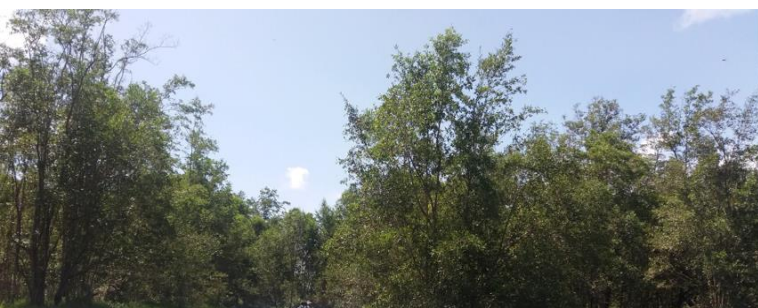


GCF Information Manual for Suriname

NDA – Ministry of Spatial Planning and Environment

Version 1 (7 September 2022)



Disclaimer: This manual offers guidance for the most important GCF-related activities. Nevertheless, the GCF makes decisions on an on-going basis; therefore, it is recommended to always refer to the last GCF policies, decisions and templates available, as indicated in the references. It is also advisable that the NDA reviews and updates this manual frequently and communicates changes to the NDA staff and other relevant stakeholders.

About the project: The present GCF Manual was prepared as part of project “Strengthening the National Designated Authority (NDA) through Green Climate Fund (GCF) Readiness and Preparatory Support Programme”. The project's overall objective is to enhance Suriname’s ability to access international climate finance through the institutional strengthening of its NDA - the Ministry of Spatial Planning and Environment. The Caribbean Development Bank (CDB) has commissioned the Frankfurt School of Finance and Management (Frankfurt School) in collaboration with the Suriname-based Environmental Services & Support (ESS) to deliver this readiness and preparatory support.

**Cover pictures by Chantal Landburg 1) Boats navigating the channels in the coastal mangrove swamps of Northern Commewijne (2017), and 2) Cloud formation above the forest (2022)*

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Acronyms

AE	Accredited Entities
CC	Climate Change
CDB	Caribbean Development Bank
CN	Concept Note
DAE	Direct Accredited Entity
DAP	Digital Accreditation Platform
EE	Executing Entity
ESMP	Environmental and Social Management Plan
ESS	Environmental Services & Support
FP	Funding Proposal
GEF	Global Environment Fund
GCF	Green Climate Fund
GHG	Greenhouse Gas
IDB (or IADB)	Inter-American Development Bank
IEU	Independent Evaluation Unit
IIU	Independent Integrity Unit
IRMF	Integrated results management frame
IPCC	Intergovernmental Panel on Climate Change
LDCs	Least Developed Countries
M&E	Monitoring and Evaluation
NAMA	Nationally Appropriate Mitigation Action
NAP	National Adaptation Plan
NCCPSAP	National Climate Change Policy, Strategy and Action Plan
NDA	National Designated Authority
NDC	Nationally Determined Contributions
NIMOS	National Institute for Environment and Development in Suriname
NoL	No-objection Letter
NoP	No-objection Procedure
PDD	Project Design Document
PPF	Project Preparation Facility
ROM	Ministry of Spatial Planning and Environment
SD	Sub Directorate
SIDS	Small Island Developing States
UNFCCC	United Nations Framework Convention on Climate Change
VIDS	Vereniging van Inheemse Dorpshoofden in Suriname

Chapter overview

Chapter 1: Introduction

- Presents the climate context in Suriname and the key aspects to understand the GCF and its architecture.

Chapter 2: National Designated Authority (NDA)

- Outlines the roles and responsibilities of the NDA in Suriname, including an overview and structure of the NDA

Chapter 3: Stakeholder engagement

- Provides an overview of the guiding principles of stakeholder engagement in Suriname

Chapter 4: The accreditation process

- Provides an overview of and guidance on the accreditation process with the GCF

Chapter 5:

- Outlines the funding criteria of the GCF, the result areas, finance instruments and provides guidance for the stages of Suriname's project cycle

Glossary

Accreditation: A process under which entities must demonstrate that they have the ability to manage the GCF's resources in accordance with standards and criteria set out by the GCF in the accreditation application.

Accredited Entities (AE): An institution accredited by the GCF Board to access funding. These institutions will go through a process of accreditation designed to assess whether they are strongly capable of financial management and of safeguarding funded projects and programs against any unforeseen environmental or social harm. An accredited entity could be national or regional or multilateral institution. It can be government, non-governmental or private.

Adaptation: Adjustments to ecological, social, and economic systems in such a manner as to build resilience of human communities and natural ecosystems to moderate or minimise potential damage or to benefit from opportunities associated with climate change.

Blended finance: Strategic use of development finance for the mobilisation of additional finance towards sustainable development in developing countries.¹

Climate Change: A change in an average weather condition in addition to natural climate variability observed over comparable period, which is attributed directly or indirectly to human activities that alters the composition of the global atmosphere.²

Climate Finance (CF): Refers to flow of funds from developed countries to developing countries in the area of climate change. It includes accessing, absorbing, and managing fund for the climate change adaptation and mitigation work through various means – multilateral, bilateral, private sector, non-governmental organisation as loan, grant and co-finance.

Concept Note (CN): The concept note presents a summary of a proposed project/programme to the GCF in order to receive feedback from the Secretariat on whether the concept is aligned with the GCF's objectives, policies and investment criteria.

Co-financing: Refers the financial resources required, whether public finance or private finance, in addition to the GCF proceeds, to implement the funded activity for which a Funding Proposal has been submitted.

Country Program: A GCF Country Program is a living document that presents a country's climate change priorities with the GCF, including a pipeline of projects that the country would like to develop with the Fund. It provides an action plan that details how projects and programs are to be developed, the type of entity to partner with, and the readiness and project preparation support needs required.

Crowding-in effect: Phenomenon that occurs when higher government spending leads to an increase in economic growth and therefore encourages firms to invest due to the presence of more profitable investment opportunities.³

Delivery Partner: Institutions selected by the National Designated Authority (NDA) or focal point to implement activities approved under the Readiness and Preparatory Support Program. Delivery partners provide services such as: development of readiness request proposals; implementation and supervision; fiduciary management; progress reporting; and project completion and evaluation. Delivery partners may be AEs or other institutions assessed to meet the financial management capacities requirements of the Fund.

Direct Access: Accessing GCFs resources through national or regional accredited entities directly without intermediaries, such as bilateral and multilateral, to implement projects/ programs.

Direct Access Entities (DAE): National institutions accredited by GCF Board that can access and manage funds to undertake projects/programs funded by GCF such as government institutions, public sectors, bank and financial institutions and civil society organisations.

Environmental and Social Safeguards (ESS): a set of standards that specifies the desired outcomes and

¹ <https://www.oecd.org/dac/financing-sustainable-development/blended-finance-principles/>

² Framework Convention on Climate Change (UNFCCC), in its Article 1

³ Wikipedia based on Aschauer, David Alan (March 1989). "Is public expenditure productive?". *Journal of Monetary Economics*. 23 (2): 177–200

the specific requirements to achieve those outcomes through means that are appropriate to the nature and scale of the activity and commensurate with the level of environmental and social risks and/or impacts. Each accredited entity (AE) must have a set of ESS standards that are equivalent to the GCF ESS standards within the scope of its accreditation and apply those standards in GCF-funded projects.

Executing Entity (EE): An institution responsible for the execution/implementation of projects/programs funded by the GCF.

Fiduciary Standards: Refers to the basic and specialised fiduciary requirements of the GCF that accredited entities and readiness partners need to comply with, depending on the nature of the activities funded by the GCF. The GCF's initial fiduciary standards are set out in Annex II of GCF/B.07/11.

Fit-for-Purpose Accreditation Approach: An accreditation approach that recognises the role of a wide range of entities, which differ in the scope and nature of their activities, as well as their capacities, in and risk of intended activities to the application of the fiduciary standards and ESS.

Funding Proposal (FP): A proposal developed by accredited entities to access and manage GCF funds to undertake projects/programs

Gender Policy (GP): The GCF Gender policy aims to ensure the GCF will efficiently contribute to gender equality and will, in turn, achieve more significant and sustainable climate change results. The gender policy is applied to all the GCF activities, whether implemented by international, regional, national, or subnational, public, or private entities or institutions that access GCF resources.

Green Climate Fund (GCF): A financial mechanism of the UNFCCC established to help developing countries in achieving a paradigm shift to low-carbon pathways and increased climate-resilient development. It supports projects, programs, policies, and other activities in the developing country parties to UNFCCC.

Indigenous Peoples Policy: Considering the importance of engaging with indigenous and tribal peoples in climate change policies and actions, the GCF developed a GCF-wide Indigenous Peoples Policy. The Policy allows the GCF to anticipate and avoid any adverse impacts its activities may have on indigenous peoples' rights, interests, and well-being, and when avoidance is not possible to minimise, mitigate and/or compensate appropriately and equitably for such impacts, in a consistent way and to improve outcomes over time.

International Access Entity (IAE): Accredited entities with GCF that are expected to mobilise and manage GCF finance at the global level, such as the UN Agencies, Multilateral Development Banks, and other international organisations

Investment Criteria: A set of criteria adopted by GCF to assess the FPs submitted by accredited entities or Director Access entities.

Mitigation: Efforts to reduce or prevent the emission of greenhouse gases.

National Adaptation Plan (NAP): The United Nations Framework Convention on Climate Change (UNFCCC) established the national adaptation plan (NAP) process to facilitate adaptation planning in least developed countries (LDCs) and other developing countries.

National Designated Authority (NDA): A focal point within a country for engaging with the GCF. It is a government-designated institution in a country with the role of facilitating interface and function as the main point of communication between the country and the GCF.

Nationally Determined Contributions (NDCs): The NDCs are the primary means for governments to communicate internationally the steps they will take to address climate change in their own countries. NDCs reflect each country's ambition for reducing emissions, considering its domestic circumstances and capabilities. Some countries also address how they will adapt to climate change impacts and what support they need from, or will provide to, other countries to adopt low-carbon pathways and build climate resilience.

Nomination Letter: A letter given by NDA or focal point to aspirant entities seeking GCF accreditation. Entities applying for accreditation need to submit such nomination letters as a part of their application for accreditation.

No-Objection Letter (NOL): A letter issued from an NDA or focal point confirming that it has no objection to a funding proposal submitted on behalf of its country by an accredited entity.

No-objection Procedure (NoP): The GCF no-objection procedure aims to ensure that projects are consistent with national climate strategies and developed using country-driven approaches. This procedure includes the assessment of concept notes and project proposals (e.g. technical and social and environmental risk assessment). If the NDA can ensure the country-driven character of the proposal, it will issue a no-objection letter (NoL):

Readiness and Preparatory Support Program: The Readiness Program provides grants to the NDA to enhance the capacities of national institutions, their governance mechanisms, and planning and programming frameworks, to efficiently engage with the GCF.

Paris Agreement: Paris Agreement is an international agreement agreed at the 21st Session of the Conference of Parties (COP21) of the United Nations Framework Convention on Climate Change held in November 2015 in Paris, France. It aims to strengthen the global response to the threat of climate change by keeping a global temperature rise well below 2 degrees Celsius above pre-industrial level in this century and to pursue efforts to limit the temperature increase even further to 1.5 degree Celsius. Paris Agreement came into effect on 4th November 2016.

United Nations Framework Convention on Climate Change (UNFCCC): A framework for international cooperation to combat climate change negotiated at the Earth Summit in Rio de Janeiro in June 1992 and enforced in March 1994.

Note: definitions stem from GCF sources unless indicated differently.

Chapter 1. Introduction

1.1. Suriname's needs to access climate finance

Suriname is a country situated on the northeast coast of South America. This country is internationally recognised as a country with the highest forest coverage on earth (an estimated 92.6%). It proudly joins Panama and Bhutan in a small group of nations which are carbon negative and labelled as the greenest countries on the planet. It can be argued they, in fact, fuel the lungs of the earth. Paradoxically, Suriname is highly vulnerable to climate change.⁴

The country's small population, its major economic activities, and its infrastructure are mostly concentrated along the low-lying, heavily urbanised coastal zone. It is increasingly experiencing extensive coastal erosion and has recently suffered from intense rainfall, flooding, higher temperatures during dry seasons, and high winds

Due to climate vulnerability, adaptation constitutes a key policy priority. Companies, public institutions, and communities have limited capacities to manage climate change risks and impacts. They generally lack sufficient financial resources and technical capabilities to adapt. Most importantly, the economy of Suriname is currently in a very poor condition, and the difficulties are being addressed through a program with the IMF and based on a recovery plan that was adopted by Parliament. The country should therefore make substantial efforts to access international assistance, both financial⁵ and technical, to achieve ambitions expressed in inter alia the Nationally Determined Contributions (NDC), the National Adaptation Plan (NAP) and the updated National Climate Change Policy, Strategy and Action Plan for Suriname (NCCPSAP). The Green Climate Fund (GCF), being the world's largest dedicated climate fund as an operating entity of the Financial Mechanism of the United Nations Framework Convention on Climate Change (UNFCCC), is at the centre of such efforts, considering its mandate and Suriname's engagement with this organisation. Therefore, this GCF Manual represents a cornerstone in guiding all GCF-related activities in the country.

