NDA/FPs responding to the evaluation survey either agreed or strongly agreed that the GCF Guidebook provided adequate guidance to

access RPSP support while 12 per cent disagreed and 4 per cent disagreed strongly.

The Guidebook has nevertheless been criticized by some respondents for using language that remains overly bureaucratic, providing inadequate guidance on the “how” of engaging with the GCF on the RPSP. The Guidebook is still only available in English, which significantly hinders its relevance and use in non-Anglophone countries. Non-Anglophone stakeholders informing this study considered it highly problematic that the Guidebook and other communications from the GCF were unavailable in French and Spanish (not to mention Arabic and other key languages). As stated by one francophone stakeholder, “language remains an obstacle for our heightened country ownership”<sup>47</sup>. Some immediate selective translation, of forms found in the Guidebook, would provide timely benefits while keeping costs limited.

Another of the GCF Secretariat's main tools for reaching out to stakeholders has been the Structured Dialogues and a range of information-sharing workshops (e.g. the Empowering Direct Access Workshop in May 2018). Regularly hosted Structured Dialogues were organized by the GCF Secretariat in 2017 and 2018. Many information-sharing meetings and workshops were hosted in national contexts since the GCF was launched, with the participation of Secretariat staff.

In spite of all these efforts, communication from the GCF Secretariat is perceived as inadequate by many stakeholders, particularly about but not limited to communication over ongoing changes in RPSP policies and procedures. The DPs have played a key role in

<sup>46</sup> Available at <[https://www.greenclimate.fund/documents/20182/574766/Guidelines\\_-](https://www.greenclimate.fund/documents/20182/574766/Guidelines_-)

[\\_Readiness\\_and\\_Preparatory\\_Support\\_Guidebook.pdf/9e5a580f-a109-4d90-b281-c54695114772>](#).

<sup>47</sup> « La langue reste une barrière pour une meilleure appropriation par le pays. »

ensuring that NDA/FPs are informed, but even they must be made aware of changes in processes to be able to share them and work with them effectively. NDA/FPs and DAEs would like to see peer-to-peer learning needs privileged more, inspired by the “coffee shops” hosted at the March 2018 Mali Structured Dialogue, or in the hosting of sub-regional network meetings, as proposed by the Secretariat in annex XVI to Decision B.19/15 on the RPSP work programme 2018.

Dialogue and other event costs have been borne by the RPSP budget. According to audited financial statements, the amounts spent on “Regional workshops and NDA visits” increased over the last three years, from USD 640,000 in 2015 to USD 1.015 million in 2016 and USD 1.062 million in 2017. The amount budgeted in 2018 “for Structured Dialogues and other knowledge-sharing activities” was USD 5.0 million, according to the Secretariat’s work programme for 2018, presented to B.19. This represents eight workshops at USD 500,000 each and an additional USD 1 million for other knowledge-sharing activities. This is quite a substantial increase.

While it is difficult to assess the efficiency of these meetings, a preliminary conclusion on their cost effectiveness is possible. In view of the positive feedback by participants about the events (as also discussed in our chapter on effectiveness related to this matter), and their ongoing and active participation (with an average of 200 participants per 2018 Structured Dialogue), the events clearly satisfy important and multiple needs, including information-sharing and learning. As such, the expenses associated with these meetings appear warranted. Nonetheless, in future, smaller sub-regional meetings should be considered and assessed for their anticipated costliness and alignment with the specific needs of more homogeneous groups of participants, and thus increasing cost effectiveness.

## **RPSP applications, reviews and the Readiness Working Group**

The Board delegated approval of RPSP projects to the Secretariat. The key structure for the approval of readiness activities has been the RWG, which was created in June 2015. As defined in the relevant Administrative/Internal Instruction Form, the purpose and objective of the RWG is to review and endorse all RPSP grants and to ensure that RPSP grant allocations are processed with efficiency and transparency<sup>48</sup>. The Executive Director appoints RWG members for one year, with the possibility of extension. Members consist of the DCP Director as Chairperson, the Chief Financial Officer and Director of Support Services (CFO/DSS) as alternate Chairperson, two staff members of DCP, one from DSS plus two optional members of other divisions. The OGC, the ORMC and the OPM participate regularly, and further staff can be called upon as required.

The DCP Director and the CFO/DSS Director, acting jointly, are the Approving Authority for RPSP grant requests/applications and disbursement requests for approved RPSP grants of up to USD 300,000 for readiness activity one, NDA strengthening and country programme development. The DCP Director is the Approving Authority for all other RPSP grant requests/applications and disbursement requests for approved RPSP grants of up to USD 150,000. The Executive Director is the Approving Authority for other such requests above USD 150,000; this responsibility was delegated to the Deputy Executive Director upon the creation of this post.

In order to examine the efficiency of the RPSP review process, it is important to understand the processes (the flow charts for the processing of RPSP applications are contained in appendix XII). All proposals/applications for RPSP support must be submitted by the NDA/FP. The preparation may be supported,

<sup>48</sup> Ref. No.: CPD-Readiness/CFO-DSS/001

where relevant, by a national or international DP (accredited or not)<sup>49</sup>, and this is frequently the case. Regional Advisors also tend to feed into this process, providing their expert advice. Non-accredited DPs have to pass a Financial Management Capacity Assessment (FMCA).

Once proposals are received, DCP reviews the proposals and provides feedback to NDA/FPs. NDA/FPs then resubmit revised proposals to DCP for review by the RWG. In practice, this back and forth may occur more than once, before formal submission to the RWG. The RWG could either endorse a proposal, endorse it with conditions, or send it back with a request to revise and resubmit. Once endorsed by the RWG, proposals go to the Executive Director (ED) or the DCP Director with the CFO/Director for approval. Some 76 per cent of NDA/FPs responding to the evaluation survey either agreed or strongly agreed that the feedback received from the RWG had been helpful in improving the quality of RPSP approvals and 64 per cent agreed that this feedback had been timely.

Once approved, as per the approval limits described above, the Notification of Approval (NOA) letters are sent, along with the template and Standard Conditions (SC) of the Grant Agreement (GA) to the NDA/FP and DP for review. Any comments on these documents need to be cleared by the Office of General Counsel (OGC), providing their legal opinion, before the GA template and SC are finalized. Once the GA and SC are finalized, both parties then sign the GA, and DPs are asked to send their legal opinion. The OGC then clears the legal opinion, upon which a GA can be declared effective.

This whole process, as described above, takes place if a DP does not have an FWA. If a DP does have an FWA with GCF, the above process is much simpler. For DPs with an FWA, upon approval, they can send a

disbursement request. Currently, there are seven DPs who have an FWA (CAF, CCCCC, FAO, GGGI, GIZ, UNDP, and UNEP)<sup>50</sup>. Some 44 per cent of NDA/FPs responding to the survey agreed or strongly agreed that FWAs had increased the efficiency of RPSP processes, 8 per cent disagreed or strongly disagreed, while 28 per cent neither agreed nor disagreed and 20 per cent responded as N/A. In other words, of those familiar with FWAs, many believe they have contributed to increasing the efficiency of RPSP processes.

### Prominent bottlenecks in the process

Several RPSP bottlenecks have consistently been identified by a range of stakeholders consulted for this evaluation. First, the application process is considered too long and viewed by some as requiring a level of detail and types of information that seem irrelevant and time-consuming (e.g. on procurement). Concomitantly, there is widespread perception among recipient and participating stakeholders that the RPSP application process requires disproportionate efforts and costs in relation to the size of support provided for projects with a duration of one year. Second, NDA/FPs and other stakeholders regularly raise some concerns about the timeliness of communications from the GCF; in particular, stakeholders are critical of the lengthy time needed between RWG notifications and disbursements. With the newly developed FLUXX workflow system, there is hope that things will speed up with online processes. Third, the lack of Standard Operating Procedures (SOPs; e.g. regarding turnaround times on reviews, etc.) has made it difficult for NDA/FPs and DPs to plan accordingly and make best use of time and resources for RPSP planning and implementation. Fourth, the legal process has been frequently noted as a bottleneck to the process – a time-lapse

<sup>49</sup> See Readiness and Preparatory Support Guidebook, GCF, June 2018, p. 5.

<sup>50</sup> The FWA itself is a completely separate process.

analysis presented below demonstrates this to be the case.

