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Readiness and Preparatory Support Interim Progress Report

Grant Agreement Number (MNE-RS-002)

NDA/Delivery Partner Name

Sections in this report:

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- Section 2: Reporting on Country Readiness Logical Framework
- Section 3: Actual Implementation Timetable
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- Section 6: Challenges, Lessons Learned, and Way Forward
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For more information, please refer to the GCF Readiness and Preparatory Support Programme guidebook available [online](#). Please submit the Interim Progress Report to opm@gcfund.org.

Interim Progress report should be prepared and signed by Delivery Partner and/or National Designated Authority (NDA).

Name and Title :Daniela Gasparikova Position: UNDP Resident Representative, Montenegro	Signature: <i>Daniela Gasparikova</i>	Date:
Name and Title (NDA): Aneta Kankaraš Position: Advisor, Ministry of Ecology, Spatial planning and Urbanism	Signature: <i>Aneta Kankaraš</i>	Date:



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Received by:	<i>Signature</i>	<i>Date</i> (DD-MM-YYYY)
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EXECUTIVE SUMMARY

During the implementation of activities in the period January - June 2021, the activities implemented focused on the following five sets of issues:

1. Setting the framework for monitoring and implementation of the project in the context of UNDP rules and procedures to define the oversight and implementation roles and responsibilities of all stakeholders involved in project implementation. As a consequence of these activities and in cooperation with support teams at the regional and global level, the project document was signed, the implementation framework was defined and reflected in the signed Delegation of Authority, which was issued in March 2021.

2. Establishing the project management structure in such a way that senior government officials and representatives are included in the management bodies. As a result of these activities, and in cooperation with the representatives of the Government of Montenegro, a Project Board was formed, which mostly consists of State Secretaries and other senior ministry representatives. The seniority of representation on the board reflects political support for the project and recognition of its importance. An Inception Workshop and Project Board Meeting took place in May 2021.

3. Presentation of goals and implementation processes to a wider circle of stakeholders. To comply with measures in place to prevent the spread of COVID-19, an online Inception Workshop was organized in May, during which the project was presented to a wider circle of stakeholders with whom communication continued after the workshop to further familiarize the stakeholders with mutual activities and to create a Partnership Committee. This committee is expected to start working during September 2021.

4. Initiating activities and providing the necessary expertise. Because of these activities during April and May 2021, several processes of hiring experts as well as tenders were initiated. These contracts are expected to be issued in the third quarter of 2021.

5. Creating synergies with current activities and projects of partner organizations as well as supporting the NDA in better coordination with the aim of more efficient functioning. Highlights of these activities are as follows:

- There was good cooperation with the process of updating the [Montenegro's NDC](#), with the aim of providing support to integrate ambitious climate action and green recovery from COVID-19. Through this, and in cooperation with the Ministry of Economy, the process of developing a Diagnostic Study on Needs of the Business Sector for Green Economic Recovery was initiated. Although the studies are not funded from NAP project funds, the conclusions are expected to be important inputs to Component 3 of this project.
- Influenced the development of the biodiversity mainstreaming project (USD 3.7 million project for GEF Star Allocation funds) so that the project mainstreams adaptation measures.
- Supported, through the UN system, efforts to redefine the status of the National Council for Sustainable Development in its structure and mandate. Currently, the secretariat of the council is located in the department of the Ministry of Ecology, Spatial Planning and Urbanism. Opportunities are being explored to relocate the Secretariat to become part of the General Secretariat of the Government of Montenegro.
- Initiated a discussion with the Rector of the University of Montenegro on how to better and more actively involve the University in the NAP process. The University is expected to initiate the establishment of a research centre focused on climate change and sustainable development. Significant contribution to this process could be provided through expertise from the NAP project, through a more intensive exchange of information and cooperation.



The key risks identified in the implementation so far relate to the pace of filling key positions in the relevant ministries and organizations, and finding persons who have adequate previous experience and expertise. During the period May-June, the situation was significantly better, because key positions were filled, and project staff were provided with national counterparts with the mandate to contribute to project implementation.