1.2. Suriname's priorities on climate change

Suriname has taken steps forward to define its climate priorities and design a roadmap to drive a climate-sensitive transformation in the national territory. The ensuing policies and strategies provide an overview of the related plans and commitments:⁶

Second Nationally Determined Contribution (NDC)

Suriname ratified the UNFCCC in 1997 and submitted its Intended Nationally Determined Contribution (INDC) in 2015 at COP21; it subsequently ratified the Paris Agreement and submitted its second NDC in 2019. The NDC is aligned to the updated National Policy Development Plan (2022-2026). Suriname's NDC highlights **mitigation actions** for the following sectors: **electricity, road transport, agriculture and forestry**, as these sectors contribute to over 70% of its GHG emissions. Some mitigation actions include maintaining 93% of forest cover, committing to 25% renewable energy by 2025, adopting a Renewable

⁴ This and other key concepts are introduced in the glossary at the beginning of the GCF Information Manual.

⁵ Ibid.

⁶ CANARI, 2020. Desk Review and Consultation Report

Energy Act and introducing a national land use planning system. Regarding adaptation actions, the NDC aligns with the National Adaptation Plan (NAP).

National Adaptation Plan (NAP)

The NAP is a ten-year framework (2019-2029) aimed at addressing “impact reduction through adaptation responses and resilience building and integrating strategies across multiple sectors”. At the national level, **priorities include institutional strengthening, data and information collection improvement, integration of climate change into economic development, enhancing technical capacity, addressing gender equality in adaptation initiatives, and increasing access to financing.** These priorities are reflected as strategic outcomes under the strategic adaptation action plan of the NAP. Whilst sectoral adaptation action plans are provided for twelve areas, the **priority sectors identified in the NAP include water resources, sustainable forestry, energy, agriculture, livestock, and fisheries.** The NAP is divided into three phases based on different priority sectors and timeframes. The issue of gender and climate change is considered under strategic outcome five on climate change adaptation, respecting Surinamese values and culture and reducing gender and other social inequities.

Nationally Appropriate Mitigation Action (NAMA)

The NAMA is focused on developing a renewable energy sector in the interior of Suriname, where indigenous and maroon communities reside. The main objective of the NAMA is to mitigate GHG emissions through renewable energy use whilst promoting sustainable development. The NAMA programme spans 20 years, from 2020-2040 and aims to provide electricity to 6,000-8,000 people through the establishment of six mini-grids, two rural productivity zones and four solar shops. Through these actions, carbon dioxide equivalent emissions (CO₂eq) are expected to be reduced by 24,570 tonnes. Through the NAMA programme, it is expected that frameworks for the renewable energy policy and the national rural electrification programme will be developed.

National Climate Change Policy, Strategy and Action Plan (NCCPSAP)

The NCCPSAP 2014-2021 reflected key elements of Suriname’s efforts to adapt to and mitigate the adverse effects of climate change. It sought to build resilience to the impacts of a changing climate, seize opportunities for climate-compatible development, and attract climate finance in that connection.

The NCCPSAP linked development planning and climate change, promoting alternative financing sources for climate-compatible development and creating enabling conditions to attract investments. The Climate Change Action Plan captured all programmes and associated actions under the national development planning themes: infrastructure, energy, drinking water, housing, mining, agriculture, livestock and fisheries, tourism, education, health, disaster risk management, spatial planning, environment, and sustainable forest management.

The NCCPSAP prepared for the period 2014-2021 is being updated. Since its publication, several new climate change-related documents have been produced and legal and institutional changes have occurred. It is important that when updating NCCPSAP these changes are taken into account.⁷

This GCF Manual builds on the GCF principles, where the alignment of GCF support with national priorities, needs and opportunities is at the centre of the interactions. This principle is known as **country ownership** and will be explained in more detail this chapter.

⁷ 2022, Roadmap to update the National Climate Change Policy, Strategy and Action Plan (NCCPSAP)

1.3. Green Climate Fund Context and Rationale

The GCF is the world's largest climate fund and a main operating entity under the Financial Mechanism of the UNFCCC. It was established in 2010 to support the efforts of developing countries to respond to the challenge of climate change by helping them to limit their greenhouse gas (GHG) emissions, adapt to climate change, and promote a paradigm shift to low-emission and climate-resilient development. In this manner, the GCF has the important role of serving the Paris Agreement, i.e., keeping global temperature increase well below 2 degrees Celsius (i.e. limiting it to 1.5 degrees Celsius) above pre-industrial levels, supporting the implementation of NDCs, and aligning all financial flows with the objectives of the Paris Agreement.⁸ The Global Environment Fund (GEF) is another operating entity of the Financial Mechanism of the UNFCCC, an important agency which provides assistance to preserve nature. Although further describing the specificities of the GEF would be outside of the scope of this manual, it is worth mentioning that its institutional arrangements and procedures are comparable to those of the GCF.

The Conference of the Parties (COP) to the UNFCCC guides GCF on its policies, programme priorities and eligibility. The Board takes appropriate action on this ongoing guidance and submits annual reports to the COP for its consideration.⁹

GCF also operates in the context of appropriate arrangements with other existing funds under the UNFCCC, and between itself and other funds, entities, or channels entrusted with climate change financing. The purpose is to better mobilise the full range of financial and technical capacities.

The GCF is composed of the following bodies:

GCF Board: charged with the governance and oversight of the GCF's management. The Board is independent and guided by the COP to the UNFCCC. Due to the participation of both developed and developing country representatives, the Board ensures consensus-based decisions between developed and developing countries.¹⁰

GCF Secretariat: fully independent body responsible for executing the day-to-day operations of the GCF. It is accountable to the Board. The Secretariat is composed of several divisions and offices that report to the Office of Executive Director (e.g. Division of Country Programming and Division of Mitigation and Adaptation).¹¹

In addition, GCF Independent Units were set up by the Board outside of the Secretariat as an accountability mechanism of the GCF. The three Independent Units are:

Independent Integrity Unit (IIU): it reports directly to the Board or through the Ethics and Audit Committee (EAC) of the Board, tasked with 1) proactive prevention to deter the occurrence of fraud, corruption, and other prohibited practices; 2) investigation of allegations of wrongdoing, including misconduct; 3) awareness raising of GCF integrity standards to GCF staff and implementing entities, and capacity building of Accredited Entities on prohibited practices.¹²

⁸ GCF, n.d. About. Accessed: 11/07/2022. <https://www.greenclimate.fund/about>

⁹ GCF, n.d. About. Accessed: 11/07/2022. <https://www.greenclimate.fund/about/governance>

¹⁰ GCF, n.d. Board. Accessed: 11/07/2022. <https://www.greenclimate.fund/boardroom>

¹¹ GCF, n.d. Structure. Accessed: 11/07/2022. <https://www.greenclimate.fund/about/secretariat>

¹² GCF, n.d. IIU. Accessed: 30/08/2022 <https://iiu.greenclimate.fund/who-we-are/what-we-do>

Independent Evaluation Unit (IEU): ensures the GCF is accountable and effective. It conducts independent evaluations of the GCF's activities to guarantee its accountability and synthesises learnings from high-quality and rigorous evaluations to support the GCF's effectiveness and efficiency. It also provides evaluation reports to the Conference of the Parties to the UNFCCC for periodic reviews of the Financial Mechanism.¹³

Independent Redress Mechanism (IRM): its mission is to address complaints from affected people and provide recourse in a way that is fair, effective and transparent, and enhance the performance of GCF's climate funding. The IRM also accepts requests from Developing Countries seeking reconsideration of funding proposals that were denied by the GCF Board. It also has the mandate to advise the Board on GCF's operational policies and procedures based on lessons learned from our cases. Recognizing that GCF Direct Access Entities may need assistance in developing their grievance mechanisms and procedures, the IRM has also been mandated to implement programmes for such capacity development.¹⁴

The principle of country ownership aligns the GCF engagements with the priorities of developing countries through **National Designated Authorities (NDAs)**. In the case of Suriname, the NDA is the Ministry of Spatial Planning and Environment (ROM for its name in Dutch). The NDA is at the centre of the communications and activities between the country and the GCF, responsible for ensuring the alignment of the GCF activities in Suriname and the national priorities in climate change. The next chapter (2) provides details on the role and tasks of the NDA.

1.4. GCF transformative approach and features

In order to achieve the goals of the Paris Agreement at large and support national climate action, the GCF follows a **transformative approach** across four transition channels, which focus on environment, energy & industry; human security, livelihoods and wellbeing; land-use, forests and ecosystems. It employs the following four-pronged approach:¹⁵

1. **Transformational planning and programming:** by promoting integrated strategies, planning and policymaking to maximise the co-benefits between mitigation, adaptation, and sustainable development.
2. **Catalysing climate innovation:** by investing in new technologies, business models, and practices to establish a proof of concept.
3. **De-risking investment to mobilise finance at scale:** by using scarce public resources to improve the risk-reward profile of low emission climate resilient investment and crowd-in private finance, notably for adaptation, nature-based solutions, least developed countries (LDCs) and small island developing states (SIDS).
4. **Mainstreaming climate risks and opportunities into investment decision-making to align finance with sustainable development:** by promoting methodologies, standards and practices that foster new norms and values. Climate change offers businesses an unprecedented chance to capitalise on new growth and investment opportunities that can protect the planet as well. GCF employs part of its funds to help mobilise financial flows from the private sector to compelling and profitable climate-smart investment opportunities.

¹³ GCF, n.d. IEU. Accessed: 30/08/2022 <https://ieu.greenclimate.fund/about>

¹⁴ GCF, n.d. IRM. Accessed: 30/08/2022 Link: <https://irm.greenclimate.fund/about>

¹⁵ GCF, n.d. Structure. Accessed: 11/07/2022. <https://www.greenclimate.fund/about>

The four-pronged approach is based on **GCF's seven features** (following table):¹⁶

Table 1 GCF Features

Feature	Description
Country- drive (country ownership)	A core GCF principle is to follow a country-driven approach, which means that developing countries lead GCF programming and implementation. Country ownership of GCF financing decisions enables developing countries to turn NDC ambitions into climate action. GCF's country-driven approach is underpinned by capacity-building support through its Readiness Programme, which is available to all developing countries.
Open partnership organisation	GCF operates through a network of over 200 Accredited Entities and delivery partners who work directly with developing countries for project design and implementation. GCF partners include international and national commercial banks, multilateral, regional and national development finance institutions, equity funds institutions, United Nations agencies, and civil society organisations. This open partnership enables the GCF to foster unprecedented coalitions between private investors, development agencies and civil society organisations to achieve transformative change and support the harmonisation of standards and practices.
Balanced allocation to ensure adaptation finance	GCF is mandated to invest 50 per cent of its resources in mitigation and 50 per cent in adaptation, in grant equivalent terms. Two-thirds of those adaptation resources (66 per cent) are mandated to be invested in the most climate-vulnerable countries (SIDS, LDCs, and African States). GCF aims to leverage synergies and minimise potential trade-offs between adaptation and mitigation.
Strong safeguards	GCF has strong environmental and social standards, a comprehensive gender policy to mainstream gender considerations, and a ground-breaking Indigenous Peoples Policy. GCF also has a three-level project risk management system to manage project risks. This consists of Accredited Entities' risk management processes, verified by GCF's accreditation and re-accreditation process, followed by a control function undertaken by the GCF Secretariat throughout the project cycle from the early stage of project design to the implementation phase. Risks are assessed under GCF's Risk Management Framework, which includes reviews by its Office of Internal Audit and a proactive approach to prevent integrity violations
Flexible range of financing instruments	GCF can structure its financial support ranging from grants, concessional loans, guarantees or equity instruments to blended finance, while it also makes efforts to crowd-in private investment for climate action in developing countries. This flexibility enables the GCF to pilot new financial structures to support green market creation.
Risk-taking, patient capital	GCF adds value to its partners by enabling them to raise the ambition of their climate action. By leveraging the risk management capacity of its partners and its own set of investment, risk, and results management frameworks, GCF can accept higher risk to support early-stage project development as well as policy, institutional, technological, and financial innovation to catalyse climate finance. This capacity to take risks is backed up by a robust second-level due diligence system.