While it makes sense to involve all offices concerned in the consultations before, and in the debates and decision-making at the RWG meetings, this has also created new factors for delays. Consultations before the meeting are longer as more offices are involved in reviewing proposed projects (from their different perspectives). This has been particularly relevant for requests for clarifications by OPM and Finance, for legal opinions by the OGC, which only recently got more staff, and for addressing the concerns of the Office of Risk Management and Compliance (ORMC)<sup>51</sup>. The ORMC provides an assessment of the compliance, fraud and other risks posed by proposed projects at the meetings of the RWG. In turn, the RWG can decide to accept the risks and approve projects as presented, or to ask for risk mitigation by adopting proposals with appropriate risk mitigation actions. The RWG decides by consensus, so an objection by ORMC could have a halting effect, although this hasn't happened yet.

In conversations with ORMC staff, it has been noted that the ORMC would like to be involved earlier in the project review process, in particular for checking the appropriateness of fiduciary controls. Overall, the evaluation recommends that a deeper assessment of these risks is undertaken since these areas are outside the scope of this evaluation, but were also underlined by the 2017 Annual Report of the Independent Integrity Unit (IIU), which noted the following about the RPSP and related risks:

“Drawing on the experience of similar multilateral funds, with the commencement of the execution of approved funding proposals and

Readiness and Preparatory Programmes, emerging GCF integrity risks are expected to occur in subcontracting and devolved financing arrangements such as collusion, fraudulent accounting, misrepresentation and money laundering (particularly where trust funds are set up to sequester and deploy climate finance).”<sup>52</sup>

Time is also needed after RWG endorsement by legal services in the recipient countries to confirm that a grant agreement is in all aspects in conformity with national legal provisions. For instance, a GCF regulation is that NDA/FPs must have their own bank account in order to be able to receive GCF funds, and that the account number must be included in a grant agreement. The DCP and OGC have in recent months agreed to soften some of the stricter provisions of grant agreements, which reportedly have eased these legal reviews and subsequent exchanges.

In view of all these steps and consultations, it is not surprising that from approval to effectiveness and disbursement, many months and sometimes more than two years can pass (and indeed has, as discussed in the next section). This length of time has been criticized by NDA/FPs through their survey responses and during country visits. It must be noted though that in many cases the NDA/FPs and the DPs take a long time to respond to initial comments by the Secretariat. Also, many projects have been approved with numerous conditions, which in turn have delayed implementation in being addressed.

<sup>51</sup> This office has also recently been strengthened; the compliance team now has a staff of three professionals, one administration assistant and one intern, and aims at minimizing the risks of money laundering, checking conformity with international sanctions regimes,

identifying corruption risks and preventing other forms of malpractice.

<sup>52</sup> This investigation is beyond the scope of this evaluation.

### A time-lapse analysis: from submission to first disbursement

The steps from submission of a project to first disbursement are described in the GCF Guidebook as follows in Table IX.1. Figure IX.1 below shows the total number of grants processed in the last three years (2015–2017) and the median number of processing days for

each of the processing steps. **It is clear that the Secretariat has significantly reduced the overall processing time from a median number<sup>53</sup> of 422 days in 2015 (including two submitted in 2014) to 254 days in 2016, and 172 days in 2017, which represents more than seven months less time in 2017.**

*Table VIII.1 Description of temporal steps*

TEMPORAL STEP	DESCRIPTION
1. Submission to endorsement	The time, in days, between the official submission date by the NDA/FP until it is “endorsed” by the GCF Secretariat.
2. Endorsement to approval	The time, in days, between official GCF Secretariat endorsement and proposal approval.
3. Approval to agreement	The time, in days, between the proposal being approved and a legal agreement being finalized.
4. Agreement to effectiveness	The time in days between legal arrangements being concluded in the form of a grant agreement and the grants becoming effective. A grant agreement is considered effective once a legal opinion on the agreement is communicated to the GCF Secretariat and the grant recipient submits a Letter of Authorization.
5. Effective to disbursement – Grant closure	The time, in days, from the date the grant is considered effective to the date it is disbursed. The first tranche of funding is released upon the grant becoming effective, the last preceding the closure of the grant itself. This temporal step will include both disbursement dates when applicable. <sup>54</sup>
6. Submission to disbursement	The time, in days, from proposal submission to full grant disbursement (total points of 1–5).

*Source:* Green Climate Fund (2017). GCF Guidebook: Access the GCF Readiness and Preparatory Support Programme – An Introduction and how-to guide. 25 September 2017

The main gain in processing times has been realized for the period from Approval to Effectiveness (steps 3 and 4 of Table IX.1 above combined<sup>55</sup>), with a median reduction from 293 to 10 days. The time from

Effectiveness to First disbursement decreased by more than 50 per cent. The other steps (Submission to Endorsement, and Endorsement to Approval) showed some increases in the median times for reasons that are not clear but

<sup>53</sup> Using median compared to average has the advantage of eliminating the effect of outliers. Particularly some of the early projects had very long delays which distorted the average figures.

<sup>54</sup> The first tranche is based on the disbursement schedule and can occur only upon request by the NDA/FP.

<sup>55</sup> Steps 3 and 4 are merged due to the existence of Readiness Framework Agreements. The recorded “Agreement” dates corresponding to RPSP activities

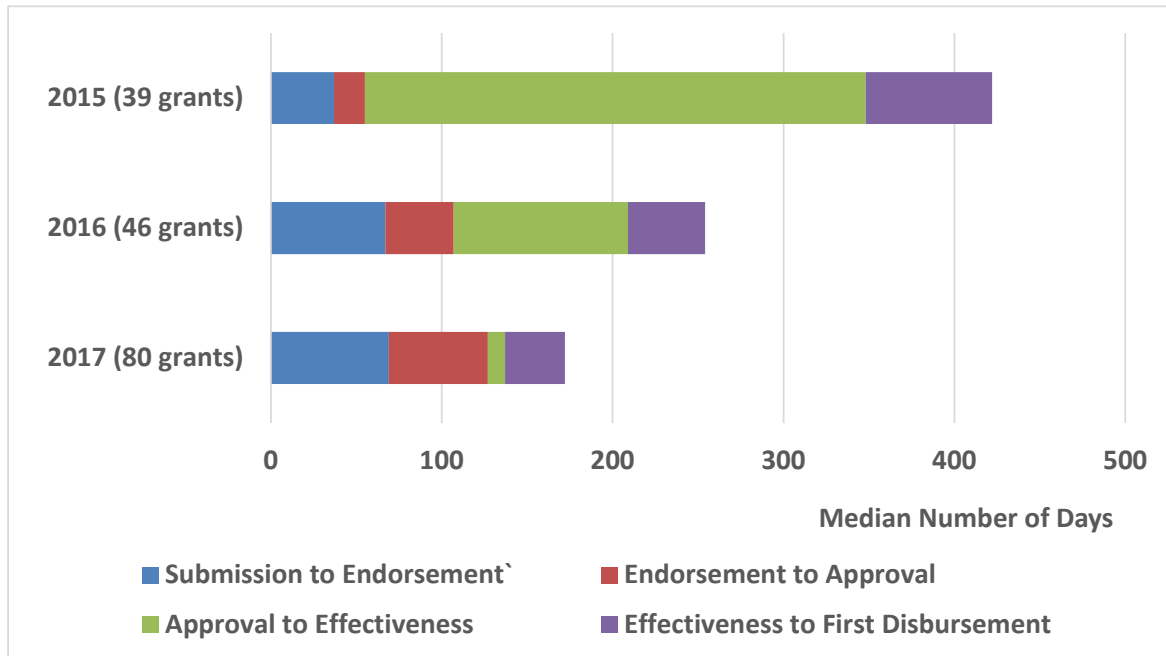
supported by DPs with Framework Agreements, are the dates when the Framework Agreements were signed. This led to a large number (about 60) of RPSP activities in which the “Agreement” dates occurred before the “Approval” dates, resulting in negative days between Approval and Agreement. The only solution to this issue while still permitting comparisons among different DPs was to collapse these two steps into one step – from “Approval to Effectiveness”.



have contributed less to the total duration. The overall acceleration of the review and approval processes was also recognized by a number of NDA/FPs answering the survey and during country-visit interviews.

Part of this overall reduction is no doubt explained by several DPs having FWAs. Those with FWAs took a median of 195 days from Submission to First Disbursement, compared to 306 days for those without. Those with FWAs took a median of only six days from Approval to Effectiveness.