An additional risk is the lack of adequate expertise for the advertised positions on the project. Namely, most advertisements and tenders had to be extended several times to obtain candidates with adequate knowledge and skills. In this context, the project implementation team has a greater focus on disseminating information about published calls through professional networks and partner organizations.

SECTION 1: GENERAL INFORMATION

This section provides information on completing the General Information of the Readiness Support Interim Progress Report template.

1. Country	Montenegro
2. Grant agreement number	MNE-RS-002
3. Implementing Entity	United Nations Development Programme
4. Date of grant agreement signed	29/10/20
5. Grant effectiveness date	29/10/20
6. Date of 1st disbursement received from GCF	08/01/21
7. Tranche number of the committed funding during the reporting period	1
8. Reporting period	From: 01/01/21 To: 30/06/21
9. Total approved grant amount	USD 1,868,296.00
10. Total grant amount received from GCF during the reporting period	USD 448,776
11. Total grant amount expended during the reporting period	USD 58,745.45
12. Documents provided (Please tick the relevant boxes)	<input checked="" type="checkbox"/> Interim Progress Report <input type="checkbox"/> Procurement Plan <input type="checkbox"/> Subsequent Disbursement Request <input checked="" type="checkbox"/> Financial Report <input type="checkbox"/> Audited Financial Report



SECTION 2: REPORTING ON COUNTRY READINESS LOGICAL FRAMEWORK

This section requires an update on progress in implementing the planned Readiness activities. Any draft to the expected output should be submitted with progress report.

Progress is reported for the period (should be consistent with section 1.8)

From: 1/1/2021 To: 6/30/2021

Outcome 1: Adaptation planning governance, institutional coordination, and technical capacity strengthened.

Outcome narrative:

In order to assess capacity of key stakeholders involved in the NAP process to determine individual and institutional capacity gaps, ToRs were published for an international expert (selected and contracted), a local expert focused on institutional cooperation (selected) and a local expert focused on NGO/private sector cooperation (selected). Development of a training ToR for staff from the Institute of Hydrometeorology and Seismology (IHSM) on how to effectively use their mobile climate data collection units is ongoing, as it is necessary to create precise ToR to avoid overlapping in the assignment, but create synergies with the ongoing process of equipment procurement financed by the Adaptation Fund. Under the AF project "Integrated Climate-resilient Transboundary Flood Risk Management in the Drin River Basin in the Western Balkans" procurement of equipment is envisaged. The goal is to secure the ToR that would secure better use of existing and newly procured equipment.

Updated the mission and mandate of the Working Group on Mitigation and Adaptation to Climate Change initiated by selected local consultant, while the International expert and local expert for cooperation with NGO/Private sector are expected to be contracted during July.

Outputs	Baseline summary	Activities	Targets achieved	Indicators	Milestones and deliverables achieved ¹	Variance explanation	Qualitative assessment of activities undertaken	Planned activities and corresponding deliverables/milestones for the next reporting period
1.1: Institutional capacity for adaptation planning assessed and enhanced	There is insufficient technical capacity within the relevant institutions to understand climate information in the context of climate change and impacts, nor to effectively assess, prioritize and monitor adaptation investments.	As per approved proposal the Outcome is achieved through 4 sets of activities. Activity 1.1.1 Assess capacity of key stakeholders involved in the NAP process to determine individual and institutional capacity gaps that are key for integrating climate risks and	target in progress	The indicators, in cooperation with NDA, are in the design phase. Target date for verification workshop with national counterparts and presentation/adoption of the indicators by mid-August.	Internal UNDP process of obtaining Delegation of the authority and budget allocation finalised by end of March 2021, - Inception workshop organised on 05.04.2021. The event was attended by 38 participants, including GCF National Focal point, UNDP Regional Technical Advisor, representatives of	1.1.1. No variance 1.1.4. The development of the ToR is ongoing, as it is necessary to create precise ToR in a manner to create synergies with the ongoing process of equipment procurement financed by the Adaptation fund and avoid overlap..	In the context of presenting the intended process and expected result of the project, the project managed to disseminate information in an adequate manner and to create initial information exchange and partnerships. The management structure is established and consists of relevant decision makers	In order to improve the overall information exchange, and until the Council for Sustainable development is operational, the project will focus on establishment of the Partnership Committee with target date for the first meeting in September. 1.1.1. Finalisation of the assessment methodology and organising the assessment through questionnaires and focus groups,

¹ If possible, please provide hyperlinks to supporting documents.