¹⁶ GCF, 2022. GCF: Financing climate action. Accessed: 11/07/2022

<https://www.greenclimate.fund/sites/default/files/document/20220527-financing-climate-action.pdf>

An ambitious strategic plan	Building on the success and the experience gained during its first funding period, GCF’s Updated Strategic Plan for 2020-2023 sets out an ambitious vision to maximise impact. GCF will maintain its unique features as above whilst significantly increasing the engagement with the private sector, considerably increasing funding to direct access entities, and improving its speed, predictability, efficiency, effectiveness, and transparency.
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GCF financing flows through projects and programmes implemented via international, regional or national Accredited Entities (AE) (i.e. the GCF does not implement projects directly). The selection of projects is based on GCF’s investment framework, which seeks to translate the GCF objectives into clear criteria. The framework comprises **policies, strategies, targets, and indicators** to inform the design, assessment, and approval of funding decisions within GCF. For instance, as part of its ground targets, **the GCF aims to main the 50:50 balance of adaptation and mitigation funding and foster an appropriate geographical balance of funds provided.**¹⁷ Chapter 5 introduces the investment criteria and result areas, which guide the development of projects and programmes in climate adaptation and mitigation.

1.5. GCF architecture and stakeholder groups

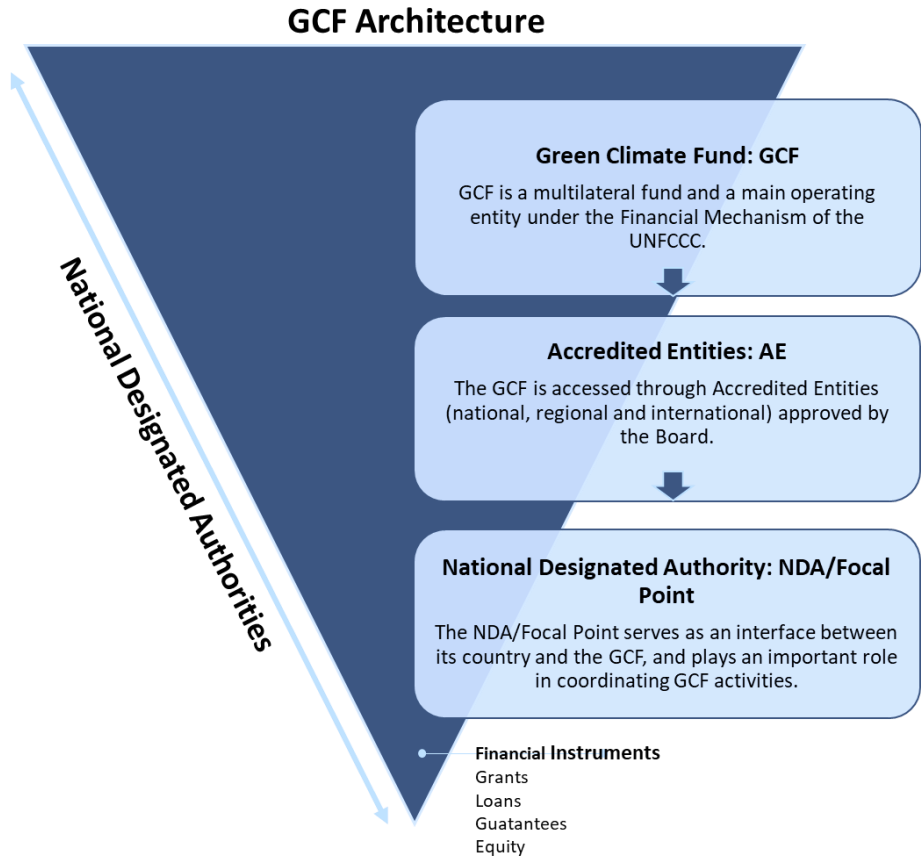


Figure 1 GCF Architecture

¹⁷ GCF, 2019. GCF Criteria. (Accessed: 12/07/2022. <https://www.greenclimate.fund/projects/criteria>).

As mentioned above, the GCF operates as an open partnership organisation. The main actors engaging with the GCF are:

- National Designated Authority (NDA – ROM in Suriname);
- Accredited Entities (AEs), and Executing Entities (EEs).

Accredited entities (AEs) are entities that the GCF Board accredits in accordance with the Governing Instrument¹⁸ and relevant Board Decisions. Accredited Entities are responsible for the overall management, implementation and supervision of activities financed by the GCF and are expected to administer funds disbursed with a high degree of diligence.

Accredited entities can be national or regional (so-called Direct Access Entities - DAEs), and international - public or private. NDAs strategically select entities for accreditation in alignment with the countries' climate priorities. **National or regional DAEs need to seek a letter of nomination from the NDA before they can be involved.**

Accredited entities can submit project proposals once the NDA provides a letter of no objection.

Executing Entities (EEs) are entities through which GCF Proceeds are **channelled or used** for the purposes of a Funded Activity or part thereof, and/or any entity that **executes, carries out or implements** a Funded Activity or any part thereof. The Accredited Entity may also carry out the functions of an Executing Entity.

Table 2 Accredited and executing entities

Type of entity	Role (main tasks)
Accredited entities (AEs)	Developing and submitting concept notes and funding proposals for projects/programmes in Suriname's priority areas
	Overseeing management and implementation of projects/programmes
	Deploying a range of financial instruments within their respective capacities (grants, concessional loans, equity and guarantees)
	Mobilising private sector capital
	Implementing, monitoring and reporting on GCF projects and programmes
Executing Entities (EE)	Cooperating with AE to develop concept notes and funding proposals
	Implementation of project activities
	Monitoring and evaluating the project activities and impacts for reporting requirements

The activities of these three groups of actors benefit communities and ecosystems (beneficiaries). The rest of the manual presents details on the activities and roles of these actors.

Other stakeholder groups are fundamental to carrying out GCF activities and ensuring the application of the GCF features previously outlined in table 1. These stakeholders include:

Readiness Delivery Partners (Readiness DP) are Institutions selected by the NDA to implement activities approved under the GCF Readiness and Preparatory Support Programme. Readiness Delivery Partners provide services such as the development of readiness request proposals, implementation and supervision, fiduciary management, progress reporting, and project completion and evaluation.

¹⁸ GCF, 2011. Governing Instrument. Accessed: 09/08/2022. <https://www.greenclimate.fund/document/governing-instrument>

Delivery partners may be AEs or other institutions, i.e., NGOs and national universities – that are assessed to meet the financial management capacities requirements of the GCF.

Civil Society Organisations (CSO) are an aggregate of non-governmental organisations and institutions that manifest interests and the will of citizens; or individuals and organisations in a society that are independent of the government. They can also take the role of an AE, Readiness Delivery Partner or Executing Entity

Academia refers to all the academics in a particular country or region, the institutions they work in, and their work – particularly concerning climate change.

The **Private Sector (PS)** is part of a country's economic system that is run by individuals and companies rather than the government. Commonly, PS organisations are profit-orientated. They can play different roles, for instance, in form of technical services providers or financial institutions that deploy a range of financial instruments to unlock private resources.

National and Sub-national Institutions comprise ministries, thematic regulators and agencies.

Another group of stakeholders are **Regional and International institutions and development partners**. They include multilateral/bilateral development banks, UN-agencies. They are often active in humanitarian, educational, health care, public policy, social, human rights, environmental, and other areas which affect change according to their objectives. In contrast to non-governmental organisations, they provide support with international scope and have outposts around the world to deal with specific issues in many countries. Many regional and international institutions are accredited as AE and Readiness Delivery Partners.

1.6. GCF access modalities and accredited entities

The GCF operates via a wide range of AEs to channel funds to projects and programmes. These entities have different characteristics and can be private or public, non-governmental, sub-national, national, regional or international. Each institution is required to have policies and procedures in place that are aligned and consistent with the GCF's fiduciary standards, environmental and social risks, and gender policy according to the accreditation framework.¹⁹

AEs carry out a range of activities that fall over two main categories of work: (1) development of funding proposals (FP); and (2) the management and monitoring of projects and programmes. Countries may access GCF resources through multiple entities simultaneously. As of July 2022, a total of 113 entities have been accredited, but no DAE for Suriname yet.²⁰

The GCF has established three main modalities of accessing resources: (1) Direct Access, (2) Enhanced Direct Access, and (3) International Access.

1) **Direct access:** One of the distinct and differentiating features of the GCF is its direct access modality which was established to allow national and sub-national organisations to receive funding directly, rather than only via intermediaries. This modality supports the cornerstone of the GCF's operation – country-drivenness and ownership – and was designed to help developing countries exercise ownership over climate action. Suriname has no direct access entity (DAE) to date.

¹⁹ GCF, nd. GCF Accreditation Framework. Accessed: <https://www.greenclimate.fund/about/policies/accreditation-framework>

²⁰ GCF, July 2022. GCF Partners. Accessed: 12/07/2022 <https://www.greenclimate.fund/about/partners/ae>

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

All AEs relevant for Suriname at the international and regional level to date are listed hereafter.²¹

Table 3 Indicative list of AEs relevant for Suriname (as of August 2022)

Indicative list of AEs relevant for Suriname
Agence Française de Développement (AFD)
Caribbean Community Climate Change Centre (CCCCC)
Caribbean Development Bank (CDB)
Conservation International Foundation (CI)
Crédit Agricole Corporate and Investment Bank (CIB)
Department of Environment of Antigua and Barbuda (DoE)
Deutsche Bank (DB)
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
European Bank for Reconstruction and Development (EBRD)
European Investment Bank (EIB)
Food and Agriculture Organization (FAO)
HSBC Holdings plc. (HSBC)
Inter-American Development Bank (IDB)
IDB Invest
International Bank for Reconstruction and Development (World Bank)
International Finance Corporation (IFC)
International Fund for Agricultural Development (IFAD)
International Union for Conservation of Nature (IUCN)
Japan International Cooperation Agency (JICA)
Kreditanstalt für Wiederaufbau (KfW)
United Nations Development Programme (UNDP)
United Nations Environment Programme (UNEP)
World Food Programme (WFP)
World Meteorological Organization (WMO)
World Wildlife Fund, Inc. (WWF)

1.7. Opportunities for engagement with the GCF

The GCF offers several streams to enable and enhance the impact of interventions in each country via institutional development, framework development and climate projects and programmes. The role of the NDA is to lead, guide and oversee the processes of requesting, accessing and implementing GCF-

²¹ For updates, refer to <https://www.greenclimate.fund/about/partners/ae>

funded activities. The ultimate goal is to arrive at successful projects and programmes which have been (co-)financed by the GCF. This section introduces the modalities available.

1.7.1 Readiness and Preparatory Support Programme

With country ownership as a core principle of GCF, the Readiness and Preparatory Support Programme (the Readiness Programme) was created to build institutional capacities of NDAs, DAEs and other key national partners (e.g., ministries, executing entities) to design projects and access funds to engage strategically with the GCF. This Readiness Programme has five main outcomes: (i) strengthening country capacity; (ii) engaging stakeholders in consultative processes; (iii) supporting the accreditation of direct access entities; (iv) providing access to finance; and (v) mobilising the private sector. Up to **USD 1 million, per country, per year** can be requested for **institutional capacity building, coordination, policy and planning, pipeline development and knowledge sharing and learning**. Of this amount, NDAs can request up to USD 300,000 per year in direct support to help establish or strengthen the NDA to deliver on GCF's requirements. With "multiple-year strategic Readiness implementation requests", NDAs can submit a single Readiness proposal for up to a total of USD 3 million (over a max. of 3 years), provided the annual implementation value remains under the USD 1 million per year cap referenced above. In addition to the above amounts, the Readiness Programme provides up to **USD 3 million per country to support the development of National Adaptation Plans/other adaptation processes**. The GCF also provides support for regional or multi-country proposals. In such an approach, all relevant NDAs and the delivery partner agree on the proposed activities and budget during the development stage.

The procedure for accessing but also overseeing Readiness Support consists of **seven main steps and is led by the NDA**. The table below summarises these steps.

Table 4 Steps of the Readiness Support

N.	Step	Description
1	Conceptualisation and development	The NDAs may apply for readiness support on their own or with the assistance of a delivery partner. This should begin with an assessment of needs, identifying specific capacity and/or technical gaps and challenges or other barriers to climate finance access and deployment. The NDA is encouraged to engage their respective GCF regional focal point in the Secretariat to discuss the proposal idea and get feedback.
2	Submission	The readiness proposal template should be completed by the NDA with support from a delivery partner where relevant (incl. Budget, Procurement and Implementation Plan template). Templates are submitted via the online Country Portal on the GCF website.
3	Review and appraisal	The GCF Secretariat will undertake a completeness check within ten (10) business days. The NDA will be notified via email., After receiving GCF commentary, Proposals should then be revised, adjusted and resubmitted.
4	Approval	Proposals that have reached a sufficient level of quality will be appraised and prepared for endorsement by an interdivisional technical committee within the GCF Secretariat. This process will be completed by the GCF Secretariat within ten (10) business days of receiving the resubmitted proposal. Proposals endorsed with conditions will require further action by the NDA and delivery partner. The GCF Secretariat will communicate the nature of these conditions and remedial actions to NDAs and delivery partners for their response.
5	Legal processing and first disbursement	Following approval, legal arrangements are concluded in the form of a grant agreement in collaboration with the grant recipient, including standard conditions.