*Figure VIII.1 Median processing times of RPSP grants by year of initial submission*



Notes: The number of approved grants is current up to 15 May 2018. Disbursement is current up to 13 July 2018. Source: IEU database.

A number of other important findings and insights emerged from this data (for more details see the figures in appendix XII):

- **Proposals from SIDS** took the longest time of the priority groups, including LDCs and African countries (a median of 286 days). Those from LDCs took the least time (a median of 216 days). African countries took a median of 262 days, and other countries 221 days. Of note, some of the SIDS, LDC, and African countries appear in more than one category;
- **Proposals from LAC** took the longest time to process by regional comparison

(a median of 352 days). Those from Asia-Pacific took the least (a median of 251 days). African countries took a median of 262 days, and Eastern European countries a median of 254 days. These differences may be explained by language issues;

- **Grants implemented with international DPs** took the least amount of time to process (a median of 190 days). Regional DPs took the longest time (a median of 353 days). The NDA/FPs and other national DPs both took a median of 295 days and 307 days, respectively; and



- There are no significant differences in processing times between countries where NDA/FPs are located in environment ministries (a median of 236 days) or finance ministries, the treasury or the president's office (233 days). Planning ministries took longer (290 days) and other ministries the longest (456 days).

The largest differences have occurred based on the year in which proposals were submitted. Further, analysis presented in the following sections of the various reforms taken by the Secretariat provide some insights into the improvements and efficiency gains achieved<sup>56</sup>.

### Reorganization at the secretariat

At the beginning of 2017, OPM was created, spinning off the post-approval management of projects from DCP into a separate unit with a head office and 12 staff. The OPM is responsible for portfolio management of all three types of grants (RPSP, PPF, and funded activities) after the first disbursement of each grant. The logic of doing so has been for DCP to concentrate on upstream work, including all activities needed for RPSP project preparation and approval, while OPM manages disbursements of funding to beneficiaries, ad hoc requests, progress and final reporting (including audits, reviewing financial reports with the support of the Finance Unit and developing mitigation action plans if needed). Also, some countries/projects have recently been delegated to UNOPS, as discussed below. Overall, both moves have been made with the intention of increasing the efficiency of project implementation.

The grants of the RPSP typically have three disbursements: the first disbursement after grant approval, the second after progress report submission, and the third upon receipt of completion and audit reports. The first

disbursement is the largest one, and the final disbursement is typically USD 50,000. Delivery Partners typically receive larger first disbursements than NDA/FPs. Some larger grants have four disbursements.

By the end of 2017, the GCF had made first disbursements for a total number of 114 RPSP grants. The OPM had received 30 progress reports, made 15 second disbursements, and received 5 completion reports and 12 audit reports. Only two grants have been closed so far. At the time of writing, 14 grants were behind schedule in submitting their progress reports. Delivery Partners with FWAs, like UNDP, UNEP, and GIZ, submit semi-annual progress reports, including financial updates and annual audits with certified financial statements for their entire portfolio. Discussions are ongoing as to what degree of project-level detail these progress reports should present.

The OPM has been less able to track the work of PwC under its umbrella contract with DCP to assist nominated DAEs in becoming accredited. Everything related to accreditation is handled by the accreditation unit of DCP, including the monitoring of the PwC service contract and the RPSP grants that are supporting pre-accreditation activities.

Completion of one grant has not been a condition for receiving another grant. The first grant typically (but not always or uniquely) focused on NDA/FP strengthening and developing a NOP and country programme. Subsequent grants typically focus on other outcomes such as engaging the private sector, advancing consultations with stakeholders and supporting the accreditation of a DAE. This has often been the justification for approving second RPSP grants before a first grant is completed.

<sup>56</sup> An explanation of the exact reasons behind these variances, including increased and decreased delays, would require a more detailed screening of the work

processes of the Secretariat and of the changes implemented, both of which are beyond the scope of this evaluation.

Grants for the preparation of Funded Projects, which was formerly also supported by the RPSP, are now provided by the PPF and handled by DCP in close coordination with DPs, DMA and PSF. Applications for PPF grants, repayable funds or equity by DAEs and IAEs require a concept note, but not the submissions of proposals for a Funded Project. Readiness funding is supposed to be used only for preparing concept notes and only for countries where there is no DAE, not for preparing proposals for Funded Projects, although this happened at times. The PPF has lately gained visibility and strength and has also supported the development of projects with private investors for co-Funded Projects.

### **Contract with UNOPS**

In February 2018, the Secretariat signed a contract with UNOPS for an initial duration of 32 months to ease the burden of the Secretariat, particularly for DCP and OPM, but also for the finance, legal and compliance divisions with respect to the post-approval processes of RPSP projects. This includes the preparation and conclusion of the grant agreement after the funding has been approved by the Secretariat; the transfer of funds to the grant recipient; the collection, review, clearance and follow-up of progress and final reports including audits; and the development and discussion of remedial action plans, if needed, with the beneficiary and the Secretariat. In addition, UNOPS is also providing FMCA advisory services to inform decisions on approving proposals with new DPs.

In Annex III of the contract with UNOPS, a structured approach to grant management has been agreed between the two parties. It contains the precise numbers of days foreseen for the individual steps. The scheduled times came initially as part of the proposal from UNOPS and are based on their experience. On the Secretariat side, they were accepted because there is not a record of times required for these steps, within DCP.

With the limited experience so far, DCP informed the evaluation team that delays above the scheduled times have tended to be mainly on the side of countries or their DPs, then probably the Secretariat next, and lastly UNOPS. It is early days still and it remains to be seen how things develop further but DCP has noted an improvement in efficiency and sees prospects for more efficiency gains once a larger part of the portfolio is delegated. It seems only logical to delegate the routine implementation tasks to an agency like UNOPS, which is specialized and has many years' experience in the management of such projects.

### **Regional presence and Regional Advisors**

RAs have played a key role as intermediaries between NDA/FPs and the GCF, as discussed throughout this report. While they have provided important advice on the RPSP and the GCF in general, there have been a few notable obstacles to the efficiency (as well as the relevance and effectiveness) of their work. They have not always had the most up-to-date information about the RPSP, as operational changes in practice happened across divisions at headquarters sometimes without timely advice to RAs. For policy decisions, RAs are not consulted in the development of relevant papers and do not attend the meetings of the Board.

There has been limited on-boarding support for recently recruited RAs (as for other staff) who needed time, briefings and training to get fully familiar with the increasingly voluminous and complex set of rules and procedures as well as historic engagement with countries. Also, RAs usually do not have direct relations with the International DPs and have thus not always been up to speed on their activities, which hindered their ability to provide timely advice to NDA/FPs on related matters.

Another obstacle has been that the RAs – in their opinion – do not visit the countries in their regions frequently enough. The NDA/FPs are

mainly contacted by phone or internet, which limits the effectiveness of the advice provided and the range of stakeholders that could be engaged at country level in personal discussions. At least in the beginning of a working relationship, a visit can provide the basis for productive cooperation. This has been evident for example in the Pacific; exceptionally, the Pacific RA undertook a number of initial in-country visits to assist the NDA/FPs in conducting their first GCF workshops and in developing their first RPSP proposals or Inception Plans. This was enabled by the RA having mobilized the funding of bilateral donors to run these in-country workshops (namely the New Zealand Ministry of Foreign Affairs and Trade for the Cook Islands, Kiribati, Niue, Tonga and Tuvalu, and the Australian Aid Programme for Papua New Guinea and Nauru).

Face-to-face meetings held at Structured Dialogues and workshops have helped, but sometimes negotiations with superiors and stakeholders in other institutions would have been beneficial, as would their participation in consultation meetings (e.g. on country programmes). The working capacities of RAs are limited, as contracts were made for 50–80 per cent of monthly working days and were in most cases of short duration (6 or 12 months) with some having been extended now to 24 months. Nevertheless, RAs tended to stay at their job for several years; only one RA left in May 2018 after nearly four years of service.

Regional Advisors worked with great commitment and enthusiasm and gained experience and the respect of the NDA/FPs of “their” countries. NDA/FPs and several Regional Structured Dialogues (all four of the Pacific dialogues) have called for the strengthening of the regional presence of the GCF, citing that the important support provided by RAs needed to be increased and formally established through Regional Offices.

