THE GREEN CLIMATE FUND
AND PAPUA NEW GUINEA’S
NATIONAL DESIGNATED AUTHORITY

A short guide about the Green Climate Fund and
the role of Papua New Guinea’s National Designated Authority
to the Green Climate Fund
What is the Green Climate Fund?

The Green Climate Fund (GCF) is a fund created to support the efforts of developing countries to respond to the challenge of climate change. The GCF is a financial mechanism established within the United Nations Framework Convention on Climate Change (UNFCCC) and acts as the operating entity to implement the 2015 Paris Agreement. The Fund helps developing countries limit or reduce their greenhouse gas (GHG) emissions and adapt to climate change. It seeks to promote a paradigm shift to low-emission and climate-resilient development, taking into account the needs of developing countries.

Responding to the climate challenge requires collective action from all countries, including by both public and private sectors. Among these concerted efforts, advanced economies have agreed to jointly mobilize significant financial resources. Coming from a variety of sources, these resources address the pressing mitigation and adaptation needs of developing countries.

GCF's activities are aligned with the priorities of developing countries through the principle of country ownership, and the Fund has established a direct access modality so that national and sub-national organisations can receive funding directly, rather than only via international intermediaries.

GCF aims to catalyse a flow of climate finance to invest in low-emission and climate-resilient development, driving a paradigm shift in the global response to climate change.

GCF's innovation is to use public investment to stimulate private finance, unlocking the power of climate-friendly investment for low emission, climate resilient development. To achieve maximum impact, GCF seeks to catalyse funds, multiplying the effect of its initial financing by opening markets to new investments.

GCF's approach is marked by three distinct features as shown in Figure 1.

GCF invests in adaptation and mitigation activities in developing countries, managing a project portfolio that is implemented by its partner organizations, known as Accredited Entities (AEs).

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| Figure 1. The three distinct features of GCF. Source: GCF 2020. Available at: https://www.greenclimate.fund/about |
National Designated Authorities (NDAs) are government institutions that serve as the interface between each country and the Fund. They provide broad strategic oversight of the Green Climate Fund’s activities in the country and communicate the country’s priorities for financing low-emission and climate-resilient development.

Papua New Guinea’s national government agencies and line ministries have an important role to play in designing, implementing, coordinating and monitoring of adaptation and mitigation projects in the country. The Climate Change and Development Authority (CCDA) is the mandated government agency that plays the coordinating role for all climate change activities in the country at the national level, while other government agencies and line ministries have their own relevant mandated responsibilities. To ensure implementation of the country programme, the Government of Papua New Guinea must have the capacity to plan for, access, deliver, monitor and report on climate finance, that align with national priorities and policy.

The Government of Papua New Guinea is responsible for providing oversight and coordination of climate change and disaster risk management activities in Papua New Guinea. CCDA under the Ministry of Environment, Conservation and Climate Change is the NDA to the GCF and has enacted the Climate Change Management Act (2015) as the country’s overarching climate change legislation. The NDA has the strategic responsibility of representing Papua New Guinea’s national priorities and interests in climate change to the Green Climate Fund (Figure 2).
<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
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<tbody>
<tr>
<td>Convene national stakeholders</td>
<td>Convene key national stakeholders on GCF processes, including national government agencies, local governments, private sector, civil society and communities, and development partners.</td>
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<tr>
<td>Issuing nomination letters for direct access</td>
<td>Applications from sub-national, national or regional entities wishing to become accredited via the direct access track need to be accompanied by a nomination letter from the NDA.</td>
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<tr>
<td>Providing no-objection letters for projects/programmes</td>
<td>The no-objection is provided to GCF by the NDA or focal point, in conjunction with any submission of a funding proposal by an accredited entity of the Fund. In case a proposal is submitted without the no-objection letter, GCF will notify the NDA or focal point and will only submit the proposal to the Board if the 'no objection' is received within 30 days of the notification. Otherwise, the proposal will be suspended, and the accredited entity notified.</td>
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<tr>
<td>Approval of readiness support</td>
<td>The NDA or focal point may directly benefit from the funding or select international, regional, national and sub-national, public, private or nongovernmental institutions, well-versed in readiness activities as their delivery partners. The Fund may also deploy readiness and preparatory support to prospective sub-national, national or regional entities seeking accreditation with the Fund to prepare them to apply for accreditation, and to accredited entities to develop project and programme pipelines.</td>
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<tr>
<td>Strategic oversight aligned with national priorities</td>
<td>This includes ensuring alignment with national sustainable development objectives and frameworks including climate strategies and policies, e.g. National Adaptation Programmes of Action (NAPA), Nationally Appropriate Mitigation Actions (NAMAs), National Adaptation Plans (NAPs), etc. The Fund’s readiness programme is able to provide support to develop or strengthen such strategic frameworks and develop country programmes to identify strategic priorities for engagement with the Fund.</td>
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How the project cycle for a GCF project or programme works in PNG