6	Implementation, monitoring and reporting	Readiness activities are implemented according to the specifications of the agreed work plan (including deliverables and timeline) and budget as contained in the approved proposal. The grant recipient reports to the GCF Secretariat or the designated fund agent, utilising the progress report template.
7	Completion and grant closure	Towards the end of the grant implementation period, the grant recipient will prepare the completion report and submit it to the Division of Portfolio Management (DPM) of the GCF Secretariat or the identified fund agent along with an audited financial report.

Source: Readiness and Preparatory Support Programme Guidebook (March, 2020)

For more details on each step, templates and recommendations, please refer to the latest version of the GCF **Readiness and Preparatory Support Programme Guidebook**.²²

1.7.2 Projects and Programmes

Considering the demanding development process for FP, funding from the Project Preparation Facility can be accessed. The simplified approval process and enhanced access modality provide variability and thus, flexibility in applying for funding.

1.7.2.1 Concept Note

If the NDA or an AE want to propose a project to be financed by the GCF, they may submit a concept note for feedback and recommendations from the GCF Secretariat voluntarily (i.e. it is not a mandatory step), in coordination and consultation with the NDA. This will allow for receiving feedback and guidance to further develop the project/programme idea into a high-quality funding proposal.

Templates and further guidance are available on the GCF website and Chapter 5 of this manual.²³

1.7.2.2 Project Preparation Facility

The GCF provides financial and technical assistance for the preparation of project and programme proposals through the **Project Preparation Facility (PPF)**. Funding available is up to USD 1.5 million for each application to the PPF, commensurate with the funding proposal being developed and to the activities included in the PPF application. The PPF is specially designed to support DAEs for projects in the micro and small-sized category (up to USD 50 million). However, all AEs are eligible to apply.²⁴

Support is available through two modalities:

- a) **PPF funding:** AEs receive funding in the form of grants, repayable grants or equity to undertake project preparation activities by themselves. As such, AEs organise the procurement and implementation process directly and are accountable for the oversight and reporting of the approved funding and activities. AEs who request up to USD 300,000 from GCF are eligible for **Simplified PPF Funding**.²⁵
 - a. In general, if a PPF results in a feasible project with income generation potential, the PPF amount financed by the GCF should be repayable at the financial close of the funded activity.

²² GCF, 2020 Readiness and Preparatory Support Programme Guidebook. Accessed: 13/07/2022.

<https://www.greenclimate.fund/document/readiness-and-preparatory-support-guidebook>

²³ GCF Concept note: Templates and guidance: <https://www.greenclimate.fund/document/concept-note-template> and <https://www.greenclimate.fund/document/gcf-concept-note-users-guide>

²⁴ GCF, nd. Project Preparation Facility. Accessed: 13/07/2022. <https://www.greenclimate.fund/projects/ppf>

²⁵ Ibid. <https://www.greenclimate.fund/sites/default/files/page/gcf-ppf-infographic.pdf>

- b) **PPF service:** The GCF provides project preparation services directly to AEs through a roster of independent consultancy firms, ensuring fast and quality delivery to AEs who do not wish to take on the procurement and project management of PPF activities by themselves.

To apply to the PPF, the AE must have three documents: a concept note, the PPF application form and a **no-objection letter (NoL)**²⁶ signed by the NDA, which will ensure that the project or programme is aligned with national priorities and has full country ownership. The funding proposal developed through the PPF should be submitted to the GCF Board for approval within two years of the approval of the PPF request.

Indicative list of supported activities by the Project Preparation Facility:

- Pre- & feasibility studies, project design
- Environmental, social & gender impact studies
- Risk assessments
- Identification of programme/project-level indicators
- Pre-contract services, incl. revision of tender documents
- Advisory services / other services to financially structure a proposed activity
- Other required project preparation activities (to be justified)

1.7.2.3 Funding proposal for projects and programmes

Applying for GCF funding for climate resilient and low-emission projects/programmes that contribute to the achievement of at least one of the mitigation and adaptation strategic result areas is outlined in Chapter 5. Applications for funding are submitted through accredited entities with the endorsement of the NDA via the Letter of No-Objection. With no national accredited entities, Suriname's NDA can work with regional DAEs and international AEs for the submission of proposals to the GCF for approval.

Different types and modalities exist for Funding Proposals.

- Different types of Funding Proposals:

- i. Simplified Approval Process

The Simplified Approval Process (SAP) intends to reduce the time and effort needed in the preparation, review, approval and disbursement procedures for proposals of small-scale activities (up to USD 25 million) with high significant climate impact potential but with minimal to no environmental and social risks and impacts.²⁷ The documentation to be submitted is shorter and simpler, while the review and approval processes are streamlined, as shown in the figure below:

²⁶ The NDA has crafted its own No-objection Procedure (NoP) to obtain the NoL by engaging multiple stakeholder. Refer to the corresponding NoP for more details.

²⁷ GCF, 2018. Guidelines for the environmental and social screening of activities proposed under the Simplified Approval Process. <https://www.greenclimate.fund/document/guidelines-environmental-and-social-screening-activities-proposed->

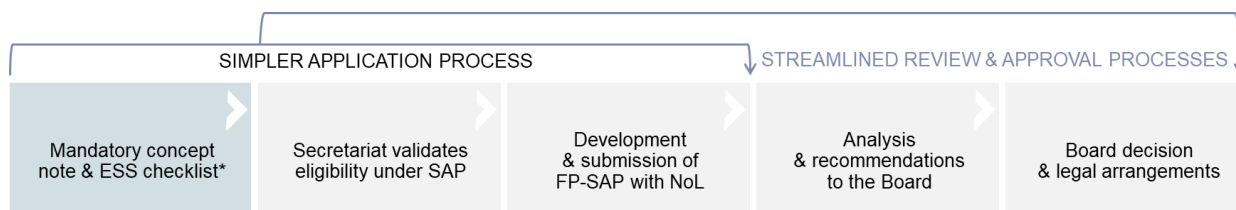


Figure 2 Simplified Approval Process (SAP)

The GCF Secretariat validates the risk category and notifies the AE and/or NDA of the project eligibility under the SAP. Dedicated SAP Templates and further guidance are available.²⁸

ii. Private Sector Facility

Private finance is necessary to achieve the Paris Agreement goals. Thus, the Private Sector Facility (PSF) was established to enhance the engagement of the local and global private sector in GCF activities and processes, leverage additional funding by de-risking the delivery of private capital and scaling up private sector investment flows for low-carbon and climate-resilient development. In fact, the GCF's private sector strategy provides the imperative of mobilising private finance to meet urgent mitigation and adaptation needs in developing countries and removing barriers for climate-friendly investment.

Through active engagement with AEs, the PSF can act as a catalyst for funding high-impact, transformative and innovative climate projects and activities in developing countries. The PSF provides expertise to help assess the potential climate benefits of project ideas, long-term funding through various instruments and structure in concessionality where necessary to achieve results.²⁹

iii. Dedicated access window for DAEs - Enhancing Direct Access

The enhancing direct access (EDA) pilot is characterised by an enhanced devolution of decision-making whereby both funding decisions and project oversight take place at the national or regional level. This can be achieved, for example, by establishing a dedicated facility to fund small-scale community projects. This programme has a threshold of financing and a specific set of principles to evaluate proposals.³⁰

1.7.2.4 Request for Proposals (RfP) and pilots

There are many gaps in the current climate finance landscape, and some areas that have large potential are not adequately financed through current channels. GCF seeks to target these areas to help fill the gaps in climate financing through Requests for Proposals (RfP) and pilot programmes which are focused on specific themes.³¹ Currently, the active pilots are:

- REDD+ Results-Based Payments Pilot Programme (REDD+) runs until 2022 (though resources were exhausted in 2020).
- Enhancing Direct Access (EDA), which was introduced above (section 1.7.2.4 item iii)

under-simplified-approval The accredited entities may decide to use their own system provided that their system is equivalently or more technically rigorous than the guidance presented in this document.

²⁸ SAP: Templates and guidance <https://www.greenclimate.fund/projects/sap/resources>

²⁹ GCF, 2019, The Green Climate Fund's Private Sector Facility. Accessed: 14 /07/2022.

<https://www.greenclimate.fund/document/green-climate-fund-private-sector-facility>

³⁰ GCF, nd. EDA. Accessed 14 /07/2022. <https://www.greenclimate.fund/eda>

³¹ GCF, nd. RfP Accessed: 01 /09/2022 <https://www.greenclimate.fund/projects/rfp>

Chapter 2. National Designated Authority (NDA)

2.1. NDA structure in Suriname

ROM, the NDA, as indicated by its name, has two focus areas: spatial planning and environment. Therefore, its overall objectives are:

- Protecting - and improving the state of - the environment in line with international conventions to the best extent possible.
- Ensuring sustainable, resilient, and coordinated use of the territory, where people and the environment are central.

The environmental component justifies its role as NDA, as it includes climate-related work, environmental policy, international conventions and the establishment of partnerships with different stakeholders. The specific mandate for this area is as follows:

- To create and promote the conditions necessary for the protection of nature and for maintaining the ecological balance;
- The preparation of an environmental policy plan;
- The coordination and monitoring of the implementation of national environmental policy in cooperation with the relevant ministries and agencies;
- Identifying and establishing national environmental priorities that are part of the national environmental strategy as included in the Development Plan of Suriname;
- Preparing national environmental legislation and updating existing environmental (related) laws;
- Monitoring the implementation of and compliance with the obligations of the environment-related treaties/conventions;
- Developing and maintaining cooperation mechanisms and partnerships in order to efficiently and effectively meet national and international environmental obligations;
- To promote grassroots participation in the environmental arena in Suriname;
- Encouraging the use of environmentally friendly technologies;
- Exercising control over compliance with environment-related rules and regulations in production activities;
- Stimulating environmental education in Suriname in consultation with the ministry in charge of education.

The NDA's structure mirrors its objectives while reflecting the available institutional capacities. However, the original structure from 2020 is being reviewed and adapted to ensure alignment with relevant national and international policies. This has highlighted the need to enhance the staff's technical capacities, i.e., create new roles for new departments and generate high-quality thematic data as depicted in the organigram below.

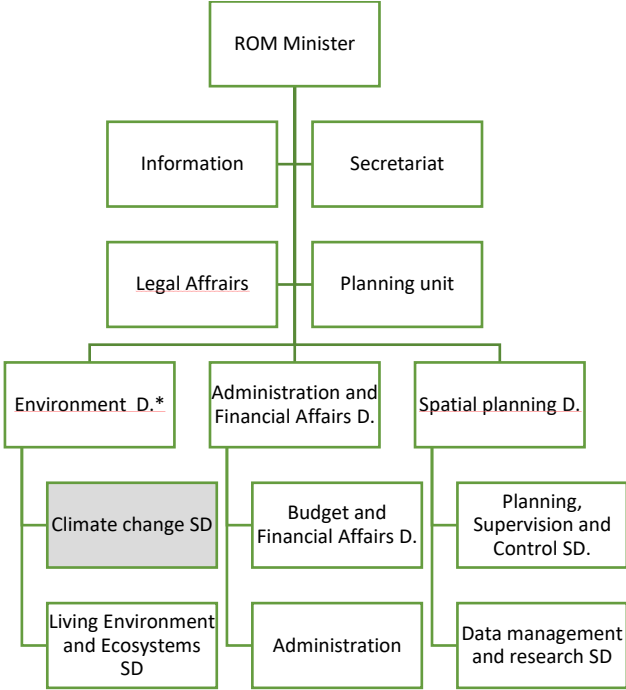


Figure 3 Draft organigram - Ministry of Spatial Planning and the Environment

The role of coordinating and implementing climate-related policies in Suriname falls under the Climate Change Sub-directorate, which is a Policy Unit that currently resides at ROM, the NDA. The Sub-directorate also fulfils the responsibility of coordinating multilateral environmental and climate agreements (as the Paris Agreement) and the National Environmental Policy. This Sub-directorate is also the focal point for the UNFCCC. It also plays a key leadership role in the implementation of the NAP, the NDC Investment Plan and the NCCPSAP.³² To oversee and contribute to the implementation of such policies and strategies, ROM cooperates very closely with other ministries and public agencies, such as the National Institute for Environment and Development in Suriname (NIMOS) whose role includes operational decision-making, management of the Monitoring, Reporting and Verification (MRV) Tool.³³ Additionally, ROM aims to lead and participate in the multistakeholder national commission on climate.

2.2. Role of the NDA: tasks and required capacities

An NDA is the principal intermediary and point of communication between a country and the GCF. Furthermore, the NDA is the recognised authority for all legal matters and the official signatory on behalf of the government. In the process of engaging with the GCF, selecting the best-suited government individuals and/or bodies and thereafter building the capacity of the NDA are the primary steps. The following figure shows the main tasks and responsibilities of ROM as Suriname’s NDA.