One way in which RPSP submission processes have been speeded up was through the timely support of RAs and Country Dialogue Specialists in DCP; though work was undertaken differently in each of the GCF regions. In some regions, the RAs and the Country Dialogue Specialists tended to work with NDA/FPs on RPSP proposals ahead of submissions, in order to increase their quality and ensure that certain points, like ESS and gender, were addressed. This was appreciated by the NDA/FPs concerned.

The costs for RAs and “other” DCP consultants are shown in Table IX.2 below. “Other” consultants in the table are those based at the Secretariat in Songdo, though working on consultancy-based contracts, most of them paid by the administration budget of the Secretariat. Since 2017, several consultants have also been hired for project development and adaptation planning and for undertaking country missions to support NDA/FPs and DAEs in developing NAP and PPF proposals.

*Figure VIII.2 Costs for Regional Advisors and other DCP Consultants (per USD 1,000)*

TYPE	2015	2016	2017	(2018)	TOTAL
Regional advisors	307	604	758	210	1,879
Other consultants	118	164	253	99	636
Total	426	768	1,010	309	2,514

Source: Finance Department; 2018 (up to the end of March 2018).

The total costs for RAs were significant but not excessive in view of the average monthly cost per RA of being around USD 7,500. The group of RAs started to be built up with three recruitments in 2014, followed by one more in 2015, another four in 2017, and three in 2018; hence there were 11 RAs (at the time of writing) for the different parts of the world: four in Africa, four in Asia-Pacific after two new RAs joined in July, two in LAC (with one being currently replaced), and one in Eastern Europe and Central Asia who joined in April 2018. The RAs worked closely with the now four Country Dialogue Specialists and one full-time manager in DCP, with shared responsibilities for the relationships of the GCF with defined groups of countries.

Relationship building with their countries and relevant stakeholders in their regions has taken an ever-increasing volume over recent years, from about 0.5 days/country/month to around three days/country/month, which DCP considers still as the bare minimum. Regional Advisors originally played a key role, which has been relatively weakened over the last year and half as the GCF Secretariat expanded exponentially, shifting more relationship building and management with NDA/FPs, AEs and early pipeline development away from RAs towards headquarters. For each region, there are now full-time Country Dialogue Specialists, Associate Professionals, Operations Assistants and other desk officers, in addition to RAs covering the same regions. Moreover, Adaption Specialists, Entities Specialists, and Private Sector Specialists in DMA/PSF reach out to countries.

This recalibration of roles has lacked strategic consultation with the RAs and has made it more difficult for NDA/FPs to know whom to contact when seeking advice and support from staff in the GCF Secretariat. The clear and essential differentiation of TORs and roles for these various positions is still being worked out

by the Country Dialogue Specialists, on a region-by-region basis.

### **Accreditation support and financial management capacity assessment**

Initially, the RPSP only provided pre-accreditation support. Indeed, PwC was awarded an umbrella contract to provide such pre-accreditation support. In July 2017, at B.13, the Board approved post-accreditation support for the upgrading of already accredited DAEs. The GCF has contracts with five firms that are providing post-accreditation support.

So far, the GCF has 59 AEs, of which 32 are DAEs. Eight are private sector AEs – six international companies and two national ones. Another 100 organizations have submitted applications, and another 100 have access to the online application process. Initially, the process was first-come first-served. In October 2016, the Board (B.11) prioritized certain applications, namely, applications from (i) Asia-Pacific and Eastern Europe, (ii) the private sector in developing countries, (iii) national DAEs, and (iv) entities responding to the three RFPs issued by the Secretariat. This was to offset regional imbalances that were occurring and the inherent advantages of public international agencies like UNDP, World Bank, etc.

The accreditation process has three stages, which are explained on the GCF website:

- Stage 1: Review by the Secretariat;
- Stage 2: Review and approval by the Accreditation Panel and the Board; and
- Stage 3: Finalizing the legal arrangements.

The GCF Secretariat is responsible for Stage 1, which ascertains if the accreditation aligns with GCF objectives and if the application is complete. The Secretariat has outsourced part of this to PwC and KPMG, which provide support to the candidates. To avoid conflicts of

interest, KPMG reviews applications that have been assisted by PwC. Stage 2 involves the Accreditation Panel and the Board. The Accreditation Panel makes recommendations to the Board based on whether the applicant meets the standards for accreditation, and the Board approves based on this recommendation, as well as other potential considerations such as diversity and reputation risks. Stage 3 involves finalizing the legal arrangements.

The accreditation review by the Secretariat is handled by the accreditation unit in DCP. So far, 26 candidates have received a standard package of support by PwC under a service contract. For a relatively modest lump sum of about USD 30,000 paid under the RPSP, PwC sends two consultants for a one-week mission to the candidate institution concerned, for establishing a gap assessment and developing an action plan for addressing any deficiencies identified.

Feedback received from DAEs about this arrangement was generally positive; consultants were perceived to be competent and helpful. However, some voiced criticism of the advice and concepts received as being too inflexible and not always adapted to local realities. For instance, in Kenya, PwC undertook the gap assessment and action plan for Geothermal Development Company (GDC), which was unable to implement it (however, it has since received additional support from UNEP).

During the country visits and in the survey responses of NDA/FPs and DAEs, the accreditation process was frequently described as lengthy and complicated, starting with English-only forms and requiring translations of all relevant policy documents plus proof of the practical implementation of these policies. In several areas, for example gender, most candidates had to establish a focal point, develop a policy and start implementing it. The development of such new policies was viewed as a challenge, but also as helpful in advancing reforms in the institutions concerned.

A number of accredited DAEs managed the accreditation process without RPSP assistance, some being helped by their previous accreditation to other funds (e.g. AF), making them eligible for the fast track accreditation procedure. Nonetheless, it is likely that many of the pipeline candidates will require assistance to navigate the process successfully in less than two years. In this context, criteria will need to be developed to assess whether, in any given country, several DAEs are needed and useful for different groups of beneficiaries. This cannot be judged on the merits of the individual candidates alone, but needs a sector-wide view, to enable NDA/FPs to provide a well-founded NOP, coordinated with the main stakeholders. If several are assessed as adequate and useful, there is no reason to continue the current policy of limiting the pre-accreditation support by PwC or another company/organization to just one candidate institution per country.

DPs for RPSP grants that have no intention or possibility of obtaining accreditation have to pass the FMCA. By comparison to accreditation, this is a simplified process focusing on fiduciary controls. The aim is to ensure that any funds entrusted to a DP will be correctly managed and monitored, limiting the risks for malpractice, fraud and mismanagement. There are quite a few such DPs, though the majority prefer to go for accreditation in order to be able to independently prepare, propose and obtain funding from the GCF. Complaints about English-only forms are common, and going through the FMCA process has reportedly been difficult for several DPs, as also expressed by some NDA/FPs.

### **Evidence of learning**

Efforts have been made, particularly by DCP, to accelerate RPSP project preparation, approval and implementation. Several reforms have already been implemented in the last two years with demonstrable results. Clearly, the most important change has been the reduction



in overall processing times for RPSP grants from project submission to first disbursement, from a median number<sup>57</sup> of 422 days in 2015 (including two submitted in 2014) to 254 days in 2016, and further to 172 days in 2017. This represents a very significant efficiency gain.

A few new measures and improvements are being prepared, in line with the revised Work Programme 2018 for the RPSP, which was approved at B.19<sup>58</sup>. In reaction to the Dalberg report and adding to it, the intended reforms are summarized in annex XVI to Decision B.19/15 on the matter; with the emphasis being on improving outreach to countries, by translating the readiness Guidebook and associated templates, by strengthening the regional presence through increased capacity of the Secretariat (including that of the RAs), by providing technical/advisory support from the Secretariat (including more regular in-country engagement), and by considering options to formally organize regional networks of NDA/FPs. This list of proposals had not been decided upon by the Board at the time of writing.

Other examples of innovation and learning related to RPSP implementation include the latest edition of the GCF Guidebook discussed above; the searchable handbook on decisions by the Board; the introduction of NAPs at B.13 in June 2016 following UNFCCC COP 17; the revised approach to reviewing NAP projects submitted by IAEs (requiring them to be more country specific); the creation of OPM; the expansion of the RA group; the repeated revisions of the project proposal template from version 1 to the current version 4 with a clearer logframe; increased emphasis on the private sector; support for post-accreditation upgrades; the Structured Dialogues for all regions and the organization of annual workshops with DAEs; the creation of the RWG for approving

proposals; the FWAs for DPs with more than five projects; and most recently the delegation of the review and follow up of the other RPSP projects to UNOPS (about 50 per cent of the RPSP portfolio in the medium term).