Figure 4 provides a visual guide to the process and the responsible parties at different levels of the GCF project and programme cycle. Table 3 (over page) outlines the 14 steps of the process for Papua New Guinea in more detail.

**TABLE 2. Potential contributions from International and Regional Entities.**

<table>
<thead>
<tr>
<th>International and Regional Entity</th>
<th>Potential contribution</th>
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<tbody>
<tr>
<td>Asian Development Bank (ADB)</td>
<td>Develop and submit concept notes and funding proposals for projects/ programs.</td>
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<tr>
<td>CGIAR System Organization</td>
<td>Identifying and engaging project proponents and national stakeholders in project design.</td>
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<tr>
<td>Conservation International (CI)</td>
<td>Providing technical advice based on prior experience and in-depth understanding of local context.</td>
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<tr>
<td>European Investment Bank (EIB)</td>
<td>Oversee implementation and management of projects/programs.</td>
</tr>
<tr>
<td>Food and Agriculture Organization of the United Nations (FAO)</td>
<td>Conduct monitoring and evaluation of GCF concept notes and proposals.</td>
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<tr>
<td>Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)</td>
<td>Deploy a range of financial instruments (grants, concessional loans, equity and guarantees).</td>
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<tr>
<td>International Finance Corporation (IFC)</td>
<td>Provide co-financing for GCF project/program implementation.</td>
</tr>
<tr>
<td>International Fund for Agricultural Development (IFAD)</td>
<td>Mobilize and manage GCF finances on behalf of the country.</td>
</tr>
<tr>
<td>International Union for Conservation of Nature (IUCN)</td>
<td>Mobilize private sector capital.</td>
</tr>
<tr>
<td>Japan International Cooperation Agency (JICA)</td>
<td>Regional and International AEs:</td>
</tr>
<tr>
<td>Korea Development Bank (KDB)</td>
<td>• Develop and submit concept notes and funding proposals for projects/ programs.</td>
</tr>
<tr>
<td>Kreditanstalt für Wiederaufbau (KfW)</td>
<td>• Identifying and engaging project proponents and national stakeholders in project design.</td>
</tr>
<tr>
<td>Pacific Community (SPC) – Regional DAE</td>
<td>• Providing technical advice based on prior experience and in-depth understanding of local context.</td>
</tr>
<tr>
<td>Save the Children Australia</td>
<td>• Oversee implementation and management of projects/programs.</td>
</tr>
<tr>
<td>Secretariat of the Pacific Regional Environment Programme (SPREP) – Regional DAE</td>
<td>• Conduct monitoring and evaluation of GCF concept notes and proposals.</td>
</tr>
<tr>
<td>World Bank Group (WB)</td>
<td>• Deploy a range of financial instruments (grants, concessional loans, equity and guarantees).</td>
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<tr>
<td>World Wildlife Fund (WWF)</td>
<td>• Provide co-financing for GCF project/program implementation.</td>
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<tr>
<td>United Nations Development Programme (UNDP)</td>
<td>• Mobilize and manage GCF finances on behalf of the country.</td>
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<tr>
<td>United Nations Environment Programme (UNEP)</td>
<td>• Mobilize private sector capital.</td>
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<tr>
<td>World Food Programme (WFP)</td>
<td>National DAEs:</td>
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<tr>
<td></td>
<td>• Once Papua New Guinea has achieved direct access through the accreditation of national entities, the development and implementation of proposals could be led by national DAEs. It will be important to ensure that PNG’s DAEs have support from the GCF and development partners for project preparation and implementation as required.</td>
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<td></td>
<td>• When accredited, national DAEs should be engaged in GCF projects that are aligned to their particular comparative advantages and expertise.</td>
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PROCESS LEVEL 0: Ground Level

Stakeholder consultations, structured dialogue and technical advisory is provided by all stakeholders including sub-national administrations (Provincial, District and LLGs), private sector, civil society, academia, multilateral donor community, and development finance institutions (AEs, Direct Accredited Entities [DAEs], etc.)