³² CANARI, 2020. Desk Review and Consultation Report.

³³ <https://dondru.sr/mrv/>

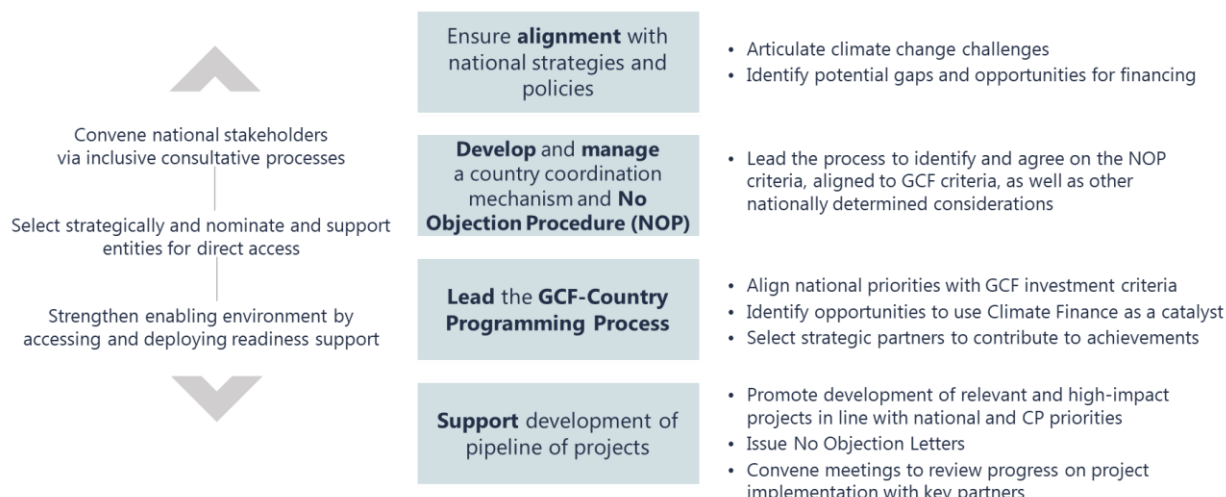


Figure 4 NDA tasks and responsibilities

Source: Own elaboration based on GCF policies and Board decisions

But how can the NDA build and facilitate such country ownership?

This is done primarily by establishing and utilising communication and engagement structures.

i) On the one hand, there is a **Role of the NDA vis-a-vis GCF**: The NDA serves as the **point of communication with the GCF**. Furthermore, the NDA has the role of implementing the **no-objection procedure** on FP submitted to the GCF. This is to ensure the consistency of projects and programmes with national climate change plans and priorities.

ii) On the other hand, there is the **Role of the NDA vis-a-vis other stakeholders**:

- **Convening role**: NDAs convene relevant public, private and civil society stakeholders at the national and regional levels to identify priority sectors that are to be financed by the GCF. NDAs convene stakeholders to share lessons and experiences from their readiness.
- **Coordination role**: NDAs are mandated to be central in ensuring that countries own the results of GCF investments. Therefore, NDAs are encouraged to consult stakeholders in preparation of their country programs to ensure country coordination and multi-stakeholder engagement at the level of national priorities and strategies or in the development of FP.

The following figure indicates the required capacities for the NDA to fulfil its role.

Knowledge & capacity building	<ul style="list-style-type: none"> Ability to facilitate and contribute to and to elaborate national development plans and strategies and access to climate change expertise Understand how bilateral, regional and international climate finance can be accessed and utilized to implement and scale up climate adaptation and mitigation practices (which could contribute for instance as co-finance)
Coordination & consultation	<ul style="list-style-type: none"> Capacity to facilitate and coordinate country coordination mechanisms and multi-stakeholder engagement (incl. private sector), and further, to interact with other sources of climate finance
Awareness & communication	<ul style="list-style-type: none"> Is required for mitigation and adaptation needs and efforts to ensure national complementarity among initiatives, and familiarity with relevant institutions and stakeholders within the countries
Oversight & ensuring alignment with country priorities	<ul style="list-style-type: none"> To ensure synergies with other national priorities and related activities in the country. Knowledge how to appraise and approve prospective entities as a potential DAEs Understand the different types of financial instruments that are suitable to address national priorities as this also determines the selection of Accredited Entities. Identify and convert project ideas into concept notes and develop into funding proposals to meet GCF investment criteria. Appraise and approve CNs and FPs in a transparent manner using criteria and decision-making tools within the no-objection procedures. Apply capacities to conduct monitoring according to GCF standards.

Figure 5 NDA required capacities

As shown in figure 4, the NDA needs to understand the GCF procedures and policies. It is of particular importance that the **NDA can appraise and nominate prospective entities as potential AEs for direct access to the GCF**. For this, the NDA needs to understand the **nomination and accreditation procedures** (see Chapter 4) and ensure compliance with GCF fiduciary, environmental and social standards and gender policies (see Chapter 5). In this regard, it is also essential to understand the different types of financial instruments suitable to address national priorities, as this also determines the selection of AEs (see Chapter 5)).

In the same line, GCF clusters the tasks of the NDA in five categories depicted in the following table:

Table 5 Main tasks of the NDA

NDA Task	Sources of additional information
Strategic oversight aligned with national priorities	No-objection Procedure (NoP) for Suriname (separate guidance)
Convene national stakeholders	Multistakeholder Country Coordination a Mechanism (Terms of Reference, Minutes and communications) and Stakeholder Engagement Plan (separate guidance)
Approval of readiness support	Section 1.7 of this Manual.
No-objection letters (NoL) for projects and programmes	NoP for Suriname (separate guidance)
Nomination letters for direct access	Chapter 4 of this Manual and NoP for Suriname

Chapter 3 Stakeholder engagement and country programming

In general, the NDA should ensure that processes for policy making, country programming, project development and monitoring, readiness support and communications are based on effective consultative processes. The NDA should engage in regular dialogues with key stakeholders across sectors about the intended climate policies, policy execution and GCF-related activities and plans. In this regard, the involvement of stakeholders relevant to environmental and social safeguards (ESS) and gender aspects are crucial. The details on the approach and the stakeholder mapping are outlined in a separate document named **Stakeholder Engagement Plan** (Guidance for the NDA on GCF-related Activities in Suriname). Additionally, the **GCF Communication Strategy and Action Plan** provides more details on communication channels, information flow and awareness raising. Chapter 3 introduces the core governance arrangement for engaging with multiple stakeholders within a defined multistakeholder country coordination mechanism and the particularities and opportunities to engage with the private sector.

3.1. Multistakeholder Country coordination mechanism

In Suriname, climate change is a matter of concern and action within multiple institutions. The country sets several national laws, policies, strategies and plans to direct activities and resources toward achieving common goals. Therefore, it is appropriate to approach all climate-related work systematically as a Multistakeholder Country Coordination Mechanism on climate. This mechanism is not an institution or fixed structure but a set of procedures and multistakeholder commissions that enable joint action to achieve climate change objectives. The NDA coordinates the mechanism's functioning.

The Multistakeholder Country Coordination Mechanism on climate is based on the operation of the following three commissions on climate chaired by ROM:

Table 6 Suriname's commissions on climate

Commission on climate	Members
National Commission	Multistakeholder (government, civil society, indigenous and tribal communities, industry, financial sector, academia)
Interdepartmental Commission	Set of ministries with direct work on climate issues
Technical Commission	Group of experts depending on the topic of the FP and CN and the advice required by the NDA.

The overall purpose is that the operation of the commissions enables dedicated, predetermined, periodic and systematic consultations with the stakeholders participating in the commissions' meetings and other stakeholders whenever deemed necessary. The commissions serve as platforms for transparency, knowledge exchange, accountability, technical advice, and identification of challenges and opportunities.

The details about the composition, tasks and meetings are outlined in the corresponding Terms of Reference (separate guidance).

3.2. Stakeholder consultations

To ensure that all relevant GCF stakeholders and stakeholder groups in Suriname are informed about - and engaged in - the strategic work the NDA carries out, regular national stakeholder consultations shall be undertaken. Such meetings are scheduled and framed in the **GCF Communication Strategy and Action Plan** for Suriname, the **Stakeholder Engagement Plan** of the NDA.³⁴ In this vein, consultations with all main stakeholders should take place **at least once a year** (incl. NGOs, the private sector, AEs, donors and governmental institutions).

Consultations are aimed to produce recommendations for the NDA and GCF-related actors, not decisions. No decision-making and voting should therefore be expected to take place during such meetings. It is, however, important that the NDA continuously receives -hand inputs and feedback on key stakeholder groups' views, expectations, issues and complaints. As an indicative list, the consultations should cover:

- Progress in NDA work and the latest relevant GCF developments relevant (e.g. project pipelines, etc.).
- Latest GCF country programming, e.g., feedback on draft Country Programme (updates).
- Needs to update existing national GCF-related documentation (e.g., this manual, stakeholder engagement plan)
- Ways to engage with the GCF.
- Systematically collect stakeholder feedback to further develop and improve the activities led by the NDA.
- News from readiness and project implementation.
- New project opportunities.

3.3 Country programming

GCF Country Programmes are the cornerstone of each country's pipeline development with the GCF. It is the first stage of the GCF's updated project and programme cycle and forms the basis for prioritising the further development of FPs for projects and programmes submitted by the GCF's AE on behalf of countries for funding.

Countries are encouraged to develop a GCF Country Programme to drive their project and programme pipelines with the GCF, and countries may request support from the GCF Readiness Program for its development and update. In the case of Suriname, the elaboration of its first GCF Country Programme is supported via the GCF readiness support facility. In all cases, the NDA will lead a consultative multi-stakeholder process for developing or updating the country's GCF Country Programme.³⁵ The GCF will also prioritise the use of resources from the Readiness Program and the GCF Project Preparation Facility for further development of priority projects and programmes identified in GCF Country Programmes.

The process of developing or updating a Country Programme may be used for prioritising the most impactful projects or programmes to be funded by the GCF, aligned with the priorities identified in a country's national climate plans or strategies (e.g., NDC, NAP). It may also be used to identify the most

³⁴ Refer to those documents for more details on the approach and scope of the regular consultations.

³⁵ Initial best-practice guidelines for the selection and establishment of national designated authorities and focal points (Decision B.08/45, annex XIII) and Initial best-practice options for country coordination and multi-stakeholder engagement (Decision B.08/45, annex XIV)

suitable AEs or prospective entities seeking accreditation that would submit and implement those projects and programmes.³⁶

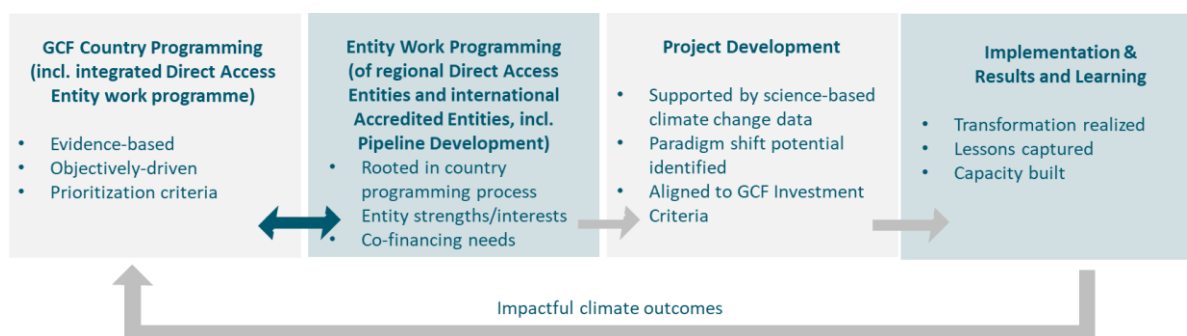


Figure 6 GCF Programming continuum and the link to Funding Proposals

Hence, the NDA is responsible for coordinating the work on elaborating and updating the GCF Country Programme (the first version planned for the beginning of 2023), as well as reviewing the GCF Country Programme once every year. Updating the GCF country programme should occur on a two-year basis or as deemed appropriate by the NDA.

The elaboration of new and updated GCF Country Programmes shall be carried out by qualified, independent experts, guided by the NDA and relevant stakeholders and through extensive stakeholder consultations (the National Commission on Climate is the basis for such process). Qualified, independent experts shall receive full cooperation and information from the NDA in order to carry out the work in a satisfactory manner. Each country programme should explain the **methodology** used for its elaboration to guide future updating processes. Such methodology aligns with GCF requirements and the national institutional capacities.

GCF Country Programmes shall be elaborated and updated based on **guidelines and requirements provided by the GCF**³⁷ and considering good international practice in developing and updating GCF Country Programmes.

For the actual structure of the **Country Programme** document, five components are recommended.