Another recent development has been the FLUXX workflow system, which is planned, and will integrate data related to project preparation, submission, review, approval and monitoring into one website. This is meant to facilitate data entry and sharing, communication, recording and monitoring of progress during the various steps. It is anticipated that this too will contribute to speeding up processes.

Another option not used so far is that the NDA/FPs can present a combined request for a duration of several years instead of annually, as long as the cap of USD 1 million per year is not exceeded. This can provide more planning security and opens up the possibility for the NDA/FPs to develop a multi-year programme, which could include capacity-building, training and the pre-preparation of projects and strategies.

The measures described above demonstrate that the Secretariat, as in other areas, applied active learning on the job for RPSP planning, reviews, approval and monitoring. The aim was, in line with directions provided by the Board, to insist on high-quality standards for projects and strategic programmes, to manage risks proactively, and to help build an institutional infrastructure allowing country ownership. At the same time, the objective and pressure was and remains keeping the review time and effort within reasonable limits and to get funds disbursed more quickly to facilitate actions on the ground.

<sup>57</sup> Using median compared to average has the advantage of eliminating the effect of outliers. Particularly some of the early projects had very long delays which distorted the average figures.

<sup>58</sup> RPSP: revised work programme for 2018, GCF/B.19/32/Rev.01, 20 Feb. 2018.



The learning curve has been steep and the adjustments continuous. Some 66 per cent of NDA/FPs strongly agreed or agreed that the screening and approval mechanisms of the RPSP have improved over time. At the same time, many NDA/FPs and even the DPs had difficulties in absorbing all of these changes. For instance, some NDA/FPs reported confusion about the relationship between the RPSP support for the development of concept notes and the PPF, where one ends and the

other begins. Rapid learning was also demanded of the rapidly expanding and frequently changing staff, which made communication with stakeholders in the countries at times inconsistent in terms of feedback messages received while dealing repeatedly with new persons. In other words, while learning and adjustments have been coming fast, some additional clarity is still required in certain areas of operation to manage and integrate that learning.

## KEY FINDINGS AND LESSONS

### *Finding 1*

**The revised RPSP Guidebook was well received by the large majority of NDA/FPs.**

However, some criticism exists on the language still being bureaucratic, and that only English is used.

### *Finding 2*

**The Structured Dialogues and the DAE workshops are much appreciated by NDA/FPs and DAEs, but they would like to see peer-to-peer learning privileged more, inspired by the “coffee shops” made available at the Structured Dialogue in Mali in March 2018, and/or in the hosting of sub-regional network meetings.**

### *Finding 3*

The NDA/FPs perceive that the RPSP application process requires disproportionate efforts and costs in relation to the size of support provided for projects.

### *Finding 4*

The lack of SOPs (e.g. regarding turnaround times on reviews, etc.) has made it difficult for NDA/FPs and DPs to plan accordingly and make best use of time and resources for RPSP planning and implementation.

### *Finding 5*

**The Secretariat has significantly reduced the median processing time from submission to**

**first disbursement** from 422 days in 2015 to 254 days in 2016 and 172 days in 2017, which represents more than seven months less time in 2017, or 41 per cent of the time needed in 2015 to process RPSP grants. However significant disparities remain amongst regions and priority country blocs.

### *Finding 6*

**For DPs with FWAs, which concerns about 50 per cent of the project portfolio, the processing times were significantly shorter.** The recently signed contract with UNOPS for the management of post-approval processes for the other half of projects is expected to diminish the work load for DCP and accelerate implementation.

### *Finding 7*

**Regional Advisors are providing important advice to NDA/FPs on the RPSP and the GCF in general.** There have been a number of obstacles to their efficiency, in particular their previously short contracts. Over the past few months, the RA team has been expanded and their contract situation has become more regular. Their role has to be clarified with regard to the Country Dialogue Specialists and the newly hired Regional Desk Officers, Associate Professionals and others, who are covering the same regions. **Within the Secretariat as the size and roles of different**

**divisions change, it is important to clarify roles and responsibilities.**

*Finding 8*

**The accreditation process was frequently described as lengthy and complicated,** in spite of the generally well-appreciated support by PwC. A number of accredited DAEs managed the accreditation process without RPSP assistance, and a number of DPs that have no intention or possibility of obtaining accreditation passed the FMCA, though some with difficulties.

*Finding 9*

**The learning curve for the RPSP has been steep and the adjustments continuous.** Two thirds of NDA/FPs responding to the online survey either strongly agreed or agreed that the screening and approval mechanisms of the RPSP have improved over time. At the same time, many NDA/FPs and even the DPs experienced difficulties in absorbing all of these changes. In other words, while learning and adjustments have been coming fast, clarity is required in certain areas of operation to manage, integrate and operationalize this learning effectively.

## IX. INNOVATIVENESS AND SCALING-UP POTENTIAL

The TOR for this evaluation includes assessing the criteria of “innovation and potential for paradigm shift” and “potential for building scale”. The two criteria are covered by the GCF investment criterion of potential for paradigm shift and its activity-specific criterion of potential for building scale.

The concept of a paradigm shift has not been elaborated by the GCF beyond a nominal definition in its investment framework, where it is defined as the “potential for catalyzing impact beyond a project or investment programme”, and the listing of a number of factors that contribute to catalyzing a paradigm shift, such as potential for scaling and replicating, innovation, creating an enabling environment, and knowledge and learning, among others. The question of scaling is particularly salient as a core operational priority of the GCF, and will be assessed as a distinct pathway for achieving a paradigm shift. Innovation is another factor, but one that plays a lesser role in the context of the RPSP<sup>59</sup>.

### A. INNOVATIVENESS AND POTENTIAL FOR PARADIGM SHIFT

#### Approach and rationale

The evaluation question on innovativeness and potential for paradigm shift in the context of the RPSP is construed as assessing the extent to which the RPSP is enabling a paradigm shift towards low-carbon and climate-resilient development. In this study, this does not represent an assessment of the GCF project portfolio, but reviews evidence in the design, activities and outputs of the RPSP for the

likelihood of these catalyzing or supporting a paradigm shift<sup>60</sup>.

The paradigm shift criterion is deconstructed for the purpose of this assessment on the basis of the contributing factors contained in the investment framework of the GCF, and of other relevant factors<sup>61,62</sup>. These are diagnostic work, transformational capacity building, and fostering cross-sectoral and multi-stakeholder approaches.

The concept of a paradigm shift is particularly challenging in the context of adaptation. A paradigm shift in adaptation involves two things: first, distinguishing between “business as usual” development projects and transformational adaptation projects, and second, how to conceptualize transformational change<sup>63</sup>.

The first requires that the climate rationale for projects be strengthened. The second can be approached in more than one way: (i) taking a more systemic approach, as opposed to a more piecemeal approach, (ii) developing a “cross-sectoral” and “multi-scalar perspective”, and/or (iii) encouraging “adaptation that fosters a paradigm shift in society”<sup>64</sup>. The latter is often considered from a financing perspective through increasing the role of the private sector, and is closely linked to the idea of scaling adaptation action through incentivizing private sector investment.

#### Evidence of progress

Overall, limited evidence has been found of the RPSP having contributed to a paradigm shift towards low-carbon and climate-resilient development. This is unsurprising for several reasons. First, the RPSP was not originally

<sup>59</sup> The new incubators and accelerators programme currently under development is noteworthy in this respect.

<sup>60</sup> Of note, ‘activities’ as discussed here comprise both activities of the RPSP led by the Secretariat (such as the Structured Dialogues), and those led by countries at the national level (such as NDA/FP strengthening).

<sup>61</sup> See for example work done by WRI, GIZ

<sup>62</sup> See for example Puri (2018) available at <[https://ieugreenclimate.fund/documents/977793/985626/Working\\_Paper\\_-\\_Transformational\\_Change\\_-\\_The\\_Challenge\\_of\\_a\\_Brave\\_New\\_World.pdf/96702562-0e1d-3e9a-a9cc-bbea65103bbe](https://ieugreenclimate.fund/documents/977793/985626/Working_Paper_-_Transformational_Change_-_The_Challenge_of_a_Brave_New_World.pdf/96702562-0e1d-3e9a-a9cc-bbea65103bbe)>.