		<p>adaptation into planning</p> <p>Activity 1.1.2 Based on the results of 1.1.1, develop and deliver a training programs to increase the capacity of government officials within the relevant government entities involved in the NAP</p> <p>Activity 1.1.3 Deliver a capacity development program uniquely designed for the private and civil society sectors to improve their understanding of climate risks and vulnerabilities</p> <p>Activity 1.1.4 Train IHSM staff on how to effectively use their mobile climate data collection units. Are listed in the proposal.</p>			<p>government institutions and subordinated agencies, UNDP Country Office, national and international organizations.</p> <p>- Secured appointments of high level GoM officials to the Project Board, and organized the first PB meeting on 04.04.2021.</p> <p>A 1.1.1. Selected national and international consultants to conduct capacity gap assessments of key government stakeholders-</p> <p>A 1.1.4 The development of the ToR for training for IHSM staff on how to effectively use their mobile climate data collection units is ongoing., as it is necessary to create precise ToR in a manner to avoid overlapping in the assignment, but create synergies with the ongoing process of equipment procurement financed by the Adaptation fund.</p>		<p>which should provide good foundation for adoption of recommendations and project results.</p> <p>.</p> <p>The team will continue relying on partners and available networks to disseminate future calls and ToRs securing better responses.</p>	<p>Finalisation of the capacity gap assessment of key government stakeholders.</p> <p>1.1.4. Finalise the design of the ToR for training for IHSM staffInitiate the training for the IHSM</p>
1.2 Institutional coordination to	The Working Group on	As per approved proposal the	target in progress	The indicators, in cooperation with NDA,	A 1.2.1. Selected a national consultant	1.2.1. Advertisements for	Based on inputs and codesign with	- Finalise pending selection process.



<p>support adaptation planning strengthened</p>	<p>Mitigation and Adaptation to Climate Change within the National Council for Sustainable Development does not have a formalized and codified mission, governing processes and SOP's thus preventing effective adaptation planning.</p>	<p>Outcome is achieved thought sets of activities as listed in the proposal as Activity 1.2.1 Update the mission and mandate of the Working Group on Mitigation and Adaptation to Climate Change in order to appropriately include issues related to adaptation</p>		<p>are in the design phase. Target date for verification workshop with national counterparts and presentation/adoption of the indicators by mid-August.</p>	<p>to conduct an institutional review and redefine the mission and mandate of the WGMACC</p> <p>Advertised a ToR for an international consultant to conduct an institutional review and redefine the mission and mandate of the WGMACC.</p> <p>Advertised a ToR for a national consultant to conduct an institutional review and redefine the mission and mandate of the WGMACC.</p> <p>Advertised a ToR for a national consultant / Legal Advisor to support the Directorate with legal analysis of proposed interventions as well as policy development</p>	<p>the international and national consultants to conduct an institutional review had to be extended due to insufficient eligible candidates. It is expected that the selection process will be finalised by end of July.</p> <p>1.2.1 Vacancy for National consultant / Legal Advisor position didn't result with eligible candidates. The position will be readvertised.</p>	<p>relevant national partners the ToRs for several positions were developed.</p> <p>Out of 4 advertisements 2 are finalised or in the final phase of contracting, while one will be finalised in July. The legal adviser will be readvertised.</p> <p>The team will continue relying on partners and available networks to disseminate future calls and ToRs securing better responses.</p>	<ul style="list-style-type: none"> - Review and redefine the mission and mandate of the WGMACC - Define a multi-stakeholder coordination mechanism for the NAP that includes the private sector, women and other vulnerable groups
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Outcome 2: An enhanced evidence base for designing gender-sensitive adaptation solutions.								
Outcome narrative: Selection process for the company/service provider to undertake a comprehensive review and consolidation of available climate risks assessments within or related to the four priority sectors is being finalized. Selection process for the company/service provider to undertake a public awareness communications campaign finalised.								
Outputs	Baseline summary	Activities	Targets achieved	Indicators	Milestones and deliverables achieved²	Variance explanation	Qualitative assessment of activities undertaken	Planned activities and corresponding deliverables/milestones for the next reporting period
2.1 Gender-specific climate change-driven risks and vulnerabilities in priority sectors identified, broad goals and potential adaptation measures developed	There is limited and scattered information on Montenegro's climate vulnerabilities, impacts, and adaptation priorities. Little to no insight on the most pressing climate change driven risks and vulnerabilities within the four sectors. This hinders/prevents informed adaptation planning. No existing process for developing, analysing and evaluating options. Investment decisions are made on an ad-hoc	As per approved proposal the Outcome is achieved through 3 sets of activities. Activity 2.1.1 Undertake a comprehensive review and consolidation of available climate risks assessments within or related to the four priority sectors that includes an examination of the impacts on both public and private sectors assets and systems in the assessments Activity 2.1.2 Develop gender-sensitive	target in progress	The indicators, in cooperation with NDA, are in the design phase. Target date for verification workshop with national counterparts and presentation/adoption of the indicators by mid-August.	Selection process for the company/service provider to undertake a comprehensive review and consolidation of available climate risks assessments within or related to the four priority sectors is being finalized. Due to the amount of the winning bid (approximately 150.000 USD), the process needs to be reviewed by second commission (as per UNDP SOP) and the contract is expected to be issued during July.	No variance	The selection process has been implemented in time and according to UNDP rules and procedures.	Undertake a comprehensive review and consolidation of available climate risks Initiate development gender-sensitive adaptation goals, targets and indicators for each of the four priority sectors.