PROCESS LEVEL 1: Steps 1–5. The NDA plays its’ coordination and convening role

1. Submit a National Adaptation Plan or Voluntary Adaptation Plan and Appropriate Elements of PNG’s Nationally Determined Contributions to the GCF Secretariat

2. Define PNG’s National Targets and Priorities to Enable Alignment of Any Proposed Project or Programme
   The development of the Papua New Guinea’s priorities for project and programme development must align with the country’s overarching national targets programmed in the MTDPs and GCF’s Result Areas outlined below:
   - **GCF Result Area: Mitigation**
     - M1. Energy generation and access
     - M2. Transport
     - M3. Buildings, cities, industries, and appliances
     - M4. Forests and land use
   - **GCF Result Area: Adaptation**
     - A5. Health food and water security
     - A6. Livelihoods of people and communities
     - A7. Infrastructure and built environment
     - A8. Ecosystems and ecosystem services

3. Development of a Country Programme
   A key step in turning PNG’s climate action aspirations into reality is identifying short-term and long-term projects/programmes and investment priorities—strategic initiatives that will help realize a paradigm shift in achieving low-emission and climate-resilient development. As part of establishing a Strategic Framework with the GCF, the NDA may wish to initiate a country programme and request the Fund to support its development through the GCF Readiness and Preparatory Support Programme. While developing a country programme is not mandatory, a template has been created to support countries in preparing it. An overarching objective of having a country programme is fostering country ownership. To achieve this, country programme should be driven by a robust and inclusive engagement process that brings together key stakeholders across all levels of government, local and community-based institutions, the private sector, and civil society to put forward clear and country-owned priorities that GCF can support.

4. Establish Project Screening Tool and Prioritization Process
   The NDA and stakeholder prioritization review process takes place using Papua New Guinea’s Multi-Criteria Analysis (MCA) Methodology Tool. The MCA methodology tool contains two components: scoring proposals and ranking and prioritizing proposals.

5. Open Call for Proposal Ideas

PROCESS LEVEL 2: Steps 6–10. From project idea to full proposal development

6. Project Idea Development

7. Project Prioritization

8. Concept Note Development
   Following prioritization of potential projects and programmes, proposals for GCF funding in the form of a Concept Note may be drafted. A concept note presents a summary of a proposed project/programme to the GCF in order to receive feedback from the GCF Secretariat on whether a concept is aligned with the Fund’s objectives, policies and investment criteria.

9. Concept Note Review, Feedback and Recommendation
   In consultation with the NDA, the Secretariat will provide feedback and recommendations to the AE, and advises if the concept is endorsed, not endorsed with possibility of resubmission or rejected.

10. Proposal Development

PROCESS LEVEL 3: Steps 10–14. From NOL to GCF approval and Project Implementation

11. No-Objection Letter (NOL)
   It is essential that a signed no-objection letter (NOL) from the NDA is submitted with a funding proposal in order for the GCF to commence a review.

   The Secretariat will carry out necessary and appropriate second-level due diligence. The Secretariat will assess compliance with the GCF safeguards and policies. A technical assessment of the performance of the project or programme against activity-specific criteria will also be undertaken. The Secretariat facilitates the response from AEs to the assessment and recommendations.

13. Board Review
   The Board takes a decision to: i) Approve the funding proposal; or ii) Provide an approval that is conditional on modifications to project or programme design or subject to availability of funding; or iii) Reject the funding proposal. Figure 6 helps to visualize the full project approval process.

14. Project Implementation
Gender and social inclusion in GCF project building

Papua New Guinea’s process for meaningful consultation is inclusive, gender-responsive and culturally aware. To ensure gender responsive actions are applied in GCF project building, Papua New Guinea has developed its own Gender Mainstreaming Guideline, specially developed for the Papua New Guinean context. The Gender Mainstreaming Guideline is designed to be applicable to all marginalized group in in Papua New Guinea to ensure social inclusion and consideration. In addition, activities involving indigenous peoples will support their full and effective participation and recognize their contribution to fulfilling the GCF mandate throughout the entire life cycle of the activities. The design and implementation of activities is guided by the rights and responsibilities set forth in the United Nations Declaration on the Rights of Indigenous Peoples, including, of importance, the right to free, prior and informed consent.