<sup>63</sup> See SEI, 2018.

<sup>64</sup> See SEI, 2018.

conceived or designed to explicitly support a paradigm shift, nor did it offer tools, methods, or other targeted support to do so. The RPSP was designed to strengthen country ownership of climate adaptation and mitigation planning and implementation. Second, supporting a paradigm shift is an investment criterion for GCF project proposals that has been given less thought in the context of the RPSP until quite recently. Third, the evaluation found that there is a tenuous link at this stage between the RPSP and the Funded Project pipeline, though it is evolving. Therefore, the assessment of potential for paradigm shift is purely qualitative, formative and predominantly forward looking.

The survey conducted for this evaluation elicited few relevant responses to the issue, and many interviewees viewed it as too early to speak of a paradigm shift. Countries conveyed that they are focused on the immediate needs of establishing more institutionalized NOPs, organizing stakeholder forums, achieving accreditation of national entities, developing a pipeline of projects, and building the project design capacities of DAEs. Finding evidential data is furthermore hampered by the minimal reporting on RPSP results.

While catalyzing a paradigm shift has not been an explicit objective of the RPSP, it has been implicit in the RPSP in a number of respects: (i) the RPSP is building capacity, which is a prerequisite for achieving a paradigm shift; (ii) it is supporting the preparation of strategic frameworks, which compels countries to think longer term, cross-sectorally, at multiple scales and programmatically; (iii) it is fostering learning and replication through its Structured Dialogues and other fora; and (iv) it is supporting some diagnostic work, multi-stakeholder approaches and intra-governmental coordination.

The addition of the NAP activities to the country grant programme has strengthened the potential of the RPSP to catalyze a paradigm shift, in particular, where these tackle

institutional and capacity bottlenecks, strengthen the climate rationale of projects, and foster cross-sectoral, multi-scalar and multi-stakeholder approaches.

Various elements and developments in the programme and some of the outputs indicate the potential of the RPSP to be a tool for supporting a paradigm shift. These findings are set out below. Specifically, evidence is presented at the level of the evolving scope, activities and outputs of the RPSP, including the RPSP proposal template and proposals, country programmes, NAPs, and salient developments in additional guidance and support. These evolving elements of the RPSP constitute support for catalyzing a paradigm shift.

### **Evolving RPSP support for paradigm shift-enabling processes and activities**

The RPSP has evolved since it was first conceived, as a result of (i) requests from countries, such as support for NAPs and a more flexible approach towards activities that can be supported under the RPSP; (ii) GCF findings such as the need for more targeted support for crowding-in private sector investments and for addressing the challenges of developing adaptation projects with strong climate rationales; and (iii) RPSP response to COP decisions, for example, by providing climate technology related support under the RPSP.

### **Country programmes**

While many countries have made progress towards a country programme, only eight countries have completed and submitted one to the GCF. References to paradigm shifts have only been found in five country programmes, of which two were in the context of a specific funding proposal listed.

The Antigua and Barbuda country programme refers to the paradigm shift potential in the context of government co-financing and private sector financing. The Bangladesh country programme indicates that there are still many

barriers and gaps (policy, regulatory, institutional, technical, financial, business, social and cultural in nature) that need to be addressed in order to shift the paradigm to transform development and address climate change. The Rwanda country programme refers to the paradigm shift at the level of the country programme and strategy, to be achieved through green growth programmes and institutional and regulatory systems in the case of low-carbon development, and through strengthening climate responsive planning and increasing the use of climate information in decision making. In other words, there is much work to be done in integrating this discourse into country programmes.

### NAPs

As of now, the NAPs and other adaptation planning processes have a number of paradigm shift-relevant objectives, such as facilitating the integration of climate change adaptation into development planning processes, strategies, policies and programmes within all relevant sectors and at different levels, and helping countries catalyze financing at scale.

Furthermore, DCP is stepping up its support for transformational change by asking what kind of capacities are needed for planning processes at the national level beyond short-term priorities, and by helping countries' thinking processes on identifying their gaps and needs. This is part of generating a more impactful approach in the RPSP<sup>65</sup>.

### Strengthening the climate rationale of adaptation projects and programmes

Exclusive of adaptation planning, the Secretariat is continually improving the RPSP to help countries and AEs define the climate rationale of their project pipelines. The Secretariat has started to develop a capacity-building strategy based on existing systems and programmes, including the Readiness

Programme, to enable countries and DAEs to develop funding proposals that are grounded in a scientific evidence base and that compellingly articulate the elements of climate rationales required by GCF<sup>66</sup>. The Secretariat has also started an exercise to map out the communities of practice to support the delivery of results in this area<sup>67</sup>.

### Support for crowding-in private sector investment

While the RPSP proposal template contains the option of requesting support for crowding-in private sector investment, including for related diagnostic work such as the identification of barriers, there has been little or no guidance on which processes to follow and how to achieve this, beyond the Private Sector Advisory Group (PSAG) recommendations to the Board. However, one RA has confirmed that the RPSP is giving these recommendations due consideration.

The PSAG recommended that the RPSP could play a catalytic role by supporting assessments and identifying short-term actions to remove barriers to private sector engagement and investment, such as targeted capacity-building programmes and collaborative processes to assist governments (i) to identify priority initiatives that target specific sectors, knowledge and capacity gaps, (ii) to develop a strategic plan and a multi-stakeholder plan, and (iii) to identify the most obvious and urgent regulatory initiatives<sup>68</sup>.

It is not clear to what extent these PSAG recommendations have been translated into guidance to countries and NDA/FPs, or whether additional targeted capacity-building support is being foreseen.

A review of RPSP proposals, set out in more detail in the Effectiveness section, examined the expected RPSP results for private sector engagement and crowding-in. This revealed

<sup>65</sup> Regional Advisor interview.

<sup>66</sup> See B.20/Inf.11.

<sup>67</sup> See B.20/Inf.11.

<sup>68</sup> See GCF B.17/03, 2017.



that a majority of proposals indicated expected results in terms of private sector engagement, but only between 19 per cent (in LDCs) and 37 per cent (in other, non LDC/SIDS/African countries) indicated the expected result of crowding in private sector investment.

### Technology and innovation support

The latest version of the RPSP Guidebook now includes the option to request climate technology related support. Among other technology related support options, the option exists to develop a “comprehensive strategy to catalyse investment in the deployment and scale-up of prioritized climate technology solutions, including market preparation and business planning”.

It is not clear to what extent countries will be provided with further guidance and support to take on the new climate technology activities. Specialized DPs such as the Climate Technology Centre and Network (CTCN) could play a key role in their implementation.

Potentially more transformative is the envisaged innovation system support linked to the support of the GCF for collaborative R&D, and specifically the new programme on incubators and accelerators currently under development following the decision of the Board in 2017 to support a new window on incubators and accelerators<sup>69</sup>. Without preempting the Board, the RPSP could, for example, support the updating of national development and innovation strategies to align them with INDCs and NAPs, and facilitate collaborative R&D partnerships, amongst other possibilities.

### Possible opportunities

The RPSP, as originally conceived and delineated, did not automatically or necessarily support a paradigm shift, but has had paradigm shift-enabling elements that could further be strengthened. For the RPSP to serve as a supporting tool for transformational change,

diagnostic work needs to be more targeted to identify gaps, barriers, and opportunities; capacity building needs to be more transformational; and planning needs to be supported with suitable tools. These elements should then be combined for synergistic effect.

## B. REPLICATION AND SCALABILITY

### Approach and rationale

The evaluation question on the potential for scaling investigates the extent to which the RPSP is enabling or supporting the scaling of climate mitigation and adaptation interventions. The GCF concept and evaluation criterion of scaling was adopted from the International Fund for Agricultural Development (IFAD), which defines scaling as “expanding, adapting and supporting successful policies, programmes and knowledge so that they can leverage resources and partners to deliver larger results for a greater number of rural poor in a sustainable way”.

The issue of scalability is a core operational priority set out in the Initial Strategy of the GCF: “maximizing its impact by supporting projects and programmes that are scalable, replicable and employ GCF resources in the most efficient manner by, inter alia, catalyzing climate finance at the international and national level, including by maximizing private sector engagement”<sup>70</sup>.