² If possible, please provide hyperlinks to supporting documents.



	<p>basis, without a structured methodology frequently leading to sub-optimal outcomes. There is a lack of a pipeline of well-designed relevant adaptation projects.</p>	<p>adaptation goals, targets and indicators for each of the four priority sectors.</p> <p>Activity 2.1.3 Review and analyze sectoral development plans and policies (water, agriculture, public health and tourism) to identify entry points for integrating gender-sensitive climate adaptation measures.</p> <p>As presented in the proposal.</p>						
<p>2.2 National Adaptation Planning processes established.</p>	<p>The NAP process is in an early development stage and is not advancing. There is essentially no public awareness about the GoM adaptation concerns and aspirations.</p>	<p>As per approved proposal the Outcome is achieved thought 6 sets of activities.</p> <p>Activity 2.2.1 Informed by Activities 2.1.1, 2.1.2 and 2.1.3 this activity will establish a team of multidisciplinary national and international experts to formulate and draft a National Adaptation Plan.</p>	<p>Target in progress</p>	<p>The indicators, in cooperation with NDA, are in the design phase. Target date for verification workshop with national counterparts and presentation/adoption of the indicators by mid-August.</p>	<p>Selection process for the company/service provider to undertake a public awareness communications campaign finalised. The activities expected to start in July.</p>	<p>No variance</p>	<p>The selection process has been implemented in time and according to UNDP rules and procedures</p>	<p>- Public awareness communication strategy and work plan developed and implementation started</p>



		<p>Activity 2.2.2 Develop a work-plan for implementation of the NAP process over a 3-year period.</p> <p>Activity 2.2.3 Establish a monitoring and evaluation framework for adaptation planning and its effectiveness. This monitoring and evaluation framework will include indicators and targets for monitoring and evaluation based on sex-disaggregated data.</p> <p>Activity 2.2.4 Develop a Gender Action Plan to ensure gender is explicitly featured in the design and implementation of the NAP.</p> <p>Activity 2.2.5 Coordinate a public and expert review</p>						
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		process of the NAP. Activity 2.2.6 A public awareness communications campaign to communicate Montenegro's medium- to long-term adaptation priorities. As presented in the proposal.						
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Outcome 3: An adaptation finance mobilization strategy developed.