Figure 5 sets out how Papua New Guinea will mainstream gender into the project cycle, ensuring cultural awareness and social inclusion at all stages of the process. The same process can be applied to any marginalized group ensuring social inclusion for all throughout the project cycle.

**FIGURE 5.** Gender mainstreaming in the GCF project cycle.

Available at: https://www.greenclimate.fund/document/mainstreaming-gender-green-climate-fund-projects
**BOX 1. GCF Gender and social inclusion mainstreaming requirements**

GCF requires that women and men, and members of marginalized and vulnerable groups and communities, shall be provided with an equal and equitable opportunity to be fully and effectively engaged in meaningful consultations and decision-making throughout the project cycle, in line with the initial best-practice options for country coordination and multi-stakeholder engagement and the principle of free, prior informed consent in projects involving indigenous peoples. Special efforts may be required to support stakeholder engagement where groups or communities are particularly marginalized, excluded or isolated. Consultation in this context will be accountable in that comments and feedback received by GCF and AEIs from stakeholders will be documented, taken into careful consideration, and applied to the project development, implementation and design as appropriate.¹

The GCF has its own overarching gender policy and action plan, which is translated in the GCF toolkit, Mainstreaming Gender in Green Climate Fund Projects. This GCF toolkit provides the critical steps that are required to be undertaken throughout the GCF project cycle. Gender mainstreaming is fundamental to any GCF project and the fund requires the completion of gender assessments and action plans to be submitted with any project Concept Note that reflect this. Utilizing this GCF guidance in conjunction with Papua New Guinea’s own specific Gender Mainstreaming Guideline will ensure gender and social inclusion considerations are incorporated.

Gender analysis is a practical tool used to examine and address the different roles, rights, levels of power held in decision making, constraints and opportunities of men and women, boys and girls and the relationship between them in a given context. The objective of gender analysis in climate change interventions is to provide qualitative and quantitative evidence of gender roles and helps to identify entry points and effective strategies that will support gender equality and women’s empowerment in climate change projects.

In practical terms in Papua New Guinea, the analysis is a “wok long painim aut” – the process in which we talk to people, observe behaviours and practices that are normal for that community, try to understand the reasons and drivers for that behaviour, understand how those practices cause harm or good in the community and explore the willingness for change that may exist.

Gender and Social Inclusion Resources


FAQs

What is the Green Climate Fund?
The Green Climate Fund (GCF) is a global fund created to support the efforts of developing countries to respond to the challenge of climate change. GCF helps developing countries limit or reduce their greenhouse gas (GHG) emissions and adapt to climate change.

What is a National Designated Authority?
National Designated Authorities are government institutions that serve as the interface between each country and the GCF. They provide broad strategic oversight of GCF’s activities in the country and communicate the country’s priorities for financing low-emission and climate-resilient development. The Climate Change & Development Authority (CCDA) is recognized by the Green Climate Fund as the National Designated Authority for Papua New Guinea.

What is an Accredited Entity?
The Green Climate Fund works through a wide range of Accredited Entities to channel its resources to projects and programmes. Accredited Entities can be Private or public, non-governmental, sub-national, national, regional or international, as long as they meet the standards of the Fund. Accredited Entities carry out a range of activities that usually include the development of funding proposals and the management and monitoring of projects and programmes.

How can I access the Green Climate Fund?
The Green Climate Fund Provides Support under 3 Main Components:

1. Project Preparation Facility – supports Accredited Entities in Project/Programme Preparation, particularly to conduct pre-feasibility studies and environmental/social impact assessments.
2. Readiness – supports strengthening the capacity of National Designated Authorities (and Direct Access Entities) to coordinate action on Climate Change.
3. Country Programming – supports the development and implementation of projects under adaptation and mitigation.
4. Private Sector Facility – supports engagement of both the local and global private sector to support climate change mitigation and adaptation projects.

Initial Steps in developing a proposal:

Who Can Assist me to Develop my Concept Note/Proposal?
It is a requirement by the Green Climate Fund to be engaged with an Accredited Entity when submitting a Concept Note/Proposal. One of the roles of an Accredited Entity is to support the development of a Concept Note/Full Proposal. It is advisable to engage with a potential Accredited Entity during the early phase of project idea development.