The initial GCF strategy does not specify the nature of the support that the RPSP should provide other than it should engage and support NDA/FPs in developing programmes and funding proposals that have the potential to yield impact at scale.

Scaling up, as defined by the World Bank, is “to efficiently increase the socioeconomic impact from a small to a large scale of coverage”, through “replication, spread, or adaptation of techniques, ideas, approaches, and concepts (the *means*)”. Scaling up is

<sup>69</sup> See GCF/B.18/12.

<sup>70</sup> See GCF, 2016.



typically a long-term, non-linear process that combines generalized and context-specific approaches<sup>71</sup>. It can occur horizontally, by replicating promising or proven practices, technologies or models in new geographic areas or target groups, or vertically by catalyzing institutional and policy change<sup>72</sup>. Vertical scaling is closely related to the concept of catalyzing a paradigm shift.

There is much more experience with the scaling of mitigation than adaptation approaches, particularly through market creation and transformation, and crowding-in private sector investment. Adaptation efforts have so far consisted largely of small projects, often adopting a community-based approach or of a pilot nature. As a result, their capacity to benefit larger populations and to contribute to policy reform has been limited<sup>73</sup>. To achieve large-scale, transformational solutions to adapt to climate change, the scaling of adaptation projects is imperative<sup>74</sup>. However, the tools to do so do not yet exist (although understanding of the processes involved in scaling has increased as a result of research and implementation).

### Evidence of progress

The GCF has not produced any work or document that has furthered or reviewed the criteria of scaling, which was considered in GCF/B.05/03 and adopted in the TOR of the IEU in 2014<sup>75</sup>.

The RPSP has only very recently begun to explicitly consider the issue of scaling in two very specific contexts: (i) in the NAP or other adaptation planning support where the guidelines stipulate this support aims to help countries catalyze the scale and range of financing instruments required by countries to adapt to climate change over time<sup>76</sup>, and (ii) through the inclusion this year of the option of requesting readiness support for climate

technologies, including for strategies to scale-up prioritized climate technology solutions.

For the present evaluation, the experience with the NAPs is the sole source of evidence for investigating the extent to which the RPSP is enabling or supporting the scaling of climate mitigation and adaptation interventions, since the inclusion of climate technology support has been too recent to assess the extent to which this is reflected in RPSP proposals. And while the Structured Dialogues, by promoting the exchange of experience, have been a potential vehicle for replication and scaling outside a country, it was not possible to assess the extent to which, and how they have enabled replication because there has been no systematic documenting of the issue discussed in the Structured Dialogues.

A review of all the NAP and other adaptation proposals under the NAP revealed that 9 of 14 approved NAP proposals included dedicated activities to identify opportunities for scaling up activities. Of these, six focused on scaling up financing, including through identification of policy options. One, the Bangladesh NAP proposal, went beyond the narrow financing aspect and raised the broader challenge of scalability and replicability. Two NAP proposals mentioned scaling but did not allocate specific activities to the issue. Five NAP proposals did not mention scaling-up activities or their financing, all of which were supported by UNEP. All six proposals supported by UNDP included the standard activity of identifying policy options for scaling up financing for adaptation investments, including through public-private partnerships.

### Possible opportunities

In conclusion, evaluation and research on scaling suggests that a complex set of factors are needed for scaling-up and replication, and

<sup>71</sup> See World Bank, 2003.

<sup>72</sup> See e.g. World Bank, 2003.

<sup>73</sup> See GCF Readiness Programme.

<sup>74</sup> See GCF Readiness Programme.

<sup>75</sup> See GCF/B.06/06.

<sup>76</sup> See RPSP Guidebook, 2018.

that causality is hard to establish<sup>77</sup>. Scaling-up and replication are very challenging endeavours that require appropriate institutional structures, in-project and in-programme knowledge generation and dissemination, enabling environments, partnerships, and communication and financial risk-sharing between the public and private sectors in the context of scaling through private

sector investment. Different barriers exist at different levels and scales of interventions, and vertical scaling itself will require an institutional model<sup>78</sup>. In the context of scaling up climate technologies, different financial and policy instruments are needed for different stages of technology dissemination<sup>79</sup>. The RPSP has a continued role to play in enabling such transformational innovation.

## KEY FINDINGS AND LESSONS

### *Finding 1*

While the RPSP was not designed for enabling a paradigm shift and scaling, **it comprises elements with the potential to contribute to a paradigm shift** beyond individual projects.

### *Finding 2*

The **RPSP has been evolving from a narrow original remit to a broader and potentially more effective instrument** to support a country-driven pipeline of transformational projects through increasing emphasis on diagnostic work and comprehensive strategies, learning, more targeted capacity building and more structured engagement with the private sector.

### *Finding 3*

For the RPSP to serve as a **supporting tool for transformational change**, including building scale, diagnostic work needs to be more targeted to identify gaps, barriers, and opportunities; capacity building needs to be more transformational; learning and planning needs to be supported with suitable tools, and the private sector mobilized more effectively.

### *Finding 4*

As understanding of what transformational capacity building and scaling tools entail, in particular for climate resilient development, is still at the initial stages, **further analytical work and targeted learning** is required.

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<sup>77</sup> See OECD, 2013.

<sup>78</sup> For example, in the small-scale coffee and tea sector, the concept of ‘multiplying institutions’ was developed. It explores how project developers and other actors could scale up and replicate initiatives at different levels.

<sup>79</sup> The aspect of scaling that has received the most attention in the GCF is scaling up of financing, in particular of adaptation options. There is much more experience with and understanding of financing the scaling of mitigation options, in particular for renewable

energy and energy efficiency, which is not the case for adaptation. Attracting private sector finance for adaptation has become an important element in replicating and scaling up climate finance interventions. It is an issue that is often raised.

In general, achieving scaling and replication requires “looking beyond the traditional project cycle to identify opportunities for wider and lasting impact by expanding, replicating, adapting and sustaining effective approaches”.

## X. RECOMMENDATIONS AND CONCLUSIONS

In this chapter, three groups of recommendations are presented.

*First group of recommendations:* These are required changes in the RPSP. Most of these are focused at the Secretariat, and processes and outputs of the Secretariat in the immediate term. The overall focus of these recommendations is to *ease access to GCF support, decrease financial costs and improve the efficiency of the RPSP*<sup>80</sup>.

### 1A. Capacity building, outreach and support to countries:

- **Outreach to countries should be improved**, by translating the Readiness Guidebook and associate templates at least into French and Spanish, regularly updating it (in all languages) and enabling opportunities for timely and continuous learning about changes to the Programme. Any such changes should be communicated to all stakeholders concerned;
- **Opportunities for peer learning should be encouraged.** Peer-to-peer learning among countries and DAEs should be privileged more, in Structured Dialogues and also via sub-regional meetings; and
- **Post accreditation support and capacity strengthening:** Provision should be made for strengthening the capacities of NDA/FPs and offering post-accreditation support for DAEs, in particular for the preparation of concept notes with clear climate rationales;
- **Capacity building:** Countries should be provided with financial support plus advisory services (i.e. capacity building and technical assistance) for meeting

their needs and priorities; More long-term national consultants should be funded to provide support to weak NDA/FPs in LDCs, SIDS and in Africa; Greater capacity-building support should be provided on gender and ESS to ensure that countries are able to develop RPSP and Funded Project proposals in line with the gender, ESS and indigenous peoples policies of the GCF. With respect to gender, a concerted effort should be made in Africa.

### 1B. Country programmes and in-country support:

- **Country programmes:** Clear guidelines for country programmes should be provided, with a focus on developing clear priorities and concrete concept notes, taking into account fully the policies of the GCF regarding gender, ESS and indigenous people, and strengthening climate rationales, while articulating the overall outcomes of country programmes and their value-added and managing expectations. This is especially timely since the GCF is spending a lot of energy and resources on these and it will be useful to course-correct since the evaluation remains unclear about the additional value of these programmes;
- **DAEs and country ownership:** Criteria should be developed to determine if some countries need several DAEs to pursue their objectives. If so, pre-accreditation support should be made available to all potential candidates recommended by NDA/FPs; and

<sup>80</sup> The first four recommendations are in partial alignment with the recommendations of the Dalberg Report and the proposed measures to be undertaken by the Secretariat as articulated in annex XVI to Decision 19/15 on the RPSP

Work Programme 2018. The balance of recommendations provides guidance stemming from findings and lessons of the current evaluation.