- A description of the **country context** - describing the **country's sustainable development context** based on its long-term and medium-term development plans – and - the country's **climate change profile and projections**, and the **potential adaptation and mitigation investment opportunities**.
- The **climate finance strategy and priorities** by summarising the **climate finance landscape** of the country and including the **current and expected public and private** financing to address the country's low-emission, climate-resilient development needs and priorities.
- An outline of the **project and programme priorities** - a **pipeline of up to five national projects/programmes** – based on the country's context and wider climate finance strategy. In addition to the five country-specific priority projects and programmes, the Country Programme may also include the country's participation in **regional or multi-country programmes** initiated and designed by GCF Accredited Entities. This may include prospective

³⁶ GCF, 2021, Country Programme Guidance. Accessed: 14 /07/2022

<https://www.greenclimate.fund/sites/default/files/document/gcf-country-programme-guidance.pdf>

³⁷ GCF, 2021, Country Programme Guidance. Accessed: 14 /07/2022 <https://www.greenclimate.fund/document/country-programme-guidance>

entities seeking accreditation, or a **phased programmatic approach to longer-term, multi-stage investments** within a country to transform a sector or region of the country

- **Policy, strategy, planning, and institutional needs** in the form of **readiness requests**. It may include diverse financing mechanisms, partners to support implementation and critical capacity needs for and during implementation. This may include the support needed by the DAEs accredited or nominated for accreditation, including for pre- and post-accreditation capacity building, closure of accreditation conditions or upgrades in their accreditation scope. It includes capacity development throughout the project cycle – for which GCF Readiness Programme funding could be used.
- A description of the **multi-stakeholder engagement process** that must be followed to develop, monitor and update the GCF Country Programme. It also includes information on key stakeholders engaged in the process, such as other government agencies at the national or sub-national level, accredited entities, development partners, private sector, and civil society organisations - for instance, community-based, gender-oriented or indigenous peoples.

Considering the role and responsibility of an NDA, the NDA of Suriname also engages in the formulation of new or updating national climate policies and plans, especially in cases where a policy is elaborated that includes action plans, has a focus on climate finance and includes prioritised projects that require public or international finance (like the NDC Finance Strategy/Investment Plan).

3.4 Private sector engagement

The GCF emphasises the value and necessity of engaging the private sector in climate-related activities to catalyse private finance and know-how. Collaboration with private institutions is deemed as an effective way to motivate a required transformation in the economy and to ensure the sustainability of investments. Essentially, the private sector is a key player in the economy as is an engine for economic growth, job creation and poverty reduction. At the same time, enterprises are compelled to invest in climate-resilient and low GHG emissions technologies to manage climate-related risks and stay competitive. Thus, companies can be partners for transformation to mobilise financial resources and leverage public funding, establish public-private partnerships, develop innovative technologies and enhance technical capacity.

The question now is **how can the private sector be engaged in GCF-related activities?** It is required to engage and consult the private sector on an ongoing basis as part of the national commission of the Multistakeholder Coordination Mechanism. In particular, the engagement with the private sector takes place within the following activities:



Figure 7 Private Sector

- 1. GCF Country Programme development:** To participate in stakeholder consultations for GCF Country Programme development to jointly aim for low-carbon, resilient growth.
- 2. Accreditation process:** To be nominated as DAEs or regional AEs.
- 3. GCF programming cycle:** To co-develop concept notes and funding proposals, as well as implement projects/programmes financed by the GCF.
- 4. Readiness and awareness raising:** To access climate change knowledge & information (e.g., impacts, risks and opportunities; data and tools). Private actors can also act as readiness delivery partners and beneficiaries of capacity-building measures.

The Private Sector Facility (see also 1.7.2.3) acknowledges the importance of the private sector in climate projects.

Chapter 4. The accreditation process

It is crucial for the NDA to collaborate on a portfolio of national (DAEs) and international AEs that can help realise the GCF Country Programme and, in general, the climate change priorities and ambitions of the country. The NDA and the AEs need to maintain a close relationship to ensure country ownership and to comply with GCF requirements from the nomination, project preparation, endorsement, and monitoring, to reporting and closure.

National, regional, or international entities that want to become accredited have to undergo a demanding accreditation process in which technical and administrative capacities will be examined against GCF standards. The process is carried out mainly through the Digital Accreditation Platform (DAP)³⁸³⁹ and email exchange (e.g., via accreditation@gcfund.org). NDAs and potential AEs can access readiness support from the GCF to close accreditation gaps and prepare a sound accreditation application.

The GCF uses a **fit-for-purpose accreditation approach** to enable a wider range of entities with different levels of capacities to gain accreditation. Entities can qualify for different levels of accreditation, depending on their ability to demonstrate a track record of fiduciary standards and ESS and have the competencies and procedures to perform activities in line with the GCF's fiduciary standards, Gender Policy (GP) and Indigenous People's Policy (IPP). Hence, the profile of the entity defines three main areas for the AE: the size of project/programme activity that they could propose, the financing modalities that they could apply, and the ESS categorisation of projects that they could implement.

Consequently, according to the fit-for-purpose decision, entities seeking GCF accreditation will be assessed against:

- GCF's initial [fiduciary principles and standards](#)
- GCF's [interim environmental and social safeguards](#) (ESS) (including GCF's [Information Disclosure Policy](#) with requirements to disclose E&S reports for certain categories of E&S risks)
- GCF's [gender policy](#) and [Indigenous Peoples Policy](#)

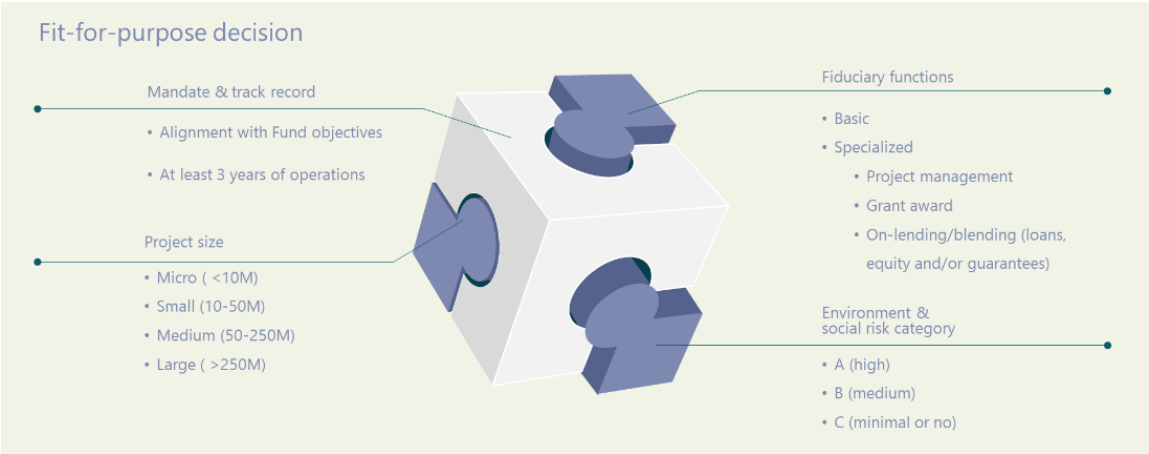


Figure 8 Fit-for-purpose decision

³⁸ GCF, Entity Accreditation. Accessed: 14 /07/2022. <https://www.greenclimate.fund/accreditation/process>

³⁹ GCF offers webinars on the use of DAP. The recordings are made available here <https://www.greenclimate.fund/event/gcf-introductory-webinars-digital-accreditation-platform-accreditation-applicants>

4.1. Becoming a Direct Access Entity (DAE)

As already mentioned, DAEs are national, provincial (sub-national), or regional organisations that need to be nominated by the NDA. Entities that are nominated to become DAEs may be eligible to receive GCF readiness support. It is recommended that the NDA continuously reviews and appraises the initial DAE nomination procedure in consultation with the stakeholders in order to ensure it is a 'live' process and reflects changing GCF policies. Prospective entities that could be accredited to be GCF in Suriname include public and private sector organisations, banks and the CSO sector.

The Procedure of Nomination of the DAE in Suriname

The procedure to nominate public, private and CSO entities as AE to the GCF by the NDA of Suriname is presented in the table below.

Step	Scope	Responsibility
1. Prospective DAE self-assesses eligibility	(a) Prospective DAE contacts the NDA and collects the required checklist* (b) Prospective DAE assesses eligibility for accreditation by using the self-assessment tool questionnaire to generate a self-assessment report. ⁴⁰	Prospective DAE
2. Prospective DAE requests for a nomination letter from NDA	If eligible, the prospective DAE requests a nomination letter from the NDA and submits supporting documents.	
3. Nomination appraisal by NDA	a) NDA acknowledges receipt of application; the team reviews application and draft appraisal report using the structure of the self-assessment reports. (b) If needed, the NDA might request a second opinion to the GCF accreditation office (accreditation@gcfund.org)	NDA
4. Nomination approval	If approved, NDA issues the Nomination Letter. ⁴¹ In other cases, the NDA communicates the reasons to the prospective DAE.	

*The documents to be submitted by the prospective DAE are as follows:

- a) Request for nomination letter for GCF accreditation
- b) Statement of purpose reflecting entity's vision of how it intends to use GCF funds and the value it can add to GCF and national objectives
- c) Self-assessment results to demonstrate understanding of (i) the accreditation standards and requirements & (ii) the application process
- d) Document confirming legal status of the applicant, and
- e) Request letter to GCF to issue username and password to DAE to enable it to upload supporting documents to the GCF DAP.

⁴⁰ GCF Self-assessment tool <https://www.greenclimate.fund/accreditation/self-assessment>

⁴¹ GCF template for the nomination letter <https://www.greenclimate.fund/document/nomination-letter-template-application-accreditation-gcf>

In parallel to obtaining the nomination letter from the NDA, the prospective DAE should prepare internally for the application process. This includes ensuring the buy-in of the general management, allocating resources (staff, facilities, funds), and establishing a task force to lead and coordinate. Once all required documents have been collected, the applicant can start uploading the documentation. The figure below illustrates the process of an organisation preparing for accreditation.

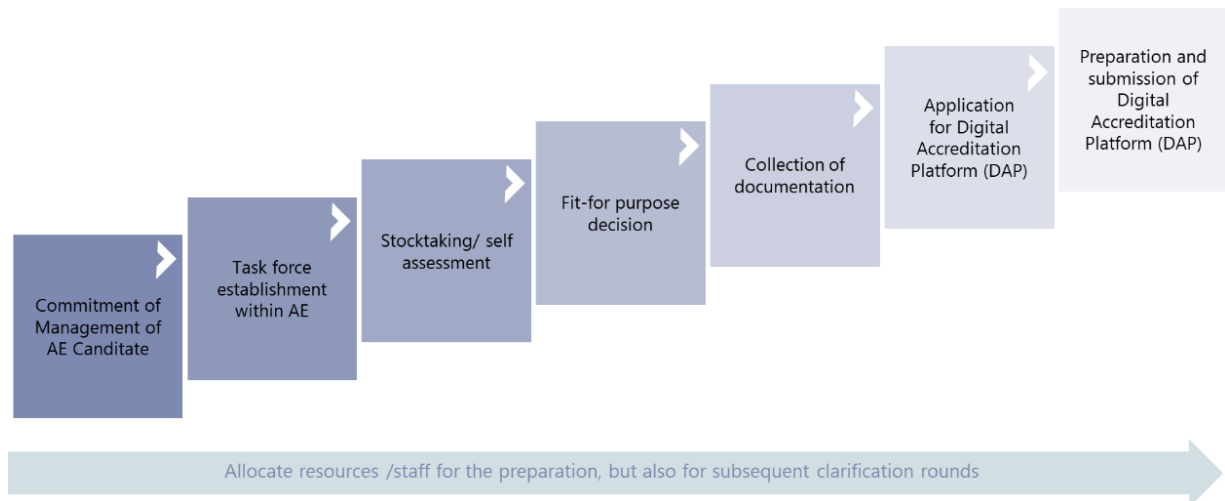


Figure 9 Recommended process for preparing and handing in an application for accreditation

Although it is advisable to submit all of the requested documents⁴² at the very beginning of the application, there are exceptions that allow applicants to submit evidence of procedures at a later stage or even after accreditation. This frequently happens in cases where organisational systems have been recently created. In any case, incomplete applications generate more iterations between the entity and the NDA, meaning a longer accreditation process.