Outcome narrative: No activities conducted during the reporting period using the NAP funds. However, there was alignment with the NDC update process that supported the integration of increased adaptation commitments and green recovery principles. Because of this cooperation, and in cooperation with the Ministry of Economy, the process of developing a Diagnostic Study on Needs of the Business Sector for Green Economic Recovery was initiated. Although the studies are not funded from NAP project funds, the conclusions are important as an input to Component 3 of the NAP project,

Outputs	Baseline summary	Activities	Targets achieved	Indicators	Milestones and deliverables achieved ³	Variance explanation	Qualitative assessment of activities undertaken	Planned activities and corresponding deliverables/milestones for the next reporting period
3.1 Mechanisms for funding adaptation investments identified.	There is a lack of clarity on the costs of addressing the adaptation needs in the four priority sectors. Additionally, there is a lack of understanding of the financing options available for adaptation	As per approved proposal the Outcome is achieved through 3 sets of activities. Activity 3.1.1 Conduct a preliminary cost-benefit analysis for prioritized CCA investment options	Activities not yet started	The indicators, in cooperation with NDA, are in the design phase. Target date for verification workshop with national counterparts and presentation/adoption of the indicators by mid-August.				No activities planned for the next 6 months

³ If possible, please provide hyperlinks to supporting documents.



	<p>including within GoM budgets but also international sources.</p>	<p>Activity 3.1.2 Develop a financing strategy that maps to the prioritized adaptation goals and that identifies and considers the barriers that prevent private sector stakeholders from engaging in low-emission and climate-resilient development.</p> <p>Activity 3.1.3 Informed by Activities 2.1.1, 2.1.2, 2.1.3 and 2.2.1, four Concept Notes will be developed that address the prioritized risks and respond to the identified adaptation options of each sector.</p> <p>As presented in the proposal.</p>						
<p>3.2 Private sector engagement in adaptation strengthened.</p>	<p>The private sector is not engaged in investing in adaptation projects and activities. They lack knowledge of the risks and costs to their businesses/sectors</p>	<p>As per approved proposal the Outcome is achieved thought 2 sets of activities.</p> <p>Activity 3.2.1 Informed by Activities 3.1.1 and</p>	<p>Activities not yet started</p>	<p>The indicators, in cooperation with NDA, are in the design phase. Target date for verification workshop with national counterparts and presentation/adoption</p>				<p>No activities planned for the next 6 months</p>



	<p>as well as the options and opportunities that adaptation presents.</p>	<p>3.1.2, define a sustainable finance sector investment strategy and roadmap to increase the private sector's interest and engagement in adaptation.</p> <p>Activity 3.2.2 Informed by Activities 2.1.1, and 3.2.1, deliver workshops with private sector actors including representatives from major companies, industry associations, banks and academia, to explore and present strategies and opportunities for investing in adaptation projects as well as real or potential government incentive schemes aimed at encouraging investment.</p> <p>As presented in the proposal.</p>		<p>of the indicators by mid-August.</p>				
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SECTION 4: BUDGET & EXPENDITURE REPORTING

This section requires the applicant to report on the proposed budget. Please complete this section using the Readiness Budget Expenditure & Resource Report template (MS Excel)

SECTION 5: PROCUREMENT PLAN FOR THE NEXT IMPLEMENTATION PERIOD

List the items planned to be procured during the next implementation period (including consultants) and explain what procedures will be used for these procurements (e.g. direct procurement, open tender, other). Double-click the table below to edit the spreadsheet.

Item to procure	Unit Number or Work month/day	Lump sum or Unit rate	Total Budget	Procurement procedures used
	i	ii	iii = (i x ii)	
Goods and Non-Consulting Services				
Professional services 2.1.1		185,000	185,000	Competitive process. Advertisement in interna
Professional services 2.2.6		45000	45000	Competitive process. Desk review.
Workshops		96000	96000	Direct procurement of individual workshops
Audio Visual & Printing (AV equipment, printing and tra		24000	24000	Direct procurement

SECTION 6: CHALLENGES, LESSONS LEARNED AND WAY FORWARD

Please describe what were the challenges encountered during the current reporting period; what were the solutions to mitigate them; and what were the key lessons learned and what will the project do to undertake course corrections during the next reporting period.