- **Coordination and firewalls to prevent conflicts of interest:** Within countries, specific expectations and requirements for intra-governmental coordination and stakeholder consultations should be formulated, similar to the Country Coordination Mechanism of the Global Fund. Specifically, the evaluation recommends strong firewalls to eliminate conflicts of interest within these coordination and approval structures.

### 1C. Secretariat level process changes:

- **Post-approval flexibility:** Greater flexibility should be allowed for project-level adjustments after approval, in response to changing conditions and circumstances on the ground;
- **Roles and responsibilities:** The roles and responsibilities of RAs, Associate Professionals, Country Dialogue Specialists and other related staff and consultants should be articulated, developing synergies between them and making best use of expanded regional resources. In an effort to ensure a more efficient coordination and complementarity of different Secretariat divisions and units, the roles and responsibilities of each with respect to the RPSP (and its various component priorities) require greater definition;
- **SOPs for the Readiness Programme** need to be more clearly articulated (and in some cases developed), both with respect to the readiness value chain within the Secretariat (i.e. how different entities work together) and in terms of the relationship between the Secretariat, NDA/FPs, AEs, DAEs, DPs and others (e.g. on expected turnaround times);

- **Results-oriented planning and reporting for RPSP** activities should be introduced and implemented, including also periodic evaluations; and
- **The RPSP should have a database that is open to countries who can then view the status of their applications and grants.** The information should be provided in a transparent and an interoperable way and countries should be able to check status. The Secretariat should ensure that any further database development is harmonised, to avoid duplication, redundancy and inconsistencies.

*Second group of recommendations:* Build a *vision and specific targets* for the RPSP and manage for results. This is targeted at improving the *effectiveness* of the RPSP. The RPSP was created to facilitate the access of countries to GCF Funded Project support. While readiness funds have repeatedly been renewed by the Board, as yet there has been no clear strategy approved for the programme. The country context, capacities and needs are very heterogeneous. Furthermore, the climate change landscape has changed a great deal over the past five years, with a growing emphasis on the role and involvement of the private sector, both national and international. In this space, the GCF has grown into a leading provider of climate finance to the public (and increasingly the private) sector, with the broadest set of instruments for capacity-building and project funding, compared to other international climate funds. Last but not least, a large amount of learning has taken place in relation to the Readiness Programme. Building on these key points, a strategy is required for the development of the next generation of the RPSP.

The development of such a strategy would need to address the following questions:

- **Define vision:** What does it mean for a country to be 'ready' (i.e. to be ready to access GCF funding for a project, for accessing climate finance more broadly, for addressing climate change within countries)? This requires developing a clear vision and defining a niche for the RPSP;
- **Define strategy and targets:** When is a country 'ready'? This requires the development of readiness targets; and
- **Measure and manage:** How 'ready' are countries, at any given time? This requires progress and results indicators. It is premature and beyond the scope of this evaluation to provide the details of such a strategy for the RPSP. Nonetheless, the evaluation has identified **several choices** that the Secretariat could consider.
- Build the capacity of countries to receive and manage climate finance globally rather than focus only on the GCF;
- Increase post-accreditation support for DAEs, in particular for the development of project proposals with clear climate rationales;
- Support the preparation of projects (including pilot and demonstration projects);
- Use country programmes to assist countries to build their capacity to accurately and transparently measure their progress on INDCs;
- Establish complementarity and coherence with unfunded elements of Investment Plans under the CIFs (and potential others), in particular through the PPF and NAP support windows, and report on this as well;

- Identify and remove barriers to crowding-in private sector investments, while defining and supporting the creation of conducive policies for private sector participation;
- Develop comprehensive strategies to catalyze investments to deploy and scale-up prioritized climate technology solutions;
- Enable more flexible cooperation with the private sector, rooted in a strategy for engaging with the private sector that is based in greater alignment with its sectoral practices; and
- Engage with additional parts of governments (e.g. ministries of agriculture, forestry, and meteorology departments).

*Third* group of recommendations: Discontinue business-as-usual and develop a specific strategy for RPSP v2.0. This set of recommendations examines two scenarios for the future development of the RPSP. These scenarios are understood to be general, guiding frameworks, which if agreed upon, would then require more targeted thinking. They recognize that the pace of RPSP progress is contextually dependent, based on overall vulnerability; prior readiness support; institutional capacity; strength of national leadership and commitment at high levels of government; and other factors. Board decisions, and operational work to address their many concrete dimensions would be required. For the time being, the two scenarios herein proposed are the following:

**Scenario 1** is a scenario in which the RPSP incorporates the first two recommendations listed here, including a clear articulation of vision, strategy, results and measured targets. In this scenario, the RPSP also examines some of the opportunities laid out in the report at the end of each section, and takes on board all the required changes grouped under recommendation 1.



**Alternatively, in scenario 2**, RPSP considers the following changes. First, it considers adopting a *differentiated* approach focused on national contexts, needs and results. This assumes that the RPSP will consider recognizing the different needs and capacities of countries and, at the least, differentiate or segment them into two groups into which countries self-select.

The first group that countries may self-identify/select themselves into are those that require far more capacity building, at-call-accompaniment and direct GCF support (from GCF staff and/or RAs and others). Typically, these countries would identify themselves as those that require a minimum amount of capacity building, knowledge about climate finance, support on consultation processes and support to understand opportunities and challenges of the GCF and climate finance more broadly. For these countries, the Readiness program would provide readiness support and supplement it with in-kind support. The 'entry costs' for countries to demonstrate that they require this support would be minimal and countries would need to build a close relationship with GCF characterized by regular communication, travel and reporting. The outcome that the readiness programme would expect to see amongst these countries is a significant change in country capacities to engage with the international finance community and the GCF in particular. Trainings, workshops and learning would be key attributes of the additional in-kind support that GCF would provide to these countries.

The second group that countries may self-identify or self-select themselves into are those that have relatively well-established institutions, good in-country infrastructure for climate finance and good mechanisms to leverage not just GCF finance but from other sources too. Human and systems capacity is high and these countries are able to demonstrate easily these and other key attributes associated with capacity. 'Entry costs' or demonstration costs to self-identify

with this group, are relatively high, compared to the first group, but having self-selected oneself here, countries are able to get longer term readiness support - for example three to five-year RPSP grants that focus mainly on galvanizing the private sector and ensuring that key institutional and policy obstacles are removed. The reporting costs that countries in this group would have to bear toward GCF would be less onerous than those for the first group of countries, but countries would nonetheless need to report on results, outcomes and impact rather than activities and outputs.

This scenario envisions a "differentiated RPSP" that is based in a focus on national contexts, needs and results, stemming from this evaluation's overall finding that the readiness of countries and the results of the RPSP vary greatly between countries, and that more differentiated support would heighten the effectiveness of the RPSP.

## **Conclusions – Build for the long term**

The RPSP is an important programme of assistance offered to countries to help them get ready, or readier, for full access to climate funding. It is meant to empower countries to manage their climate change mitigation and adaptation activities, in an increasingly autonomous and effective way, thus fully realizing the country ownership that is at its heart. This will likely take longer for LDCs, SIDS and at least some African countries, which might receive readiness support for a longer period and in more flexible ways to allow needs-based capacity building. By comparison, more economically and institutionally developed countries should benefit from flexible support for their elaboration of projects, cooperation with the private sector and other partners, and for further innovating and scaling up their endeavours.

It must however be recognized that even with an institutional infrastructure in place, strong leadership and commitment from the NDA/FP and support from top government



representatives are required to further develop project pipelines and enable concrete action on the ground. Also, the private sector, CSOs, vulnerable and marginalized groups, media, and the general public must be involved in efforts to truly develop country ownership to address climate change. In the longer term, the evaluation recommends a more autonomous role for the NDA/FPs and the articulation of strategic framework agreements. In the medium-term, country programmes would

become 'strategic compacts' linked to progress achieved with regard to the INDCs, and include a list of projects approved by the GCF as a package. Funding tranches for such frameworks would be released against demonstrated and audited/evaluated country or sector-level mitigation and adaptations results, instead of being approved and monitored at project level. This would further strengthen country ownership and diminish the burden on the Secretariat.

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