What is a Letter of No Objection?
A Letter of No Objection is provided by the National Designated Authority and is a mandatory requirement for Full Project Proposal Submissions to the Green Climate Fund. The Letter of No Objection provides the Green Climate Fund with assurance that the Project/Programme is consistent with national climate strategies and developed using country-driven approaches.

Where Can I Submit my Concept Note/Proposal?
The Concept Note/Proposal Document will need to be submitted to the National Designated Authority by the AE, where it will undergo a vigorous assessment (No Objection Procedure) that will support the final decision on whether a Letter of No Objection will be issued. Once all requirements are met, submissions can be made to the Green Climate Fund through the National Designated Authority, or directly through the Accredited Entity.

How Long is the Process to Access the Green Climate Fund?
The process from the project idea stage to the full proposal submission and approval, can take up to a year or longer. The actual duration will be largely subject to meeting all the Green Climate Fund requirements.
Gender equality: the equal rights, responsibilities and opportunities of women, men, girls and boys. Equality, therefore, does not mean that women and men will become the same but that women's and men's rights, responsibilities and opportunities will not depend on whether they are born male or female.

Gender equity: A process of according fair and positive treatment to women, men, girls and boys whilst taking into account their specific needs. It may involve equal treatment, or, treatment which may be considered discriminatory, but which results in equivalent rights, benefits and opportunities.

Intermediary: administers grants and loans while blending funds with its own and others.

International Access Entities, which may be bilateral, multilateral or regional entities. They may include bilateral development agencies (e.g. Deutsche Gesellschaft für Internationale Zusammenarbeit, GIZ), multilateral development banks (e.g. World Bank), United Nations agencies (e.g. United Nations Development Programme), regional development banks (e.g. African Development Bank), intergovernmental organisations (e.g. World Wildlife Fund), etc.

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

Mitigation: (Dealing with the causes of climate change) To prevent climate change, by either reducing our emission of greenhouse gases into the atmosphere, or enhancing the ability of the earth including oceans and forests, to absorb carbon.

National Designated Authority: The Climate Change & Development Authority (CCDA) is the National Designated Authority (NDA) of Papua New Guinea to the Green Climate Fund (GCF). The Managing Director (MD) is the Focal Point. The NDA is the main point of communication and contact between PNG and the GCF. The NDA seeks to ensure that activities supported by the GCF align with strategic national objectives and priorities of PNG, and help advance ambitious action on adaptation and mitigation in line with national needs. The NDA/Focal Point develops work programmes and oversees proposals of PNG that PNG would like to submit to the GCF. The list of NDAs and Focal Points of other countries is available at www.greenclimatefund/partners/countries/nda-directory.

Project Preparation Facility (PPF): A funding window within the GCF that supports AEs in project and programme preparation. It covers pre-feasibility and feasibility studies; project design; environmental, social and gender studies; risk assessments; and other project preparation activities, where necessary. The PPF is designed in particular to support Direct Access Entities for projects in the micro-to-small size category.

Result areas (same as ‘strategic impact areas’): GCF has eight result/impact areas which will deliver major mitigation and adaptation benefits in the developing world to promote a paradigm shift towards low-emission and climate-resilient development. Mitigation includes four result areas, namely low-emission energy access and power generation; low-emission transport; energy efficient buildings, cities and industries; and sustainable land use and forest management. Adaptation covers the other four, namely enhanced livelihoods of the most vulnerable people, communities and regions; increased health and well-being, and food and water security; resilient infrastructure and built environment to climate change threats; and resilient ecosystems. All proposals must reflect one or more of the result/impact areas.

Women’s empowerment: The core of empowerment lies in the ability of a women to control their own destiny. This implies that to be empowered, women must not only have equal capabilities (e.g. such as education and health) and equal access to resources and opportunities (e.g. such as to land and employment) but they must also have the agency to use those rights, capabilities, resources and opportunities to make strategic choices and decisions, for example through leadership opportunities and participation in political institutions. To exercise agency, women must live without the fear of coercion and violence.
Further information

For more information contact:

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Accredited Entities
For AE information, visit any of the sites listed here:
www.greenclimate.fund/about/partners/ae

Bird of paradise. © Port Moresby Nature Park, 2020