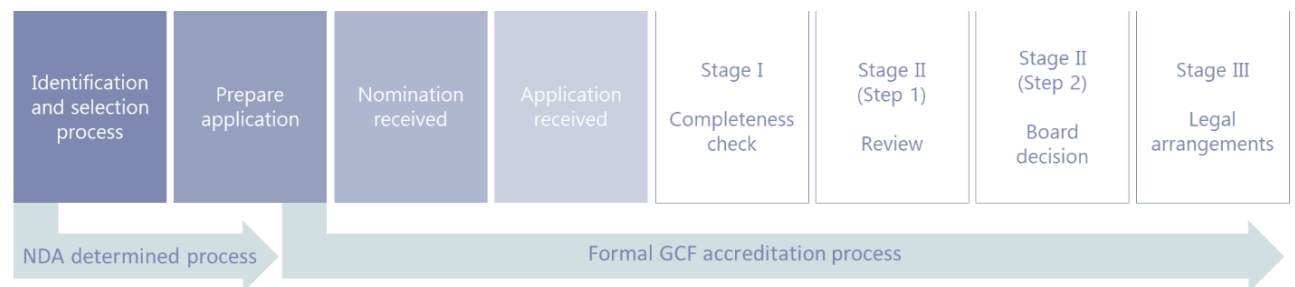


Figure 10 GCF accreditation stages

Once the legal arrangements are concluded and the entity is accredited (Board decision), the AEs can submit a proposal to the GCF.

The time taken to become accredited varies depending on the degree of preparedness of the applicant entity and the modality for which it is applying.

⁴² GCF, 2022, Accreditation application form. Accessed: 15 /07/2022.
<https://www.greenclimate.fund/document/accreditation-application-form>

Chapter 5. The GCF project development

5.1. Critical criteria for developing projects/programmes

5.1.1. GCF result areas and investment framework

The GCF is mandated to invest 50% of its resources to climate change mitigation and 50% to adaptation in grant equivalent. At least half of its adaptation resources must be invested in the most climate-vulnerable countries (SIDS, LDCs, and African States). Specifically, the GCF will grant resources for projects providing significant climate contributions in the following eight result areas:



Figure 11 GCF Result areas

Source: GCF

The GCF has a series of sectoral guidelines for each result area.⁴³

⁴³ Access each result areas for detailed guidance <https://www.greenclimate.fund/themes-result-areas>

In addition to the thematic focus of the project and programmes, the corresponding concept note (CN) and funding proposal (FP) should comply with a set of investment criteria against which they will be evaluated by the GCF.⁴⁴ The ensuing table summarises the **investment criteria**:

Table 7 GCF Investment criteria

Criterion	Definition	Sub-criteria
Impact potential	Potential of the project/programme to contribute to the achievement of the GCF's objectives and result areas	<ul style="list-style-type: none"> • Mitigation impact • Adaptation impact
Paradigm shift potential	Degree to which the proposed activity can catalyse impact beyond a one-off project or programme investment	<ul style="list-style-type: none"> • Potential for scaling-up, replication and overall contribution to global low-carbon development pathways consistent with a temperature increase of less than 2 °C • Potential for knowledge and learning • Contribution to the creation of an enabling environment • Contribution to the regulatory framework and policies • Overall contribution to climate-resilient development pathways consistent with a country's climate change adaptation strategies and plans
Sustainable development potential	Wider benefits and priorities	<ul style="list-style-type: none"> • Environmental co-benefits • Social co-benefits • Economic co-benefits • Gender-transformative development impact
Needs of the recipient	Vulnerability and financing needs of the beneficiary country and population	<ul style="list-style-type: none"> • Vulnerability of the country • Vulnerable groups and gender aspects • Level of economic and social development of the country and the affected population • Absence of alternative sources of financing • Need for strengthening institutions and implementation capacities
Country ownership	Beneficiary country ownership of and capacity to implement a funded project/programme (policies, climate strategies and institutions)	<ul style="list-style-type: none"> • Existence of a national climate strategy • Coherence with existing policies • Capacity of implementing entities, intermediaries or executing entities to deliver • Engagement with civil society organisations and other relevant stakeholders
Efficiency and effectiveness	Economic and, if appropriate, financial soundness of the programme/project	<ul style="list-style-type: none"> • Cost-effectiveness and efficiency regarding financial and non-financial aspects • Amount of co-financing • Programme/project financial viability and other financial indicators • Industry best practice

5.1.2. Selecting the financial instruments

The last investment criterion, “**efficiency and effectiveness**” refers among others to the appropriate selection of the financial instruments, which implies considerations about the source of financing and

⁴⁴ To know more about the appraisal process, please explore the materials available on GCF's website:

<https://www.greenclimate.fund/projects/access-funding>

the profitability of the investment. To select the best approach, a number of factors should be considered, including the result area (type of activities included), the beneficiaries, the availability of co-finance, the market barriers, and the fiduciary capacities of the accredited entity (i.e., its accreditation profile).

The list of financial instruments offered by the GCF is presented in the following table:⁴⁵

Table 8 GCF Financial instruments

Financial instrument	Description
Grants	Grants are resources that are usually applied to fund activities normally unfunded by the market, such as adaptation for vulnerable communities, capacity building of institutions and baseline data collection or feasibility studies. Grants from the GCF may also be utilised to account for additional investment costs that are necessary to make projects or programmes viable and reducing the financial risk. Grants can come in the form of reimbursable grants or non-reimbursable grants and the conditions of these vary, subject to negotiation with the GCF Secretariat and outlined in the conditions of each project or programme financing agreement.
Concessional Loans	Concessional Loans offer soft lending conditions such as low to no interest rates and conditions that include longer repayment and grace periods. Concessional loans also typically include a grant element which is normally allocated towards technical support. This type of the GCF's investment provides for conditions that are more favourable than market terms.
Equity	Equity is utilised by the GCF to provide an investment into a project or asset to leverage debt and allow for the possibility of better returns. This type of investment it typically utilised when a project has substantial risks but also has a chance of success and returns to equity holders.
Guarantees	Guarantees from the GCF are commitments that mitigate investment risk in which a guarantor undertakes to fulfil the obligations of a borrower to a lender. This can cover the entire investment or just a portion of it, in which case it would refer to as a partial guarantee.
Blended finance	Blended Finance is where GCF resources are applied by development banks or other financial institutions and utilised as a major source of concessional financing to then be "deployed as concessional loans, guarantees, equity, and grants for private sector projects that would generally not have proceeded due to market barriers". ⁴⁶ This type of financing is usually targeted at supporting the mainstreaming of emerging climate-relevant technology by overcoming the higher capital costs associated or "perceived risks that inhibit full commercial financing". ⁴⁷

⁴⁵ GCF, 2022, Financial instruments. Accessed: 15 /07/2022. <https://www.greenclimate.fund/about/policies/financial-instruments>

⁴⁶ GCF/B.08/12: Use of Other Financial Instruments (3 October 2014), p.11

⁴⁷ GCF/B.08/12: Use of Other Financial Instruments (3 October 2014), p.18

5.1.3. Social and environmental safeguards, gender and indigenous peoples

Besides technical (climate-related) and fiduciary considerations, GCF projects/programs are required to incorporate social and environmental safeguards with specific reference to gender and indigenous and tribal peoples' issues.

Social and environmental safeguards

GCF is mandated to effectively and equitably manage environmental and social risks and impacts and improve outcomes of all GCF-financed activities. Based on its' Environmental and Social Policy⁴⁸, the GCF will require that all GCF-supported activities will commit to:

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

The GCF's ESS Policy and the criteria outlined above should be taken into consideration when developing funding proposals.

Environmental screening is a useful tool in identifying environmental and social safeguard issues in prospective projects and programmes. As such, all GCF-related project activities that involve physical interventions will be subjected to environmental and social screening using the respective forms and guidance provided.⁴⁹

The project proponent should also provide an Environmental and Social Action Plan. The main objective will be to (a) determine the anticipated environmental and social impacts, risks and opportunities of the project/sub-project, (b) determine anticipated impacts on the local/indigenous communities, (c) determine if the anticipated impacts and public concern warrant further environmental and social analysis and if so (d) recommend the appropriate type and extent of Environmental and Social Assessment needed.

The two sections below outline the two complementary categories under the GCF Safeguards.

Gender policy and action plan

The GCF seeks to ensure gender is integrated in all aspects of its processes and operations with the implementation of gender-sensitive interventions at all levels.⁵⁰ The gender principle ensures that GCF-funded projects adhere to gender equality and equity, as per international agreements and other human rights agreements. Being gender-responsive means that instead of only identifying gender issues or ensuring a "do no harm" approach, the process will substantially help to overcome historical

⁴⁸ GCF, 2021. Revised environmental and social policy. Accessed: 09/08/2022

<https://www.greenclimate.fund/document/revised-environmental-and-social-policy>

⁴⁹ ESS exemplary guidance: <https://www.greenclimate.fund/sites/default/files/document/sustainability-guidance-note-screening-and-categorizing-gcf-financed-activities.pdf>

<https://www.greenclimate.fund/document/guidelines-environmental-and-social-screening-activities-proposed-under-simplified-approval>

⁵⁰ <https://www.greenclimate.fund/how-we-work/mainstreaming-gender/gender-action-in-practice>

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

The Gender Policy and its related Gender Action Plan⁵¹ should be applied throughout GCF activities, including all funding activities for mitigation and adaptation undertaken by the public and private sectors. The Gender Policy's objectives apply across four interconnected levels:⁵²

- a) At the GCF institutional level: to adopt, implement and document the GCF approach to addressing gender issues in its day-to-day governance, operations and procedures, and its performance measurement frameworks as reflected in the Gender Action Plan while committing the necessary resources, financial and human, to make this approach robust and effective;
- b) At the project/portfolio level: to address and reduce gender inequality, deepen stakeholder engagement and deliver better accountability to both men and women to generate sustainable livelihood opportunities, health and well-being, and resilience against climate-induced shocks and risks;
- c) At the national level: to support and sustain an enabling environment among GCF stakeholders – including NDAs/focal points, AEs, and delivery partners – that builds on existing policy commitments, environmental and social standards, and redress mechanisms to achieve gender equality under the decision B.24/12;
- d) At the sector level: to contribute to high-quality, more comprehensive, systematic and participatory sex-disaggregated data collection, qualitative and quantifiable gender analysis and action plans, and a knowledge base that supports gender-related learning outcomes.

To support NDAs and AEs in the task of mainstreaming gender, the GCF partnered with UN Women and developed a guide to **'Mainstreaming Gender in Green Climate Fund Projects: A practical manual to support the integration of gender equality in climate change interventions and climate finance'**.⁵³

Indigenous Peoples

The importance of engaging with indigenous peoples in climate change policies and actions has been recognised by the UNFCCC, which has requested the GCF "to enhance [its] consideration of local, indigenous and traditional knowledge and practices and their integration into adaptation planning and practices, as well as procedures for monitoring, evaluation and reporting."

The GCF's Indigenous Peoples Policy ensures activities of the GCF are developed and implemented to foster full respect, promotion, and safeguarding of indigenous peoples so that they benefit from the GCF activities and projects in a culturally appropriate manner; and do not suffer harm or adverse effects from the design and implementation of the GCF-financed activities.

5.2. Project cycle

With a clear perspective of the key components for the formulation of projects and programmes, the project cycle can now be analysed as a whole to develop robust concept notes and FPs.

⁵¹ GCF, nd. Sustainability policies. Accessed: 30/08/2022. <https://www.greenclimate.fund/about/policies/sustainability>

⁵² GCF, 2019. Gender policy. Accessed: 30/08/2022. <https://www.greenclimate.fund/sites/default/files/document/gcf-gender-policy.pdf>

⁵³ GCF, UN-Women, 2017. Mainstreaming gender in Green Climate Fund projects. Accessed: 30/08/2022. <https://www.greenclimate.fund/document/mainstreaming-gender-green-climate-fund-projects>

AEs are responsible for developing and submitting funding applications to GCF and then overseeing, supervising, managing and monitoring the overall GCF-approved projects and programmes. The funding proposals are developed in close consultation with the NDA, based on the country’s needs and in line with the content of the Country Programme. The figure below illustrates the complete project cycle, including stages under the custody of the NDA and AEs, as well as processes run within the GCF.