⁴ As per signed agreement.

⁵ Please provide details information of commitment and accrual including vendor/payee name, amount and payment due date.

⁶ Please provide justification for variance, excess of 10% of the amount originally allocated for a Category shall only be done with the Fund's prior written approval.



The project implementation is in the initial phase and overall, the process is on track with no significant risks that would jeopardize the achievement of the objectives set by the project. Despite the positive initial phase, several risk factors require additional attention during the next phase of implementation:

- After the elections in 2020, there was a change in the structure Government of Montenegro, including Ministries and coordinating bodies. These changes have also led to changes in personnel, which are ongoing in some cases. In this context, there is a certain risk that these changes will continue during the project implementation, i.e. that government contact persons will be changed.

In this context, the project tries to create a wider network of associates and partners in a systematic way to begin the process of mainstreaming adaptation. Therefore, the project will focus in the coming period on defining and forming a partnership committee. As stated in the ToR for the Partnership Committee, it will, *inter alia*, provide advisory support to the Project Board and specific recommendations to the Project Team. The ToR is included as an Annex to this report.

Some challenges and risks have emerged in the previous 6 months of implementation:

- Changes in personnel at the level of ministries and partner organisations and overall limited institutional memory that newly appointed personnel could rely on, might lead to constrains in data collection and getting the necessary inputs. To address this, the project will include local experts with relevant experience, either through recruitment or engagement with the Partnership Committee.

Lack of cooperation between government stakeholders with regards to establishing institutional coordination framework. At present, the Council for Sustainable Development is not formally functioning. Although in principle this is a limitation for the functioning of the coordination mechanism for sustainable development, taking into account the support that the project can provide, this can be treated as an opportunity to significantly contribute to the improvement of the coordination process. During the reporting period, one of the options considered was to move the Council to the Prime Minister's Office, which would open the possibility for more effective operation of the Council through a broader mandate and competencies of the Government and the Prime Minister's Office. The final form and position of the council, however, depends on the agreement of the national partners, while the project plan is to support this process through adequate analysis, examples of good practice and applicable recommendations.

The precondition for the success of this initiative is that the partner ministries and organizations stop thinking in isolation and provide real support for the establishment of a functional structure.

Over the next 6 months, the focus of the project will be in the area of defining the coordination mechanism, involvement of universities and university units in the work of councils and project activities as well as efficient implementation of contractual obligations by contracted service providers. In this context, it is important to continue the close cooperation with key partners and to jointly develop a base of contacts and persons / institutions that can contribute to the implementation process.



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Comments

Reviewed by:*Name and Title (Reviewer):*
*Position:***Signature:****Date:****(DD-MM-YYYY)****Final assessment by:***(Satisfactory to GCF)*
Name and Title (Reviewer):
*Position:***Signature:****Date:****(DD-MM-YYYY)**



Annex. Subsequent Disbursement Request Form

Please fill the below form to request for the subsequent disbursement when the interim progress report along with unaudited financial statement/financial audit report/certified financial statements as applicable in accordance with Grant Agreement has been submitted to GCF (please note that the disbursement request can be processed only after these conditions are met).

SUBSEQUENT DISBURSEMENT REQUEST	
1. Total amount approved for the project	Choose an item. Example: USD 300,000
2. Disbursement from GCF made to date/Percentage of Total Grant (%)	Choose an item. Example: USD 120,000 /40 % (refer to Grant Agreement)
3. Total expenditure to date	Choose an item. Example: USD 118,000
4. Expenditure rate as of the Interim Progress Report submission date (%)	<i>Please divide the received amount (2) by the executed amount (3). Example: 70%</i>
5. Total amount of the subsequent disbursement to request/Percentage of Total Grant (%)	Choose an item. Example: USD 130,000/43 % (refer to Grant Agreement)
6. Name of Beneficiary Bank and located country	
7. Account number	
8. Bank address	
9. SWIFT (BIC)	
10. IBAN Code	
11. Date of the disbursement request	Click or tap to enter a date.