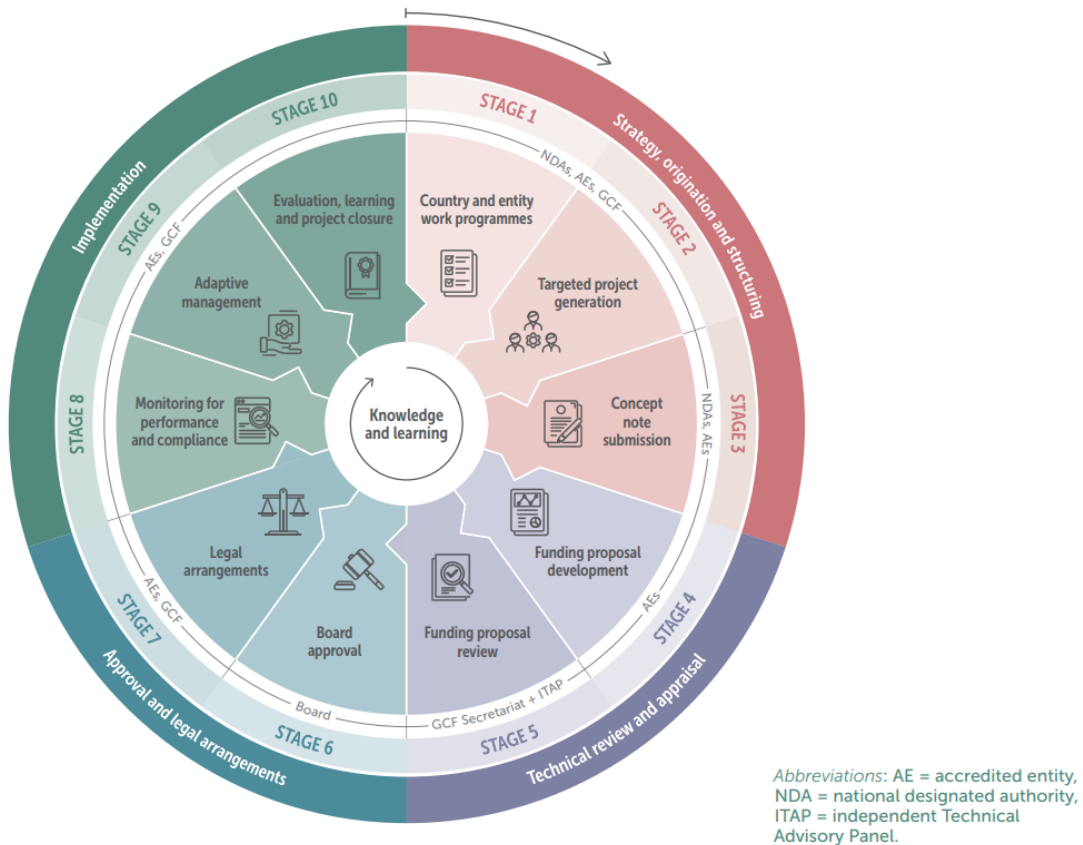


Figure 12 GCF Project Cycle

Source: GCF⁵⁴

At the GCF level, there are five main steps: (1) Generation of the Project Idea; (2) Concept Note (voluntary); (3) Funding Proposal; (4) Assessment/Analysis; (5) Board Decision and Legal Aspects. These main five steps are outlined in the figure below. Based on these required steps, the following sections elaborate upon the main components of the Project Cycle for Suriname (1, 2 and 3).

Note: As explained in Chapter 1, NDAs and AEs can access GCF readiness support to advance with the development of FPs. The two most important modalities are the PPF and the SAP.



Figure 13 Five Steps for GCF project development

⁵⁴ GCF, 2022, Appraisal Guidance. Accessed: 15 /07/2022.
<https://www.greenclimate.fund/sites/default/files/document/gcf-appraisal-guidance.pdf>

1. *Initiating ideas for country-driven Funding Proposals*

The AE should consider the following recommendations to initiate project/programme ideas:

- Launch consultations with various stakeholders
- Consider its Country Programme
- Align the proposals with the international accredited entity work programme
- Consider unfunded priorities from recent national development plans and existing unfunded pipelines from other funds and their planning documentation (Complementarity & coherence)

The NDA should follow up and foster the development of the GCF portfolio based on project pipeline and stakeholder engagement.

Preparations by Accredited Entities

- Feasibility check: e.g. market (needs) assessment (e.g. political, economic, social, technological, legal, climate, environmental and social impacts), cost estimates and funding gaps to justify GCF funding
- Participative planning (consultations): pre-discussions with potential (co-)financiers and Executing Entities, close coordination with the NDA

➔ **The NDA should ensure overall clarity of communication lines and modalities with the AE throughout the development of the project proposal and its implementation.**

2. *Concept note*

The submission of a Concept note (CN) is an optional step and can be done either by the AEs or the NDA. However, submission of CNs is strongly encouraged, as CNs can lead to higher “quality at entry” of FPs, a reduced review time, and lower transaction costs for all stakeholders. It should be noted that the submission of a CN is mandatory if a PPF is requested, or a proposal submission is done under the simplified approval process (SAP).⁵⁵ A CN should provide the following information according to the GCF Template. The CN should not exceed the maximum number of 12 pages, excluding annexes.⁵⁶

- A brief climate context and baseline;
- A project description, including project components;
- The project size, suggested financial instruments and other financial information;
- Brief information on how the concept note meets the GCF investment criteria; and
- Information on engagement with the NDA and relevant stakeholders.

Optional annexes to be included at the CN stage are as follows;

- Pre-feasibility study
- Results of E&S risk screening
- Maps (indicating locations)
- Diagram of the theory of change
- Economic and financial model with key assumptions and potential stressed scenarios
- Evaluation report of the previous project

⁵⁵ GCF, 2022. Simplified Approval Process Funding Proposal. Accessed: 15/11/2022.

<https://www.greenclimate.fund/document/simplified-approval-process-funding-proposal>

⁵⁶ For more details on the annexes, refer to <https://www.greenclimate.fund/projects/sap/resources>

Helpful links and guidance at the GCF homepage



- [Concept Note user guide](#)
- [Concept Note template](#)
- [Concept Note Library](#)

3. Funding proposal

AEs are expected to develop FPs in close consultation with the NDA and with due consideration of the GCF's investment framework, ESS, Gender Policy and Integrated Results Management Framework (IRMF, see table below). FPs must be prepared in accordance with the considerations and requirements of those key policy frameworks and by applying the **templates** available on the GCF's website.⁵⁷ The AEs are expected to develop their FPs with due consideration of the six GCF investment criteria (Figure 7 in this chapter) and the applicable and relevant activity-specific sub-criteria and indicative assessment factors.⁵⁸

In the formulation of the FP, AEs are expected to respond to all six of the investment criteria, but only the applicable and relevant sub-criteria and indicative assessment factors. Not all activity-specific sub-criteria and indicative assessment factors will be applicable or relevant to every proposal. The ten iterative steps involved in developing GCF FPs are depicted in the following table.

Table 9 Integrated Results Management Framework (RMF)

Integrated RESULTS MANAGEMENT FRAMEWORK
The integrated results management framework (IRMF) sets out the approach of GCF to assessing how its investments deliver climate results and how its results contribute to the overall objectives of GCF to promote a paradigm shift toward low-emission and climate-resilient development pathways in the context of sustainable development and make a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change.

Required activities for the development of Funding Proposals

- a) (Pre-) feasibility studies and assessments
- b) Check accreditation scope and ESS category
- c) Define project scope/activities
- d) Conduct multi-stakeholder consultations and engagements
- e) Select executing entity
- f) Identify programme/project-level indicators
- g) Assess risk/impact
- h) Prepare integrated financial model (financial management)
- i) Legal due diligence
- j) Obtain the NDA no-objection letter

⁵⁷ GCF FP template <https://www.greenclimate.fund/document/funding-proposal-template>

⁵⁸ Access each result areas for detailed guidance <https://www.greenclimate.fund/themes-result-areas>

Supporting documents - non exhaustive (Annexes)

- a) NDA NoL
- b) Feasibility/market study
- c) Economic and/or financial Model
- d) Detailed budget plan
- e) Co-financing commitment letter
- f) Environmental and social safeguards report and Environmental and Social Management Plan
- g) Gender assessment and action plan
- h) Legal due diligence
- i) Implementation time table
- j) Consultations and stakeholder engagement plan
- k) Procurement plan
- l) Monitoring and evaluation plan
- m) Maps

4. Recommendations for a successful funding proposal

Overall, there are two main challenges for successful project proposals.⁵⁹

1. Designing the project or programme in the right way to meet investment criteria; and
2. Providing the required information concisely and in sufficient detail and quality.

Projects could be designed well and fulfil all GCF requirements, but if project developers do not manage to get this across in the proposal, the likelihood of funding is low. On the other hand, projects that do not address the 'right' issues and are not contributing to a paradigm shift, will find it hard to get funding approved, even with a well-written proposal.

To address these challenges, it is recommended to:⁶⁰

- a) Ensure providing a scientifically sound climate rationale, supported by the best available climate data,
- b) Describe through a logical framework (or log frame) how the intended changes (short, medium and long term) can be realised, including the potential shift in market behaviours and economies, by the proposed strategic investments made in regulatory and policy actions,
- c) Highlight country ownership by aligning the project's concept and actions with national climate change priorities (GCF country programme) through a comprehensive consultation and engagement of all relevant stakeholders as highlighted in the Stakeholder Engagement Strategy (SES) for GCF projects in Suriname,
- d) Generate multiple benefits beyond climate impacts, including non-climate environmental, social, economic benefits,
- e) Demonstrate gender responsiveness by actively promoting gender equality and the respect and value of contributions made by both women and men;
- f) Provide a mechanism for long-term sustainability in the project's design, ensuring that the impacts will be sustained after completion of financial support from the GCF and other funding sources; and
- g) Demonstrate value for money and, where possible, secure up-front co-financing to stimulate long-term investments beyond the GCF resources and the up-front commitments.
- h) The GCF advises the proponents to incorporate co-financing into the funded activities whenever possible with a view to maximise the effect of GCF investments. However, there is

⁵⁹ GIZ, 2017. Guidebook: Writing a Green Climate Fund Funding Proposal

⁶⁰ Ibid.

not a minimum amount of co-financing required by the GCF. The GCF recognises that co-financing may not always be achievable or realistic in developing countries. If co-financing is available, it should be assessed in a comprehensive manner in conjunction with other indicators included in the investment framework. It is important to note that GCF funding covers the whole or part of the incremental costs of a Funded Activity, while any other costs should be co-financed by other sources. Engaging with the private sector is, therefore key.⁶¹

- i) Engage the NDA from the very beginning of CN and FP development, encourages ownership and allows the NDA to facilitate consultation with relevant stakeholders. This helps the NDA to understand how AEs are addressing national priorities in their proposals.⁶²

5.3. Project implementation, monitoring and closure

Portfolio **implementation** (i.e. GCF projects and programmes), monitoring and management involve a series of actors with specific roles and responsibilities. These actors are critical in ensuring that GCF projects are implemented according to the required standards while benefitting target groups efficiently.

Primarily, the AE is in charge of the project implementation, monitoring and reporting. Nevertheless, the NDA should follow up on the implementation process and receive insights into the **project execution at least once a year (more often if agreed with the AE)**. This will enable them to take timely corrective measures and ensure better coordination and integration with other related investments in the country.⁶³ Moreover, through the Multistakeholder Country Coordination Mechanism the NDA can ensure that the progress and results of projects are communicated to different stakeholders, allowing transparency and knowledge exchange.

The following table presents the summary of tasks and responsibilities during the implementation and monitoring of projects and programmes.

Stakeholder	Role
Accredited Entities (DAEs and IAEs)	Responsible for the overall management, implementation and oversight of funded activities in line with GCF standards and legal agreements.
	Ensure prudent use, administration and management of GCF proceeds.
	Ensure compliance with the monitoring, evaluation and reporting responsibilities of each funded activity in line with the legal agreements.
	Ensure that their obligations under the legal agreements with GCF are passed on to their executing entities, including monitoring, reporting and verifying that GCF standards, safeguards and policies are upheld by their executing entities when implementing GCF projects and programmes
National Designated Authority (NDA)	Ensure continued country ownership and stakeholder engagement throughout the term of the project/programme.
	Support monitoring, evaluation and learning by working with accredited entities to plan for evaluations/reviews and impact assessments.
	Facilitate and support multi-stakeholder consultation for reporting and/or participatory monitoring, where needed
	Participate in performance assessment reviews and evaluation workshops and in the implementation of evaluation findings

⁶¹ GCF, 2019. Policy on Co-financing. <https://www.greenclimate.fund/sites/default/files/document/policy-cofinancing.pdf>

⁶² GCF, 2021, Review of Guidelines for Enhanced Country Ownership and Country Drivenness. Accessed: 14 /07/2022 <https://www.greenclimate.fund/sites/default/files/document/gcf-b30-inf11-add03.pdf>

⁶³ Ibid.

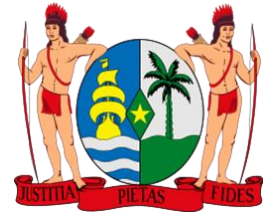
Executing Agencies - Other stakeholders (including civil society organisations, the private sector and the wider community)	Collaborate in all monitoring and evaluation activities, including providing access to projects, data and individuals relevant to GCF project and portfolio reviews, evaluations and assessments (for relevant projects/programmes) Provide feedback and data needed to assess GCF performance and results and on draft monitoring and evaluation findings of GCF investment projects
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The final stage of the GCF project and programme activity cycle relates to evaluating, synthesising, and codifying lessons learned and project closure. This contributes to informing the design of the next generation of GCF investment decisions, in line with the approach of GCF as a learning organisation. The GCF offers details on each stage of the cycle, which should be referred to by the parties involved in the implementation, especially the NDA and AE.⁶⁴

⁶⁴ Refer always to the latest version available: <https://www.greenclimate.fund/document/programming-manual>



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