Name and Title*: Position:	Signature:	Date:
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**The signatory of grant agreement (either NDA or Delivery Partner) or any authorised person who is certified in the letter of authorisation submitted to the Fund can sign here. When this is not plausible, please kindly consult with the Fund (opm@gcfund.org) prior to the submission of the disbursement request.*



SPECIAL ADDENDUM: COVID-19 RELATED IMPACTS

This section provides information on temporary measures to support project implementation through the extension period. Please be advised that the measures do not constitute a permanent change in policy. If you have any questions, please feel free to send an inquiry to opm@gcfund.org.

GCF has granted up to six-months extension of the grant term/anticipated duration of readiness activities for specific grants that had been approved by the GCF prior to the pandemic having arisen and which expire after 1 March 2020 and are effective prior to 8 April 2020. GCF has granted additional flexibilities with guidelines as outlined below.

No-Cost Extension

- i. All grants will be automatically extended by six months. However, please be informed that the willingness on the part of the GCF to provide this six-month extension on the basis of the COVID-19 pandemic is not intended to prevent RPSP activities from being delivered under the pre-pandemic existing contractual timelines. Delivery partners and National Designated Authorities/Focal Points (NDA/FP) can complete the grant implementation sooner than the full no-cost extension period. Therefore, the GCF expects that delivery partners will fully coordinate with NDA/FPs in relation to the application of the said extension as a result of the COVID-19 pandemic.
- ii. Delivery partners should include a revised workplan for the new period in the next reporting cycle.
- iii. Grants requiring an extension longer than the six-months must submit well justified requests in line with standard practices and procedures for the GCF's consideration and approval.
- iv. The originally agreed grant sum required to complete the activities under the respective legal agreements remains unchanged for grants accepting the no-cost extension.

Project management costs: The project management costs (PMC) cap has been increased from 7.5 percent to 12.5 percent of the total activity budget approved. Partners can tap into the approved contingency fund to meet these additional costs up to the 12.5% cap. If the delivery partner increases the PMC, then the delivery partner is required to provide detailed documentation and justification supporting the increase in PMC and clearly outlining how the additional costs are related to the COVID-19 pandemic. This justification should be included in the interim progress report or completion reports due for submission as detailed in the grant agreement.

Contingency budget: The approved contingency amount included in the budgets for these activities may be used to cover unforeseen costs relating to the COVID-19 pandemic without prior approval from GCF. The contingency budget may be used for project management costs (PMC). The said contingency expenses will need to be justified and included in the detailed reports that are required to be submitted by the delivery partner/recipient under the respective legal agreement between the delivery partner/recipient and the GCF.

Budget Re-allocation: The reallocation of approved budget among the budget line items can be made from one budget category to another up to 25 percent variation across the categories. The receiver and giver budget category can only take or give without prior fund approval up to 25 percent based on the previously approved budget. Budget can also be reallocated from outputs without changing the project scope to PMC if the contingency budget is insufficient to meet the increases in PMC. The delivery partner is required to provide detailed documentation and justification supporting the budget reallocation in the submitted reports in line with the grant agreement.



Types of Measures	Output No.	Activity No.	Implementation and Deliverables Schedule (Please provide details of the change to activities, deliverables, etc.)				Budgetary Implications
			Impact on delivery modality	Deliverable	Original Date	Revised Date	
Choose an item.							
Choose an item.							
Choose an item.							
Choose an item.							
Choose an item.							
Choose an item.							

In-country Status (Please provide an update of the status of the country due to COVID-19 pandemic.)	
Justification for Requests and Implications (Please provide details of the changes to support utilization of temporary measures.)	
Mitigation Measures (Please provide details of how risks will be mitigated)	



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Reviewed by:

Name and Title:

Position: DSS Finance

Signature:

Date:

(DD-MM-YYYY)

Certified by:

Name and Title:

Position: DSS Finance

Signature:

Date:

(DD-MM-YYYY)

Approved by:

Name and Title:

Position: CFO

Signature:

Date:

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Position:

Signature:

Date:

(DD-MM-YYYY)

Final assessment by:

(Satisfactory to GCF)

Name and Title (Reviewer):

Position:

Signature:

Date:

(DD-MM-YYYY)